

**NOTE: THIS FORM WAS NOT FILED WITH THE
UNITED STATES SECURITIES AND EXCHANGE
COMMISSION**

FORM 8-K

**CURRENT REPORT PURSUANT TO THE INDENTURE,
dated as of October 4, 2005,
among Brookstone, Inc., a Delaware corporation,
Brookstone Company, Inc., a New Hampshire corporation, the
Guarantors (as defined therein) and Wells Fargo Bank, N.A. as Trustee.**

Date of report (Date of earliest event reported): December 13, 2005

BROOKSTONE, INC.

DELAWARE

(State or other jurisdiction
of incorporation)

06-1182895

(IRS Employer
Identification No.)

ONE INNOVATION WAY, MERRIMACK, NH

(Address of principal executive offices)

03054

(Zip Code)

Telephone number, including area code 603-880-9500.

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 December 13, 2005, Brookstone, Inc. issued a press release reporting its earnings for its third fiscal quarter ending October 29, 2005. A copy of the press release is set forth as Exhibit 99.1 and is incorporated by reference herein.

In accordance with General Instruction B.2 of Form 8-K, the information in this Item 2.02, including Exhibit 99.1, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (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 (the “Securities Act”), or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits

<u>Exhibit</u>	<u>Description</u>
99.1	December 13, 2005 Earnings Release

SIGNATURE

The Company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

December 13, 2005

By: /s/ Philip W. Roizin

Philip W. Roizin
Executive Vice President,
Finance and Administration,
Treasurer, Secretary
and Chief Financial Officer

EXHIBIT 99.1

Contact:
Philip Roizin
EVP of Finance and Administration
(603) 880-9500

Brookstone Announces Third Quarter 2005 Financial Results

MERRIMACK, N.H., December 13, 2005 – Innovative product development company and specialty lifestyle retailer Brookstone, Inc. today announced financial results for the third quarter of 2005. Results in this release relating to the Company's Gardeners Eden brand are reflected as discontinued operations.

For the third quarter ended October 29, 2005, Brookstone reported total net sales of \$76.7 million, a 7.3 percent decrease from the Company's total net sales for the third quarter of 2004. Third quarter same-store sales decreased 11.3 percent compared to the same period in 2004. Direct-Marketing sales remained flat at \$13.9 million.

For the third quarter ended October 29, 2005, Brookstone reported an \$11.7 million loss from continuing operations, as compared to a \$6.0 million loss from continuing operations in the third quarter of 2004. After discontinued operations, the Company reported a net loss of \$13.4 million as compared to a net loss of \$6.7 million last year.

For the 39-week period ended October 29, 2005, Brookstone reported net sales of \$241.0 million, a 3.9 percent decrease from the Company's net sales for the comparable period in 2004. Year-to-date same-store sales decreased 8.7 percent, while Direct-Marketing sales rose \$1.4 million to \$38.0 million.

Brookstone reported a year-to-date net loss from continuing operations of \$20.4 million, compared to a net loss from continuing operations of \$9.9 million for the same period last year. After discontinued operations, the Company reported a year-to-date net loss of \$25.9 million, compared to a net loss from discontinued operations of \$11.8 million for the same period in 2004.

Because of the seasonal nature of specialty retailing, Brookstone generally carries a loss over the first three quarters and makes its profit for the year in the fourth quarter.

Michael Anthony, Brookstone President and Chief Executive Officer, said: "In the first nine months of 2005, we introduced a number of new innovative products in a variety of categories. However, these new products were not enough to offset some significant declines in a number of categories that performed extremely well for us last year."

Mr Anthony added: "Many of our new products introduced in the later part of this year have performed at or above our expectations. We believe these new products will continue their excellent run. In addition, we are very excited by a number of new products slated for introduction beginning in the first quarter of next year, some of which will be our exclusive launch of OSIM healthy lifestyle products."

On October 4, 2005, Brookstone, Inc. was acquired through a merger transaction with Brookstone Acquisition Corp., a Delaware corporation formed by OSIM International Ltd and affiliates of J.W. Childs Equity Partners III, L.P. and Temasek Capital Limited ("Transaction"). The acquisition was accomplished through the merger of Brookstone Acquisition Corp. with and into Brookstone, Inc., with Brookstone, Inc. as the surviving corporation of the merger. As a result of the Transaction, Brookstone, Inc. became a privately held, wholly owned subsidiary of OSIM Brookstone Holdings, L.P., the general partner of which is OSIM Brookstone Holdings, Inc. and the majority shareholder of which is OSIM International Ltd.

On June 29, 2005, the Company announced its plans to sell its Gardeners Eden business, which consisted of five Gardeners Eden stores, one catalog titled *Gardeners Eden*, and its Internet site at www.gardenerseden.com. As a result, in the second quarter of Fiscal 2005, the Company began reflecting the results of operations from the Gardeners Eden business as a discontinued operation.

In the third quarter ended October 29, 2005, Brookstone opened eight new stores and remodeled four stores. For the year, Brookstone has opened 19 new stores and remodeled nine stores.

Brookstone, Inc. is a product development and specialty retail Company that operates 305 Brookstone Brand stores nationwide and in Puerto Rico. Typically located in high-traffic regional shopping malls and airports, the stores feature unique and innovative consumer products. The Company also operates one store under the Gardeners Eden Brand, and a Direct Marketing business that includes the Brookstone and Hard to Find Tools catalogs and e-commerce websites at <http://www.brookstone.com/> and <http://www.gardenerseden.com>.

Statements in this release which are not historical facts, including statements about the Company's confidence or expectations, earnings, anticipated operations of its e-commerce sites and those of third-party service providers, and other statements about the Company's operational outlook are forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 ("Reform Act") and are subject to risks and uncertainties that could cause actual results to differ materially from those set forth in such forward-looking statements. Such risks and uncertainties include, without limitation, risks of changing market conditions in the overall economy and the retail industry, consumer demand, the effectiveness of e-commerce technology and marketing efforts, availability of products, availability of adequate transportation of such products, and other factors detailed from time to time in the Company's annual and other reports filed with the Securities and Exchange Commission. Words such as "estimate", "project", "plan", "believe", "feel", "anticipate", "assume", "may", "will", "should" and similar words and phrases may identify forward-looking statements. Statements about a possible sale or divestiture of its Gardeners Eden business constitute forward-looking statements. The Company may not be able to complete a divestiture on acceptable terms because of a number of factors, including failure to reach agreement with a purchaser. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date thereof. The Company undertakes no obligations to publicly release any revisions to these forward-looking statements or reflect events or circumstances after the date hereof.

(tables follow)

BROOKSTONE, INC.
CONSOLIDATED CONDENSED BALANCE SHEETS
(In thousands)
(Unaudited)

	<u>October 29, 2005</u>	<u>January 29, 2005</u>	<u>October 30, 2004</u>
<u>Assets</u>			
Current assets:			
Cash and cash equivalents	\$ 1,547	\$ 86,205	\$ 3,700
Receivables, net	7,215	9,859	8,002
Merchandise inventories	132,730	75,585	98,845
Deferred income taxes, net	10,898	3,917	13,027
Prepaid expenses	8,628	6,045	7,389
Total current assets	161,018	181,611	130,963
Deferred income taxes, net	---	5,256	4,731
Property, plant and equipment, net	74,351	74,019	74,796
Intangible assets, net	79,060	3,853	3,920
Goodwill	229,664	---	---
Other assets	24,761	1,741	10,263
Total assets	<u>\$ 568,854</u>	<u>\$ 266,480</u>	<u>\$ 224,673</u>
<u>Liabilities and Shareholders' Equity</u>			
Current liabilities:			
Short-term borrowings	\$ 11,150	\$ ---	\$ ---
Accounts payable	39,602	17,402	31,092
Other current liabilities	36,097	46,500	29,291
Total current liabilities	86,849	63,902	60,383
Other long-term liabilities	22,731	22,432	17,020
Long-term debt	190,923	8,760	8,986
Deferred income taxes	24,974	---	---
Commitments and contingencies			
Other party interests in consolidated entities	1,028	1,100	1,088
Shareholders' equity:			
Total shareholders' equity	242,349	170,286	137,196
Total liabilities and shareholders' equity	<u>\$ 568,854</u>	<u>\$ 266,480</u>	<u>\$ 224,673</u>

Notes :

(1) The consolidated balance sheet as of 10/29/05 reflects estimated purchase accounting adjustments resulting from the merger transaction.

(2) The merchandise inventories was written up by approximately \$24 million as a result of purchase accounting.

BROOKSTONE, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands)
(Unaudited)

	Successor	Predecessor	
	Period from October 4, 2005 through October 29, 2005	Period from July 30, 2005 through October 3, 2005	Thirteen Weeks Ended October 30, 2004
Net sales	\$ 24,937	\$ 51,782	\$ 82,755
Cost of sales	20,927	37,428	57,140
Gross profit	4,010	14,354	25,615
Selling, general and administrative Expenses	12,579	22,671	34,130
Loss from continuing operations	(8,569)	(8,317)	(8,515)
Interest expense, net	2,208	129	315
Loss before taxes, other party interests in consolidated entities and discontinued operations	(10,777)	(8,446)	(8,830)
Other party interests in consolidated entities	65	181	219
Loss before taxes and Discontinued operations	(10,842)	(8,627)	(9,049)
Income tax (benefit)	(4,677)	(3,121)	(3,076)
Loss from continuing operations	(6,165)	(5,506)	(5,973)
Loss on discontinued operations, net of tax (benefit) provision of \$12, \$(1,278), and \$(464)	(299)	(1,392)	(706)
Net loss	\$ (6,464)	\$ (6,898)	\$ (6,679)

Notes :

(1) The statement of operations as of 10/29/05 for the successor company reflects estimated purchase accounting adjustments resulting from the merger transaction. Approximately \$3 million non-cash inventory adjustment was written off to cost of sales in the period from October 4, 2005 through October 29, 2005.

(2) Although Brookstone, Inc. continued as the same legal entity after the Transaction, the accompanying consolidated statements of operations and cash flows are presented for two periods: "predecessor" and "successor", which relate to the period preceding the Transaction and the period succeeding the Transaction, respectively.

BROOKSTONE, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands)
(Unaudited)

	Successor	Predecessor	
	Period from October 4, 2005 through October 29, 2005	Period from January 30, 2005 through October 3, 2005	Thirty-Nine weeks Ended October 30, 2004
Net sales	\$ 24,937	\$ 216,090	\$ 250,754
Cost of sales	20,927	152,225	170,379
Gross profit	4,010	63,865	80,375
Selling, general and administrative expenses	12,579	86,004	94,482
Loss from continuing operations	(8,569)	(22,139)	(14,107)
Interest expense, net	2,208	26	760
Loss before taxes, other party interests in consolidated entities and discontinued operations	(10,777)	(22,165)	(14,867)
Other party interests in consolidated entities	65	687	545
Loss before taxes and discontinued operations	(10,842)	(22,852)	(15,412)
Income tax (benefit)	(4,677)	(8,591)	(5,522)
Loss from continuing operations	(6,165)	(14,261)	(9,890)
Loss on discontinued operations, net of tax (benefit) provision of \$12, \$(3,720), and \$(1,216)	(299)	(5,165)	(1,898)
Net loss	\$ (6,464)	\$ (19,426)	\$ (11,788)

Notes :

(1) The statement of operations as of 10/29/05 for the successor company reflects estimated purchase accounting adjustments resulting from the merger transaction. Approximately \$3 million non-cash inventory adjustment was written off to cost of sales in the period from October 4, 2005 through October 29, 2005.

(2) Although Brookstone, Inc. continued as the same legal entity after the Transaction, the accompanying consolidated statements of operations and cash flows are presented for two periods: "predecessor" and "successor", which relate to the period preceding the Transaction and the period succeeding the Transaction, respectively.