

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 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 30, 2013

Build-A-Bear Workshop, Inc.
(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other
Jurisdiction of
Incorporation)

001-32320
(Commission
File Number)

43-1883836
(IRS Employer
Identification No.)

1954 Innerbelt Business Center Drive
St. Louis, Missouri

(Address of Principal Executive Offices)

63114

(Zip Code)

(314) 423-8000

(Registrant's Telephone Number, Including Area Code)

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 1.01. Entry into a Material Definitive Agreement.

On April 30, 2013, Build-A-Bear Workshop, Inc. (the “Company”) and all of its domestic subsidiaries (collectively with the Company, the “Borrower”) entered into a Thirteenth Amendment to Loan Documents (the “Loan Document Amendment”) with U.S. Bank National Association (“U.S. Bank”), which amends the Company’s Fourth Amended and Restated Loan Agreement (the “Credit Agreement”) and the Fourth Amended and Restated Revolving Credit Note (the “Revolving Credit Note”) with U.S. Bank.

The Loan Document Amendment reduces the minimum tangible net worth covenant to \$70,000,000 and reduces the fixed charge coverage ratio covenant to be 1.10 to 1.00 for the four fiscal quarter periods ended March 30, 2013, June 29, 2013, September 28, 2013, and 1.15 to 1.00 for each four fiscal quarter period thereafter. Except for the changes in the preceding sentence, the terms and conditions of the Credit Agreement remain unchanged. The Borrower does not currently have any outstanding borrowings under the Credit Agreement and is currently in compliance with the Credit Agreement covenants.

Relationship to U.S. Bank

The Company has or may have had customary banking relationships with U.S. Bank based on the provision of a variety of financial services, including lending, commercial banking and other advisory services.

The foregoing description of the Loan Document Amendment is only a summary of certain terms and conditions of the document and is qualified in its entirety by reference to the Loan Document Amendment, which has been filed as Exhibit 10.1 hereto and which is incorporated by reference herein. In addition, the Company has previously filed the Credit Agreement and the Revolving Credit Note as Exhibits 10.1 and 10.2, respectively, to its Current Report on Form 8-K, filed on August 13, 2008, as amended by the Seventh Amendment to Loan Documents previously filed as Exhibit 10.1 to its Current Report on Form 8-K, filed on October 29, 2009, the Eighth Amendment to Loan Documents previously filed as Exhibit 10.1 to its Current Report on Form 8-K, filed on January 4, 2011, and the Ninth Amendment to Loan Documents previously filed as Exhibit 10.1 to its Current Report on Form 8-K, filed on January 4, 2012, the Tenth Amendment to Loan Documents previously filed as Exhibit 10.1 to its Current Report on Form 8-K, filed on July 26, 2012, the Eleventh Amendment to Loan Documents previously filed as Exhibit 10.1 to its Current Report on Form 8-K, filed on December 21, 2012, and the Twelfth Amendment to Loan Documents previously filed as Exhibit 10.1 to its Current Report on Form 8-K, filed on February 14, 2013, which documents have also been incorporated by reference in the Company’s Annual Report on Form 10-K for the year ended December 29, 2012 (File No. 001-32320), filed on March 14, 2013; the foregoing description of those documents is also only a summary of certain terms and conditions therein and is qualified in its entirety to such documents as previously filed.

Item 2.02. Results of Operations and Financial Condition.

On May 2, 2013, Build-A-Bear Workshop, Inc. (the “Company”) issued a press release setting forth the Company’s first quarter 2013 earnings. A copy of the Company’s press release is being furnished as Exhibit 99.1 and hereby incorporated by reference.

The information furnished in, contained, or incorporated by reference into this Item 2.02, including Exhibit 99.1 attached hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities and Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing. In addition, this report (including Exhibit 99.1) shall not be deemed an admission as to the materiality of any information contained herein that is required to be disclosed solely as a requirement of this Item.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
10.1	Thirteenth Amendment to Loan Documents between Build-A-Bear Workshop, Inc., Build-A-Bear Workshop Franchise Holdings, Inc., Build-A-Bear Entertainment, LLC, Build-A-Bear Retail Management, Inc., as Borrowers, and U.S. Bank National Association, as Lender, entered into effective as of April 30, 2013
99.1	Press Release dated May 2, 2013

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.

BUILD-A-BEAR WORKSHOP, INC.

Date: May 2, 2013

By: /s/ Tina Klocke

Name: Tina Klocke

Title: Chief Operations and Financial Bear,
Secretary and Treasurer

EXHIBIT INDEX

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THIRTEENTH AMENDMENT TO LOAN DOCUMENTS

BUILD-A-BEAR WORKSHOP, INC. ("BABWI"), successor by merger to BUILD-A-BEAR WORKSHOP, LLC, **BUILD-A-BEAR WORKSHOP FRANCHISE HOLDINGS, INC.** ("BABWF"), **BUILD-A-BEAR ENTERTAINMENT, LLC** ("BABE"), **BUILD-A-BEAR RETAIL MANAGEMENT, INC.** ("BABRM"), jointly and severally (individually and collectively, the "Borrower"), and **U.S. BANK NATIONAL ASSOCIATION** ("Lender"), hereby agree as follows effective as of April 30, 2013 (the "Effective Date"):

1. **Recitals.**

- 1.1 Lender and Build-A-Bear Workshop, LLC entered into a Loan Agreement and related loan and security documents dated as of March 1, 2000 pursuant to which the Lender extended a revolving credit facility to the Borrower (the "Loan").
 - 1.2 Lender, Build-A-Bear Workshop, LLC and BABWI entered into an assumption and amendment agreement dated as of April 3, 2000, whereby BABWI assumed all of the obligations of its predecessor in interest, Build-A-Bear Workshop, LLC.
 - 1.3 Lender and Borrower amended the terms of the Loan by the First Amended and Restated Loan Agreement and related loan and security documents dated as of June 1, 2001 (the "First Amended Loan Agreement").
 - 1.4 Lender and Borrower amended and restated the First Amended Loan Agreement by the Second Amended and Restated Loan Agreement dated as of February 13, 2002 (the "Second Amended Loan Agreement") and Borrower delivered to Lender in connection therewith the First Amended and Restated Revolving Credit Note and the First Amended and Restated Security Agreement.
 - 1.5 Lender and Borrower amended the Second Amended Loan Agreement and related Loan Documents pursuant to the First Amendment to Loan Documents effective as of May 30, 2003 to add additional borrowers to the Loan Documents, to revise certain financial covenants in the Loan Documents, and to add Build-A-Bear Workshop Canada, Ltd. ("Bear Canada") as a guarantor of the obligations under the Loan Documents.
 - 1.6 Lender and Borrower amended the Second Amended Loan Agreement and related Loan Documents pursuant to the Second Amendment to Loan Documents effective as of December 31, 2003 to add an additional borrower to the Loan Documents.
 - 1.7 Lender and Borrower amended the Second Amended Loan Agreement and related Loan Documents pursuant to the Third Amendment to Loan Documents effective as of May 31, 2004 to extend the Maturity Date and to change certain other terms and covenants in the Loan Documents.
 - 1.8 Lender and Borrower amended the Second Amended Loan Agreement and related Loan Documents pursuant to the Fourth Amendment to Loan Documents effective as of September 28, 2004 to correct the name of Bear Canada.
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- 1.9 Lender and Borrower amended and restated the Second Amended Loan Agreement by the Third Amended and Restated Loan Agreement dated as of May 31, 2005 (the "Third Amended Loan Agreement") and Borrower delivered to Lender in connection therewith the Second Amended and Restated Revolving Credit Note.
- 1.10 Lender and Borrower amended the Third Amended Loan Agreement and related Loan Documents pursuant to the Fifth Amendment to Loan Documents effective as of June 30, 2006 to add Build-A-Bear Workshop UK Holdings, Ltd. ("Bear UK") as a Borrower and to change certain other terms and covenants in the Loan Documents and Borrower delivered to Lender in connection therewith the Third Amended and Restated Revolving Credit Note.
- 1.11 Lender and Borrower amended the Third Amended Loan Agreement and related Loan Documents pursuant to the Sixth Amendment to Loan Documents effective as of June 19, 2007 to extend the Maturity Date.
- 1.12 Lender and Borrower amended and restated the Third Amended Loan Agreement by the Fourth Amended and Restated Loan Agreement dated as of August 11, 2008 (the "Fourth Amended Loan Agreement") and Borrower delivered to Lender in connection therewith the Fourth Amended and Restated Revolving Credit Note (the "Fourth Amended Revolving Credit Note").
- 1.13 Lender and Borrower amended the Fourth Amended Loan Agreement, the Fourth Amended Revolving Note, and the related Loan Documents pursuant to the Seventh Amendment to Loan Documents effective as of October 28, 2009 to extend the Maturity Date, to adjust the rate of interest, and to modify certain covenants.
- 1.14 Lender and Borrower amended the Fourth Amended Loan Agreement, the Fourth Amended Revolving Note, and the related Loan Documents pursuant to the Eighth Amendment to Loan Documents effective as of December 31, 2010 to extend the Maturity Date, to adjust the rate of interest, and to modify certain covenants.
- 1.15 Lender and Borrower amended the Fourth Amended Loan Agreement, the Fourth Amended Revolving Note, and the related Loan Documents pursuant to the Ninth Amendment to Loan Documents effective as of December 30, 2011 to extend the Maturity Date, and to modify certain covenants.
- 1.16 Lender and Borrower amended the Fourth Amended Loan Agreement, the Fourth Amended Revolving Note, and the related Loan Documents pursuant to the Tenth Amendment to Loan Documents effective as of June 30, 2012 to modify the Tangible Net Worth Covenant.
- 1.17 Lender and Borrower amended the Fourth Amended Loan Agreement, the Fourth Amended Revolving Note, and the related Loan Documents pursuant to the Eleventh Amendment to Loan Documents effective as of December 21, 2012 to reduce the Total Facility, to extend the Maturity Date, and to modify certain other terms of the Loan Documents.

1.18 Lender and Borrower amended the Fourth Amended Loan Agreement, the Fourth Amended Revolving Note, and the related Loan Documents pursuant to the Twelfth Amendment to Loan Documents effective as of February 13, 2013 to modify the Fixed Charge Coverage Ratio.

1.19 Lender and Borrower intend to amend the Fourth Amended Loan Agreement pursuant to this Thirteenth Amendment to Loan Documents (this "Amendment") to modify the Fixed Charge Coverage Ratio and Tangible Net Worth covenants.

1.20 Capitalized terms used herein and not otherwise defined will have the meanings given such terms in the Fourth Amended Loan Agreement.

2. **Amendments.**

2.1 Section 6.4 of the Fourth Amended Loan Agreement is hereby deleted and replaced with the following:

6.4 **Minimum Tangible Net Worth.** Permit the Tangible Net Worth of Borrower on a consolidated basis to be less than \$70,000,000 as of each fiscal quarter end.

2.2 Section 6.6 of the Fourth Amended Loan Agreement is hereby deleted and replaced with the following:

6.6 **Fixed Charge Coverage Ratio.** Permit the ratio of: (i) the sum of net income, plus depreciation, plus amortization, plus interest expense, plus income taxes, plus operating lease payments, minus the amount of cash actually expended for taxes and dividends, minus an amount for maintenance capital expenditures equal to \$5,000,000, to (ii) the sum of scheduled principal payments on Indebtedness including capitalized lease payments, plus the amount of cash actually expended for interest and operating lease payments, all for Borrower on a consolidated basis, to be less than: (a) 1.10 to 1.00 as of March 30, 2013, June 29, 2013, and September 28, 2013, or (b) 1.15 to 1.00 as of each fiscal quarter end thereafter, in each case for the four (4) fiscal quarter period then ending.

3. **General.**

3.1 Except as expressly modified herein, the Loan Documents, as amended, are and remain in full force and effect. The Loan Documents are hereby ratified and confirmed as the continuing obligation of Borrower. Nothing contained herein will be construed as waiving any Default or Event of Default under the Loan Documents or will affect or impair any right, power or remedy of Lender under or with respect to the Loan Documents, as amended, or any agreement or instrument guaranteeing, securing or otherwise relating to any of the Obligations.

3.2 Borrower represents and warrants to Lender that: (a) this Amendment and the documents to be executed by Borrower in connection with this Amendment have been duly authorized, executed and delivered by Borrower; (b) each has full power and authority to enter into this Amendment; (c) this Amendment and the documents executed by Borrower in connection with this Amendment constitute the legal, valid and binding obligations of Borrower enforceable in accordance with their respective terms except as such enforceability may be limited by applicable bankruptcy, reorganization, insolvency, moratorium or similar laws in effect from time to time affecting the rights of creditors generally and except as such enforceability may be subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in law or in equity); and (d) no Default or Event of Default exists. The representations and warranties of Borrower contained in the Loan Documents are deemed to have been made again on and as of the date of execution of this Amendment, except to the extent that such representations and warranties were expressly limited to an earlier date.

- 3.3 All representations and warranties made by Borrower herein will survive the execution and delivery of this Amendment.
- 3.4 This Amendment will be binding upon and inure to the benefit of Borrower and Lender and their respective successors and assigns.
- 3.5 Borrower will pay attorneys' fees and expenses of Lender incurred in connection with this Amendment and related documentation. Such fees, expenses may be charged to Borrower by Lender as a Revolving Credit Loan.
- 3.6 This Amendment will in all respects be governed and construed in accordance with the laws of the State of Ohio.
- 3.7 A copy of this Amendment may be attached to the Fourth Amended Revolving Credit Note as an allonge. This Amendment is a "Loan Document" as defined in the Fourth Amended Loan Agreement.
- 3.8 This Amendment and the documents and instruments to be executed hereunder constitute the entire agreement among the parties with respect to the subject matter hereof and shall not be amended, modified or terminated except by a writing signed by the party to be charged therewith.
- 3.9 Borrower agrees to execute such other instruments and documents and provide Lender with such further assurances as Lender may reasonably request to more fully carry out the intent of this Amendment.
- 3.10 This Amendment may be executed in a number of identical counterparts. If so, each such counterpart shall collectively constitute one agreement. Any signature delivered by a party by facsimile or other electronic transmission shall be deemed to be an original signature hereto.
- 3.11 No provision of this Amendment is intended or shall be construed to be for the benefit of any third party.
- 3.12 **BORROWER AND LENDER HEREBY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION RELATING TO THIS INSTRUMENT AND TO ANY OF THE LOAN DOCUMENTS, THE OBLIGATIONS THEREUNDER, ANY COLLATERAL SECURING THE OBLIGATIONS, OR ANY TRANSACTION ARISING THEREFROM OR CONNECTED THERETO. BORROWER AND LENDER EACH REPRESENTS TO THE OTHER THAT THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY GIVEN.**

SIGNATURE PAGE FOLLOWS

SIGNATURE PAGE TO THIRTEENTH AMENDMENT TO LOAN DOCUMENTS

**U.S. BANK NATIONAL ASSOCIATION
Lender**

By: /s/ Charles L. Thomas
Charles L. Thomas
Senior Vice President

**BUILD-A-BEAR WORKSHOP, INC.,
BUILD-A-BEAR WORKSHOP FRANCHISE HOLDINGS, INC.,
BUILD-A-BEAR RETAIL MANAGEMENT, INC.
Borrowers**

By: /s/ Maxine Clark
Maxine Clark
Chief Executive Officer

**BUILD-A-BEAR ENTERTAINMENT, LLC,
By: Build-A-Bear Retail Management, Inc.,
Sole Member
Borrower**

By: /s/ Maxine Clark
Maxine Clark
Chief Executive Officer

Build-A-Bear Workshop, Inc. Reports First Quarter Fiscal 2013 Results

- **Consolidated Comparable Store Sales Increase 10.4%**
- **Consolidated Net Retail Sales Increase 8.0% with 24 Fewer Stores than Last Year**
- **Net Income of \$13,000 versus Net Loss of \$1.0 Million Last Year**

ST. LOUIS--(BUSINESS WIRE)--May 2, 2013--Build-A-Bear Workshop, Inc. (NYSE: BBW), an interactive entertainment retailer, today reported results for the 2013 first quarter ended March 30, 2013.

First Quarter 2013 Highlights:

- Consolidated net retail sales were \$102.9 million with 24 fewer stores compared to \$95.2 million in the 2012 first quarter, an increase of 8.0%, excluding the impact of foreign exchange;
- Consolidated comparable store sales increased 10.4% and included a 10.6% increase in North America and a 9.7% increase in Europe;
- Consolidated e-commerce sales rose 7.0%, excluding the impact of foreign exchange;
- Net income of \$13,000, or \$0.00 per diluted share, improved from a net loss of \$1.0 million, or \$0.06 per share in the 2012 first quarter; and
- Adjusted net income was \$2.3 million, or \$0.14 per diluted share, compared to an adjusted net loss of \$0.5 million, or \$0.03 per share in the 2012 first quarter. (See Reconciliation of Net Income (Loss) to Adjusted Net Income (Loss))

Maxine Clark, Build-A-Bear Workshop's Chief Executive Bear commented, "We have had a strong start to the year with a double digit increase in consolidated comparable store sales, growth in e-commerce and a return to profitability in the first quarter. Our positive trend has continued into the second quarter with year-to-date through April consolidated comps up 10.1%, which normalizes the change in the timing of Easter.

"We remain intently focused on our objectives including refreshing stores in our updated design, right sizing our store base and adjusting our marketing messaging to emphasize our brand experience. Our first six remodeled stores continue to have strong average sales increases of 25% and we expect to remodel approximately 25 additional stores in the new design in 2013. In the quarter, we closed 18 stores and transferred over 20% of those sales to other stores in the same markets. Our brand messaging is working, driving traffic and engaging both existing and new guests with our brand. We continue to have a strong balance sheet with \$41 million in cash and no debt," Ms. Clark concluded.

Additional Operating Highlights

- Total revenues were \$104.3 million with 24 fewer stores compared to \$96.4 million in the fiscal 2012 first quarter, an increase of 8.5%, excluding the impact of foreign exchange;
- Retail gross margin improved to 41.5% from 39.9% in the 2012 first quarter. This 160 basis point improvement was primarily driven by the leverage of fixed buying and occupancy costs on higher comparable store sales, which more than offset the impact of higher product costs; and
- Selling, general and administrative expenses totaled \$43.7 million or 41.9% of total revenues and included incremental marketing and store closing expenses, as well as \$1.8 million in management transition costs. This compares to \$40.1 million, or 41.6% of total revenues in the fiscal 2012 first quarter.

Store Activity

During the quarter, the Company closed 18 stores to end the period with 333 company-owned stores – 273 in North America and 60 in Europe. (See Company-Owned Store Activity Schedule.) The Company's international franchisees added one store, net of closures, finishing the fiscal 2013 first quarter with 92 stores in 14 countries.

The Company continues to expect to close an additional 30 to 45 stores in fiscal 2013 and 2014 to reach its optimal store count of 225 to 250 stores in North America. These select store closures are expected to transfer approximately 20% of sales to other stores in the same markets, which is consistent with the average transfer rate of the stores closed since 2011.

Balance Sheet

The Company ended the 2013 first quarter with a strong balance sheet and no borrowings under its revolving credit facility. As of March 30, 2013, cash and cash equivalents totaled \$40.8 million, approximately half of which was domiciled outside the U.S. Total inventory at quarter end was \$37.8 million. Inventory per square foot decreased 10.3%, as compared to the prior year period.

In 2013, the Company continues to expect capital expenditures to be approximately \$20 to \$25 million and depreciation and amortization is expected to be approximately \$20 to \$22 million.

Accomplishments Toward Long Term Objectives:

- **Introduce a new store design** – The Company operated six newly imagined stores which continued to drive significant sales increases, up an average of 25% in the first quarter. The Company is on track to remodel approximately 25 locations in this new store format in 2013 with an additional 20 to 25 locations planned in 2014.
- **Improve store productivity and profitability** –The Company has closed 28 stores since the beginning of 2012 transferring over 20% of those sales to other stores in the same markets. In addition, the Company reduced the square footage of 11 other stores since the beginning of 2012 by remodeling and moving them to smaller locations within the same malls.
- **Increase shopping frequency** – The Company reintroduced brand building TV advertising in its U.S. markets beginning in mid-October 2012 and rebalanced the mix of marketing in Europe to drive customer traffic, further engage existing guests and attract new guests to its stores. This contributed to a significant improvement in sales trend with comparable store sales increasing 10.6% in North America and 9.7% in Europe in the first quarter of 2013.
- **Reinforce Build-A-Bear Workshop as a top destination for gifts** – The Company capitalized on its brand advertising to drive the gift of experience which led to a 30% increase in the issuance of gift cards at its stores on a consolidated basis during last year's peak fourth quarter gifting period. This contributed to increased retail sales in the 2013 first quarter as the cards were redeemed. The Company gained momentum in the issuance of new gift cards in the first quarter with a 35% increase, positioning it for continued growth in redemptions throughout the balance of the fiscal year.
- **Increase the Company's global presence** – The Company's franchisees added one international location, net of closures and remain on track to open a total of 8 to 12 locations in fiscal 2013.
- **Improve cost efficiencies** –The Company expects to realize cost savings of \$5 million to \$10 million in fiscal 2013 which include expense reduction initiatives and savings from closed stores.

Today's Conference Call Webcast

Build-A-Bear Workshop will host a live Internet webcast of its quarterly investor conference call at 9 a.m. ET today. The audio broadcast may be accessed at the Company's investor relations Web site, <http://IR.buildabear.com>. The call is expected to conclude by 10 a.m ET.

A replay of the conference call webcast will be available in the investor relations Web site for one year. A telephone replay will be available beginning at approximately noon ET today until midnight ET on May 16, 2013. The telephone replay is available by calling (858) 384-5517. The access code is 412352.

About Build-A-Bear Workshop, Inc.

Build-A-Bear Workshop, Inc. is the only global company that offers an interactive make-your-own stuffed animal retail-entertainment experience. There are more than 400 Build-A-Bear Workshop stores worldwide, including company-owned stores in the U.S., Puerto Rico, Canada, the United Kingdom and Ireland, and franchise stores in Europe, Asia, Australia, Africa, the Middle East, Mexico and South America. Founded in St. Louis in 1997, Build-A-Bear Workshop is the leader in interactive retail. Brands include make-your-own Major League Baseball[®] mascot in-stadium locations, and Build-A-Dino[®] stores. Build-A-Bear Workshop extends its in-store interactive experience online with its award winning virtual world Web site at bearville.com[®]. The company was named to the FORTUNE 100 Best Companies to Work For[®] list for the fifth year in a row in 2013. Build-A-Bear Workshop (NYSE: BBW) posted total revenue of \$380.9 million in fiscal 2012. For more information, call 888.560.BEAR (2327) or visit the company's award-winning Web site at buildabear.com[®].

Forward-Looking Statements

The following Management's Discussion and Analysis of Financial Condition and Results of Operations contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from the results discussed in the forward-looking statements. These risks and uncertainties include, without limitation, those detailed under the caption "Risk Factors" in our annual report on Form 10-K for the year ended December 29, 2012, as filed with the SEC, and the following:

- general global economic conditions may continue to deteriorate, which could lead to disproportionately reduced consumer demand for our products, which represent relatively discretionary spending;
- customer traffic may decrease in the shopping malls where we are located, on which we depend to attract guests to our stores;
- we may be unable to generate interest in and demand for our interactive retail experience, or to identify and respond to consumer preferences in a timely fashion;
- our marketing and on-line initiatives may not be effective in generating sufficient levels of brand awareness and guest traffic;
- we may be unable to generate comparable store sales growth;
- we may be unable to effectively operate or manage the overall portfolio of our company-owned stores;
- we may not be able to operate our company-owned stores in the United Kingdom and Ireland profitably;
- we may be unable to renew or replace our store leases, or enter into leases for new stores on favorable terms or in favorable locations, or may violate the terms of our current leases;
- the availability and costs of our products could be adversely affected by risks associated with international manufacturing and trade, including foreign currency fluctuation;
- our products could become subject to recalls or product liability claims that could adversely impact our financial performance and harm our reputation among consumers;
- we may lose key personnel, be unable to hire qualified additional personnel, or experience turnover of our management team;
- we are susceptible to disruption in our inventory flow due to our reliance on a few vendors;
- high petroleum products prices could increase our inventory transportation costs and adversely affect our profitability;
- we may be unable to effectively manage our international franchises or laws relating to those franchises may change;
- we may improperly obtain or be unable to adequately protect customer information in violation of privacy or security laws or customer expectations;
- we may suffer negative publicity or be sued due to violations of labor laws or unethical practices by manufacturers of our merchandise;
- we may suffer negative publicity or negative sales if the non-proprietary toy products we sell in our stores do not meet our quality or sales expectations;
- we may be unable to operate our company-owned distribution center efficiently or our third-party distribution center providers may perform poorly;
- our market share could be adversely affected by a significant, or increased, number of competitors;
- we may fail to renew, register or otherwise protect our trademarks or other intellectual property;
- poor global economic conditions could have a material adverse effect on our liquidity and capital resources;
- we may have disputes with, or be sued by, third parties for infringement or misappropriation of their proprietary rights;
- fluctuations in our quarterly results of operations could cause the price of our common stock to substantially decline; and
- we may be unable to repurchase shares of our common stock at the times or in the amounts we currently anticipate or the results of the share repurchase program may not be as beneficial as we currently anticipate.

All other brand names, product names, or trademarks belong to their respective holders.

BUILD-A-BEAR WORKSHOP, INC. AND SUBSIDIARIES
Unaudited Condensed Consolidated Statements of Operations
(dollars in thousands, except share and per share data)

	13 Weeks Ended March 30, 2013	% of Total Revenues ⁽¹⁾	13 Weeks Ended March 31, 2012	% of Total Revenues ⁽¹⁾
Revenues:				
Net retail sales	\$ 102,931	98.7	\$ 95,200	98.8
Commercial revenue	473	0.5	376	0.4
Franchise fees	861	0.8	797	0.8
Total revenues	<u>104,265</u>	<u>100.0</u>	<u>96,373</u>	<u>100.0</u>
Costs and expenses:				
Cost of merchandise sold	60,471	58.5	57,466	60.1
Selling, general and administrative	43,735	41.9	40,126	41.6
Interest expense (income), net	(51)	(0.0)	(86)	(0.1)
Total costs and expenses	<u>104,155</u>	<u>99.9</u>	<u>97,506</u>	<u>101.2</u>
Income (loss) before income taxes	110	0.1	(1,133)	(1.2)
Income tax expense (benefit)	97	0.1	(116)	(0.1)
Net income (loss)	<u>\$ 13</u>	<u>0.0</u>	<u>\$ (1,017)</u>	<u>(1.1)</u>
Earnings (loss) per common share:				
Basic	<u>\$ 0.00</u>		<u>\$ (0.06)</u>	
Diluted	<u>\$ 0.00</u>		<u>\$ (0.06)</u>	
Shares used in computing common per share amounts:				
Basic	16,231,291		16,038,880	
Diluted	16,231,291		16,038,880	

(1) Selected statement of operations data expressed as a percentage of total revenues, except cost of merchandise sold which is expressed as a percentage of net retail sales and commercial revenue. Percentages will not total due to cost of merchandise sold being expressed as a percentage of net retail sales and commercial revenue and immaterial rounding.

BUILD-A-BEAR WORKSHOP, INC. AND SUBSIDIARIES
Unaudited Condensed Consolidated Balance Sheets
(dollars in thousands, except share and per share data)

	<u>March 30,</u> <u>2013</u>	<u>December 29,</u> <u>2012</u>	<u>March 31,</u> <u>2012</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 40,826	\$ 45,171	\$ 33,501
Inventories	37,824	46,904	45,584
Receivables	5,804	9,428	4,170
Prepaid expenses and other current assets	13,168	14,216	15,926
Deferred tax assets	73	987	480
Total current assets	<u>97,695</u>	<u>116,706</u>	<u>99,661</u>
Property and equipment, net	68,048	71,459	74,771
Goodwill	-	-	33,423
Other intangible assets, net	617	633	728
Other assets, net	3,513	3,304	6,929
Total Assets	<u><u>\$ 169,873</u></u>	<u><u>\$ 192,102</u></u>	<u><u>\$ 215,512</u></u>
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities:			
Accounts payable	\$ 25,918	\$ 38,984	\$ 22,741
Accrued expenses	8,698	11,570	7,296
Gift cards and customer deposits	27,439	30,849	25,221
Deferred revenue	5,017	4,800	5,431
Total current liabilities	<u>67,072</u>	<u>86,203</u>	<u>60,689</u>
Deferred franchise revenue	1,115	1,177	1,368
Deferred rent	19,068	20,843	22,728
Other liabilities	595	742	257
Stockholders' equity:			
Common stock, par value \$0.01 per share	171	171	174
Additional paid-in capital	66,318	66,112	65,168
Accumulated other comprehensive income	(9,016)	(7,683)	(7,689)
Retained earnings	24,550	24,537	72,817
Total stockholders' equity	<u>82,023</u>	<u>83,137</u>	<u>130,470</u>
Total Liabilities and Stockholders' Equity	<u><u>\$ 169,873</u></u>	<u><u>\$ 192,102</u></u>	<u><u>\$ 215,512</u></u>

BUILD-A-BEAR WORKSHOP, INC. AND SUBSIDIARIES
Unaudited Selected Financial and Store Data
(dollars in thousands, except square foot data)

	<u>13 Weeks Ended March 30, 2013</u>	<u>13 Weeks Ended March 31, 2012</u>
Other financial data:		
Retail gross margin (\$) ⁽¹⁾	\$ 42,689	\$ 38,011
Retail gross margin (%) ⁽¹⁾	41.5%	39.9%
E-commerce sales	\$ 3,339	\$ 3,125
Capital expenditures, net ⁽²⁾	\$ 3,807	\$ 3,779
Depreciation and amortization	\$ 4,916	\$ 5,352
Store data ⁽³⁾:		
Number of company-owned stores at end of period		
North America - Traditional	267	288
North America - Non-traditional	<u>6</u>	<u>11</u>
Total North America	273	299
Europe	<u>60</u>	<u>58</u>
Total stores	<u><u>333</u></u>	<u><u>357</u></u>
Number of franchised stores at end of period	92	82
Company-owned store square footage at end of period		
North America - Traditional	761,072	831,280
North America - Non-traditional	<u>9,759</u>	<u>18,120</u>
Total North America	770,831	849,400
Europe ⁽⁴⁾	<u>86,331</u>	<u>83,911</u>
Total square footage	<u><u>857,162</u></u>	<u><u>933,311</u></u>
Comparable store sales change (%) ⁽⁵⁾		
North America	10.6%	3.6%
Europe	<u>9.7%</u>	<u>(10.1)%</u>
Consolidated	10.4%	1.2%

(1) Retail gross margin represents net retail sales less retail cost of merchandise sold. Retail gross margin percentage represents retail gross margin divided by net retail sales.

(2) Capital expenditures, net represents cash paid for property, equipment, other assets and other intangible assets.

(3) North American stores are located in the United States, Canada and Puerto Rico. In Europe, stores are located in the United Kingdom and Ireland.

(4) Square footage for stores located in Europe is estimated selling square footage.

(5) Comparable store sales percentage changes are based on net retail sales and stores are considered comparable beginning in their thirteenth full month of operation.

*** Non-GAAP Financial Measures**

In this press release, the Company's financial results are provided both in accordance with generally accepted accounting principles (GAAP) and using certain non-GAAP financial measures. In particular, the Company provides historic earnings (loss) and earnings (loss) per diluted share adjusted to exclude certain costs and accounting adjustments, which are non-GAAP financial measures. These results are included as a complement to results provided in accordance with GAAP because management believes these non-GAAP financial measures help identify underlying trends in the Company's business and provide useful information to both management and investors by excluding certain items that may not be indicative of the Company's core operating results. These measures should not be considered a substitute for or superior to GAAP results.

BUILD-A-BEAR WORKSHOP, INC. AND SUBSIDIARIES
Reconciliation of Net Income (Loss) to Adjusted Net Income (Loss)
(dollars in thousands, except share and per share data)

	13 Weeks Ended March 30, 2013	13 Weeks Ended March 31, 2012
Net income (loss)	\$ 13	\$ (1,017)
Management transition costs ⁽¹⁾	1,747	-
Store closing costs ⁽²⁾	564	88
Losses from investment in affiliate ⁽³⁾	-	475
Adjusted net income (loss)	<u>\$ 2,324</u>	<u>\$ (454)</u>

	13 Weeks Ended March 30, 2013	13 Weeks Ended March 31, 2012
Net income (loss)	\$ 0.00	\$ (0.06)
Management transition costs ⁽¹⁾	0.10	-
Store closing expense ⁽²⁾	0.04	0.00
Losses from investment in affiliate ⁽³⁾	-	0.03
Adjusted net income (loss)	<u>\$ 0.14</u>	<u>\$ (0.03)</u>

(1) Represents management transition costs related to the retirement and replacement of the Chief Executive Bear. Costs include severance, legal fees and benefits along with related taxes and executive search fees.

(2) Represents the net impact related to the closing of stores, including asset impairment and disposal charges and severance costs along with adjustments to lease related liabilities.

(3) Represents non-recurring charge related to the Company's investment in Ridemakerz.

BUILD-A-BEAR WORKSHOP, INC. AND SUBSIDIARIES
Company-Owned Store Activity

2013

	Thirteen Weeks			Fifty-two Weeks - Projected				
	December 29, 2012	Opened	Closed	March 30, 2013	December 29, 2012	Opened	Closed	December 28, 2013
	North America							
Traditional	283	-	(16)	267	283	3	(34)	252
Non-traditional	8	-	(2)	6	8	1	(2)	7
	291	-	(18)	273	291	4	(36)	259
Europe	60	-	-	60	60	-	(1)	59
Total	351	-	(18)	333	351	4	(37)	318

2012

	Thirteen Weeks			Fifty-two Weeks				
	December 31, 2011	Opened	Closed	March 31, 2012	December 31, 2011	Opened	Closed	December 29, 2012
	North America							
Traditional	287	1	-	288	287	2	(6)	283
Non-traditional	11	1	(1)	11	11	1	(4)	8
	298	2	(1)	299	298	3	(10)	291
Europe	58	-	-	58	58	2	-	60
Total	356	2	(1)	357	356	5	(10)	351

The Company's long term store real estate goal is to bring its stores back to best in class productivity and profitability. Today, the Company believes that the optimal number of Build-A-Bear Workshop stores in North America is between 225 to 250 and 60 to 70 in the United Kingdom and Ireland for a total of 285 to 320 stores. The Company currently expects to reach this level with the closure of 60 to 70 stores in fiscal 2012 through 2014, primarily in North America. Locations to close and the timing of the closures are subject to ongoing negotiations and overall economic considerations as market repositioning and optimization plans are continually reevaluated.

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