

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

MATTRESS FIRM, INC.,¹

Reorganized Debtor.

Chapter 11

Case No. 18-12241 (CSS)

**POST-CONFIRMATION QUARTERLY REPORT FOR THE PERIOD
FROM JULY 1, 2019 TO AND INCLUDING SEPTEMBER 30, 2019**

Pursuant to 28 U.S.C. § 1746, I hereby declare under penalty of perjury that the attached documents are true and correct to the best of my knowledge and belief.

Dated: October 18, 2019

/s/ *Hendré Ackermann*

Hendré Ackermann

Chief Operating Officer and Chief Financial Officer

¹ The last four digits of Mattress Firm, Inc.'s federal tax identification number are 6008. The Reorganized Debtor's mailing address is 10201 S. Main Street, Houston, Texas 77025. The chapter 11 cases of certain affiliates of the Reorganized Debtor were closed effective as of November 22, 2018. See Case No. 18-12241, Docket No. 965.

(\$ in millions)

As of September 30,
2019**Assets****Current Assets**

Cash & Cash Equivalents	\$175
Trade & Other Receivables	33
Current Income Tax Receivable	34
Inventories	166
Prepaid Expenses & Other Current Assets	61

Total Current Assets	469
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Non-Current Assets

Total Property, Plant & Equipment, Net	195
Goodwill	1,118
Identifiable Intangible Assets	632
Other Non-Current Assets	20

Total Assets	2,434
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Liabilities & Stockholders Equity**Current Liabilities**

Trade Payables	154
Accrued liabilities	195
Customer Deposits	39
Other Current Liabilities	3

Total Current Liabilities	391
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Debt:

Capitalized Finance Lease Agreements	7
Exit Term Loan	467
Exit Term Loan Debt Finance Costs	(24)
Unsecured HoldCo PIK Loan (a)	166
Less: Current Maturities of Long Term Debt	(1)

Total Debt	615
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Non-Current Liabilities

Deferred Rent Liability	55
Other Non-Current Liabilities	41
Deferred Tax Liability	208

Total Liabilities	1,310
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Total Stockholders' Equity	1,124
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Total Liabilities & Stockholders' Equity	2,434
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(a) HoldCo note at SUSHI level and non-recourse to Mattress Firm

MATTRESS FIRM, INC. CASH RECEIPTS & DISBURSEMENTS

(\$ USD)

Bank Balance: June 30, 2019

\$ 173,574,315

Operating Receipts

Trade Receipts	919,181,690	
Other Operating Receipts	1,825,000	
Total Operating Receipts		<u>921,006,690</u>

Operating Disbursements

Merchandise	(350,149,744)	
Rent	(148,580,086)	
Salary and Wages	(156,538,810)	
Other Normal Course	(249,346,854)	
Total Operating Disbursements		<u>(904,615,494)</u>

Non-Operating Activity

Professional Fees	(436,088)	
Other	(1,209,000)	
Total Non-Operating Disbursements		<u>(1,645,088)</u>

Change in Outstanding Checks		<u>4,283,788</u>
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Bank Balance: September 30, 2019

\$ 192,604,211

The inclusion of operating expenses in this report is not a concession by the Reorganized Debtor that such expenses constitute “disbursements” for purposes of calculating post-confirmation quarterly fees due to the Office of the United States Trustee pursuant to 28 U.S.C. § 1930(a)(6). The Reorganized Debtor reserves the right to exclude operating expenses from future post-confirmation quarterly reports filed in this chapter 11 case.

The cash balance of \$175 million listed on the balance sheet differs from bank cash of \$193 million as the result of transactional timing of outstanding checks, credit card and finance receivables which are accounted for as cash on the balance sheet as they will be received within 48 hours of the reporting date.