1-800-flowers.com℠

2004 Annual Report

Special Bonus

2005 Celebrations appointment book

About 1-800-FLOWERS.COM®

For more than 25 years, 1-800-FLOWERS.COM, Inc. (NASDAQ: FLWS) has been the leading innovator in the floral industry, taking the extra step to help people connect and express themselves quickly and easily with exquisite floral gifts crafted with care by renowned artisans and the nation's leading florists, as well as distinctive non-floral gifts appropriate for any occasion or sentiment. The Company provides gift solutions same day, any day, offering an unparalleled selection of flowers, plants, gourmet foods and confections, gift baskets and other expressive, unique gifts. As always, satisfaction is guaranteed, and customer service is paramount with quick, convenient ordering options, fast and reliable delivery and gift advisors always available. Customers can shop 1-800-FLOWERS.COM 24-hours a day, seven-days a week via the Internet (http://www.1800flowers.com); by calling 1-800-FLOWERS® (1-800-356-9377); or by visiting a Company-operated or franchised store. The 1-800-FLOWERS.COM family of brands also includes home decor and garden merchandise from Plow & Hearth® (1-800-627-1712 or http://www.plowandhearth.com); premium popcorn and specialty treats from The Popcorn Factory® (1-800-541-2676 or http://www.thepopcornfactory.com); gourmet foods from GreatFood.com® (http://www.greatfood.com); and children's gifts from HearthSong® (http://www.hearthsong.com) and Magic Cabin® (http://www.magiccabin.com).

Our Mission Statement

"1-800-FLOWERS.COM will be the leading provider of thoughtful gifts, helping our customers connect with the important people in their lives. We will continue to build on the trusted relationships with our customers by providing them with ease of access, tasteful and appropriate gifts and superior service."

Special Note Regarding Forward-Looking Statements

A number of statements contained in this report, other than statements of historical fact, are forward-looking within the meaning of the Private Securities Litigation Reform Act of 1995. These statements involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the applicable statements. These risks and uncertainties include, but are not limited to: the Company's ability to achieve cost efficient growth; its ability to maintain and enhance its online shopping web sites to attract customers; its ability to successfully introduce new products and product categories; its ability to maintain and enhance profit margins for its various products; its ability to provide timely fulfillment of customer orders; its ability to cost effectively acquire and retain customers; its ability to continue growing revenues; its ability to compete against existing and new competitors; its ability to manage expenses associated with necessary general and administrative and technology investments; its ability to cost effectively manage inventories; its ability to improve its bottom line results; its ability to leverage its operating infrastructure; its ability to achieve its stated results guidance for fiscal 2005 and general consumer sentiment and economic conditions that may affect levels of discretionary customer purchases of the Company's products. For a more detailed description of these and other risk factors, please refer to the Company's SEC filings including the Company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. The Company expressly disclaims any intent or obligation to update any of the forward looking statements made in this report or in any of its SEC filings except as may be otherwise stated by the Company.

Financial Highlights

	Years Ended				
	June 27, 2004	June 29, 2003	June 30, 2002	July 1, 2001	July 2, 2000
	(in thousands, except percentages and customer data)				
Total Net Revenues	$603,978	$565,618	$497,205	$442,239	$379,528
Telephonic Revenues	263,039	271,071	248,931	230,723	227,380
Online Revenues	307,470	265,278	218,179	182,924	116,810
Non-floral Revenues*	48%	49%	46%	41%	32%
Gross Profit Margin Percentage	41.9%	42.6%	41.0%	39.4%	37.4%
EBITDA	36,402	27,510	11,396	(23,757)	(59,102)
EPS	0.60**	0.18	(0.02)	(0.64)	(1.10)
Customer Base (millions)	23.9	21.2	18.1	13.4	9.1

* *As a percentage of combined online and telephonic net revenues.*
** *For the year ended June 27, 2004, EPS included a net income tax benefit of $19.2 million, or $0.28 per share.*

Fiscal 2004 Achievements

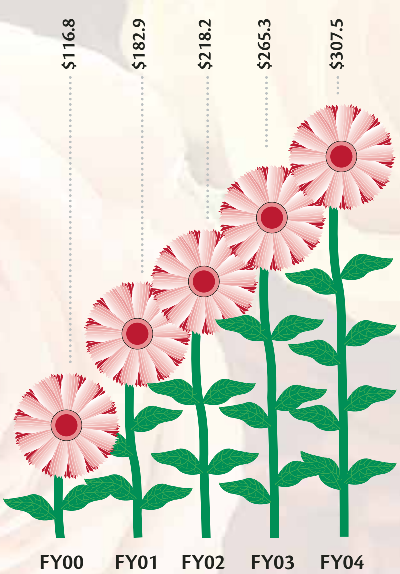
- Grew online revenues 16 percent to $307 million, representing 54 percent of combined online and telephonic revenues.
- Achieved EPS of $0.60** per diluted share, compared with $0.18 per share in the prior year.
- Grew our cash and investments position by $30 million to $111 million.
- Cost effectively attracted 3.1 million new customers; simultaneously deepened our relationship with existing customers and increased annual repeat order rate to approximately 45 percent.

Total Revenues

(in $ millions)

Online Revenue Growth

(in $ millions)

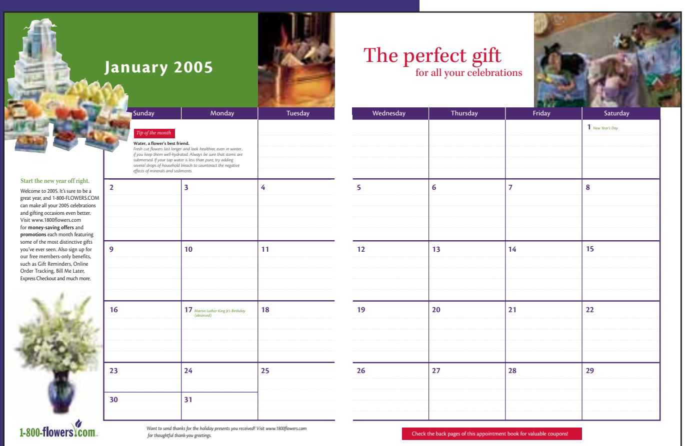


Online Percentage

As % of combined online and telephonic revenues

To our shareholders

Last year, 1-800-FLOWERS.COM customers and investors alike enjoyed our annual report's built-in Celebrations Calendar. This year, as a special bonus, we've made the annual report even more interactive by including the 2005 Celebrations Appointment Book. Highlighting important holidays throughout the year, and filled with tips and descriptions



of all our great customer-engagement services, the appointment book is designed to make planning for all your celebratory occasions fun and easy. And, as an added value, we've included discount coupons good for our entire family of great gift brands. So make an appointment today to call, click or come in to one of our stores so that we can help you connect with all the important people in your life.

Fiscal 2004 was a year that included a number of important accomplishments for our Company. Foremost among these was the deepening of the relationships we have with our customers who increasingly view us as their leading provider of thoughtful gifts and services for all of their celebratory occasions. This is best illustrated by our repeat order rate, which increased to 45 percent during fiscal 2004 compared with 42 percent in the prior year. Concurrent with this effort, we also cost-effectively attracted more than three million new customers, of which 58 percent came to us online, up from 55 percent last year. Importantly, our customer acquisition cost remained below our $20 target – a level that we believe is among the best in the specialty retailing sector.

We believe these customer metrics illustrate the successful leveraging of our marketing investments in broadcast advertising, direct mail and a broad range of online programs. Customers increasingly come to us because of the strength and reliability of our brand, the convenience of our multi-channel access and our expanded offering of gifts and services that help them connect with all of the people who are important in their lives. We plan to build on these relationships and thereby continue growing our business profitably during fiscal 2005.

Financial Highlights

In terms of financial results, for the year we grew total revenues approximately seven percent, or $38 million, to more than $600 million. Highlighting this growth was the strength of our floral gift business, which grew 10 percent, compared with the prior year. In addition, all of the complementary gift categories that we have identified as having the strongest growth potential for our future – including gourmet food gifts, gift baskets and children's gifts – grew at a double-digit pace. With that said, we believe that our results could have and should have been even stronger. As we noted throughout the year, customer demand in our home and garden gift category was below our expectations. We believe this can be attributed to a combination of internal merchandising and marketing issues as well as the increasingly competitive market conditions within this sector.

Beginning in fiscal 2004 and continuing into the current year, we conducted a thorough review of our home and garden business and implemented plans that, we believe, will enhance its product offering, creative look and feel, and marketing strategy. We expect to begin to see the fruits of these efforts during our fiscal 2005 second quarter, which includes the year-end holiday period, the largest, in terms of sales, for the category. We are confident that we can reinvigorate this segment of our business and achieve sustainable revenue growth during fiscal 2005 and beyond.

While total revenue growth for the year was at the lower end of our expectations, it still represented solid, organic (or "same-store") growth. Importantly, revenue in our online channel increased by approximately 16 percent to more than $300 million, representing 54 percent of combined telephonic and online revenues. As I've stated in the past, this is important because, as our customers increasingly migrate to our online channels:

- We have lower order processing costs;
- We can introduce them to our expanded range of gifts, which helps increase the number of celebratory and connective occasions that they can come to us for;
- They get the opportunity to use our rich service offerings, such as occasion-reminder, gift search and our address book features, all of which make shopping more convenient and thereby increase customer loyalty and frequency;
- And, we have the opportunity to engage them in an electronic dialog via cost-effective e-marketing programs.

Operating Leverage = Increased Profitability

During fiscal 2004 we further leveraged our infrastructure and reduced our operating expense ratio by 220 basis points compared with the prior year. We also maintained a strong gross profit margin despite the impact of lower sales in our higher margin home and garden category. Together, these factors enabled us to significantly increase our profitability. For the year we grew operating income by 77 percent compared with the prior year, and, given our low working capital and capital expenditure needs, grew our cash and investments position by $30 million to $111 million.

Progress in Key Initiatives

In addition to the positive financial growth accomplished during the year, we made significant progress in several of our key business initiatives:

■ We enhanced our fulfillment operations, completing the roll-out of our Local Fulfillment Center, or "LFC," strategy through our Bloomnet® network of professional florists. We now have these "mini-distribution centers" covering all of the top 50 markets in the country. Other than the original eight that we built, all of the LFCs are owned and operated by independent Bloomnet florists. We believe the LFCs, and our enhanced Bloomnet network, give us a significant competitive advantage, enabling us to increase our same-day and next-day delivery capabilities for both floral and non- floral gifts. This is important as it makes us far less reliant on third party carriers, compared with many of our competitors.

■ In the merchandising area, we further broadened our complementary gift offerings with our "UCD" initiative. These are "Unique, Creative & Differentiated" products – including an expanded range of gourmet-, spa- and sports-related gift baskets. We also expanded our relationships with premium gift partners Lenox, Waterford and Godiva and added such new partners as Yankee Candle and Swarovski, among others. In bakery gifts, we saw continued strong customer acceptance for our own Mama Moore's Bakeshop℠ brand, which is quickly becoming one of our best selling gourmet food gift lines.

■ During the year, we expanded our industry-leading floral offering with the successful launch of our first "designer" collection featuring the unique creations of floral artisan Jane Carroll. Customer response to the new gift line has been very positive and we plan to expand this program. Combined with our "Fresh from our Growers℠" overnight floral gift program and our Florist Designed same-day delivery gifts, we offer our customers a range of choices unique in the floral gift industry.

■ On the corporate gifting front we added personnel, extended our reach and increased sales. This program, now known as our Business Gift Services division, added more than 1,000 new corporate accounts during the fiscal year. We continue to believe that this area offers us excellent growth potential and we plan to further expand our efforts here during fiscal 2005.

Focused on Growth and Profitability

Looking ahead, we believe we are well positioned to grow our revenues while delivering increasingly strong profitability. We finished fiscal 2004 with more than $100 million in cash and investments on our balance sheet. This positions us well to pursue our strategy of growing our business through a combination of organic and acquisition growth.

On the acquisition front, we continue to look for companies that will help us expand and deepen our relationships with our customers as their resource and authority for all of their celebratory and connective occasions. We believe we have demonstrated our ability to efficiently integrate acquisitions and leverage our asset base – including our technology and customer service platforms, our large and growing customer database and our unique fulfillment capabilities – to achieve both accelerated revenue growth and synergistic cost savings.

During fiscal 2005 we plan to focus our marketing and merchandising efforts and investments on achieving double-digit revenue growth in our floral gift business as well as in those complementary gift categories that I have previously mentioned. Furthermore, we expect the changes we are implementing in marketing and merchandising for our home and garden gift category will result in a return to sustainable revenue growth for that business. Based on these expectations, we anticipate achieving organic revenue growth in a range of 8-to-10 percent during fiscal 2005 compared with fiscal 2004. In terms of channels, we expect online sales to grow at a double-digit rate during fiscal 2005, while telephonic sales are expected to remain relatively flat. We also expect to achieve further reductions in our operating expense ratio by continuing to leverage the investments we have made in our brands, technology platform, unique fulfillment system and growing customer database.

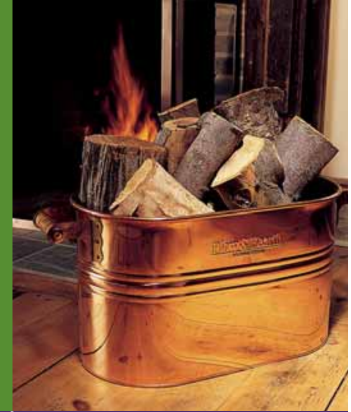
Regarding capital spending plans, our technology and customer service platforms are robust and highly scalable and we do not require significant capital for bricks and mortar facilities. As such, we expect capital expenditures to remain in a range of $10-to-$12 million during fiscal 2005. Based on anticipated net income growth, combined with our business model's low working capital and capital expenditure requirements, during fiscal 2005 we expect to grow our cash and investments position by approximately 30 percent compared with last year. In summary, we believe we are well positioned to grow our business profitably and thereby build shareholder value during fiscal 2005 and beyond.

We thank our associates, investors and business partners for their continued support. Most of all, we thank our customers for trusting us to help them connect with the people that are important in their lives for all of their celebratory occasions.

Sincerely,

Jim

Jim McCann
Chairman and CEO



January 2005

Sunday	Monday	Tuesday
Tip of the month **Water, a flower's best friend.** *Fresh cut flowers last longer and look healthier, even in winter... if you keep them well-hydrated. Always be sure that stems are submersed. If your tap water is less than pure, try adding several drops of household bleach to counteract the negative effects of minerals and sediments.*		
2	3	4
9	10	11
16	17 *Martin Luther King Jr.'s Birthday (observed)*	18
23	24	25
30	31	

Start the new year off right.

Welcome to 2005. It's sure to be a great year, and 1-800-FLOWERS.COM can make all your 2005 celebrations and gifting occasions even better. Visit www.1800flowers.com for **money-saving offers** and **promotions** each month featuring some of the most distinctive gifts you've ever seen. Also sign up for our free members-only benefits, such as Gift Reminders, Online Order Tracking, Bill Me Later, Express Checkout and much more.

1-800-flowers.com℠

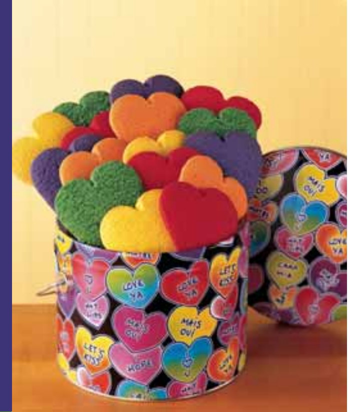
Looking for ways to say thanks for the holiday presents you received? Visit www.1800flowers.com for thoughtful thank-you greetings.

The perfect gift
for all your celebrations

Wednesday	Thursday	Friday	Saturday
			1 *New Year's Day*
5	6	7	8
12	13	14	15
19	20	21	22
26	27	28	29

Check the back pages of this appointment book for valuable coupons!

February 2005



Tip of the month

Your sweetheart will be charmed, we're sure.
Make your Valentine celebration extra romantic by dangling a charm locket containing a picture of your loved one around the neck of a decanter or bottle of wine. This personal touch will create just the right mood.

Sunday	Monday	Tuesday
		1
6	7	8
13	14 *Valentine's Day*	15
20	21 *President's Day*	22
27	28	

Shakespeare couldn't have said it any better.

Searching for the perfect words to express your Valentine emotions? Look no further than **Expressions Exchange**, a free service from 1-800-FLOWERS.COM. With Expressions Exchange you can borrow a broad range of eloquent expressions wordsmithed by our customers and ready to be sent in a digital greeting or attached to a gift.

1-800-flowers.com[SM]

Searching for one-of-a-kind gifts that captivate the imagination? Visit www.1800flowers.com to see the Jane Carroll collection of floral artistry.

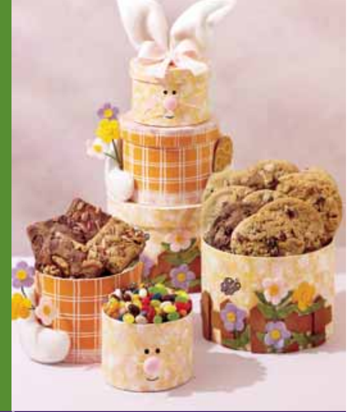
Gifts from the heart

are always remembered

Wednesday	Thursday	Friday	Saturday
2 *Groundhog Day*	3	4	5
9	10	11	12
16	17	18	19
23	24	25	26

See the money saving coupons in the back pages of this appointment book.

March 2005



Sunday	Monday	Tuesday
Tip of the month **Make colorful Easter egg vases.** *Using a pushpin, pierce each end of an egg then insert a wire through the holes and gently blow out the egg white and yolk into a bowl. Snip an opening at one end of the shell. Let the shell dry, color it and fill with mini daffodils or grape hyacinths for a festive Easter look.*		1
6	7	8
13	14	15
20 *First Day of Spring*	21	22
27 *Easter*	28	29

Send greetings to someone you care about.

At 1-800-FLOWERS.COM, sending a greeting for Easter or any other occasion is easy and fun! Create personalized paper **Greeting Cards** expressing your thoughts. You can even upload your own photos or artwork and we'll include them in your cards! Plus, with our **Email-A-Bouquet** service, you can build a beautiful virtual floral bouquet that you can send for free with a simple click. Visit www.1800flowers.com today.

1-800-flowers.com SM

Know someone who would just love a gift basket? Log on to www.1800flowers.com and www.1800giftbaskets.com for delectable Mama Moore's Bakeshop SM creations and much more.

Celebrate the start of spring

in thoughtful ways

Wednesday	Thursday	Friday	Saturday
2	3	4	5
9	10	11	12
16	17 *St. Patrick's Day*	18	19
23	24	25	26
30	31		

See the money saving coupons in the back pages of this appointment book.

April 2005

Sunday	Monday	Tuesday
Tip of the month **Put spring in the air with scented blooms.** *Like magical perfumes ready to wake us from winter hibernation, scented spring flowers signal that summer will be coming soon. Here are some blooms you can place throughout your home to create glorious springtime scents: daffodils, gardenias, hyacinths, lilacs, mimosas, roses and muscari.*		
3	4	5
10	11	12
17	18	19
24	25 *Administrative Professionals' Week Begins*	26

Remember all your gifting occasions, the easy way.

Birthdays, anniversaries, graduations, weddings, holidays – so many celebrations and gifting occasions to keep track of. 1-800-FLOWERS.COM makes it simple to remember them all! Visit www.1800flowers.com today and sign up for our **Gift Reminder Service**. You'll receive automatic email reminders throughout the year!

1-800-flowers.com[SM]

Looking for exceptional outdoor gifts and garden accents to welcome in spring? Visit www.plowandhearth.com.

Flowers are blooming,
and emotions are stirring

Wednesday	Thursday	Friday	Saturday
		1 *April Fool's Day*	2
6	7	8	9
13	14	15	16
20	21	22	23 *Passover Begins at Sunset*
27 *Administrative Professionals' Day*	28	29	30

Check the back pages of this appointment book for valuable coupons!

May 2005

Sunday	Monday	Tuesday
1	2	3
8 *Mother's Day*	9	10
15	16	17
22	23	24
29	30 *Memorial Day (observed)*	31

Have your own gift advisor.

Not sure how to select the perfect gift for Mother's Day? Relax; 1-800-FLOWERS.COM has you covered. Our personal **Gift Advisors** are knowledgeable, friendly and at your service! Log on to www.1800flowers.com or call 1-800-356-9377 and see how easy we make it to choose a gift that will have mom smiling from ear to ear.

1-800-flowers.com℠

Visit www.1800flowers.com for same-day or next-day delivery of stunning floral arrangements. All our flowers come with a 100% satisfaction and freshness guarantee.

Give Mom a bunch

of reasons to smile

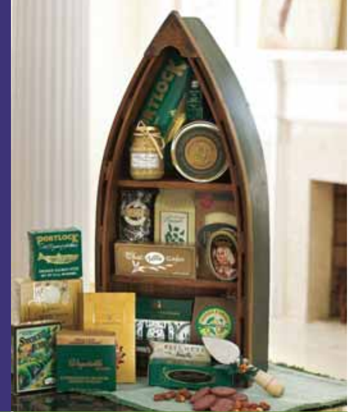
Wednesday	Thursday	Friday	Saturday
4	5 *Cinco de Mayo*	6 *National Bring Your Mom to Work Day*	7
11	12	13	14
18	19	20	21
25	26	27	28

Tip of the month

Color her world with this creative idea.
Of course, Mom will appreciate the floral bouquet you give her. She or you can enhance the celebration of fresh flowers even more by adding a drop or two of food coloring to the water in a clear glass vase. Choose a color that complements the arrangement, but don't overdo...the color should barely tint the water.

See the money saving coupons in the back pages of this appointment book.

June 2005



Sunday	Monday	Tuesday
Tip of the month **Planning a Father's Day celebration?** *Maybe the whole family is coming over to salute dear old dad. Add some excitement to your table's centerpiece by filling Mason jars with colorful fruit or vegetables. Or, float stemmed multi-colored flowers in Mason jars full of water to add to nature's beauty.*		
5	6	7
12	13	14 *Flag Day*
19 *Father's Day*	20	21 *First Day of Summer*
26	27	28

Buy the perfect gift now, pay later.

Dad taught you the importance of shopping smart. Now you can purchase gifts online for Father's Day without using your credit card. **Bill Me Later®** service from 1-800-FLOWERS.COM is easy and convenient! Just select your gifts and choose the "Bill Me Later" option during checkout. Visit www.1800flowers.com for details.

1-800-flowers.com℠

Does Dad have a sweet tooth? Visit www.1800giftbaskets.com for yummy Mama Moore's Bakeshop℠ bakery and confection gifts or www.thepopcornfactory.com for delicious popcorn and candy treats.

Let Dad know
how special he is

Wednesday	Thursday	Friday	Saturday
1	2	3	4
8	9	10	11
15	16	17	18
22	23	24	25
29	30		

See the money saving coupons in the back pages of this appointment book.

July 2005

Sunday	Monday	Tuesday
Tip of the month **Set a fabulous July 4th table.** *July is highlighted by warm weather celebrations, including Independence Day. Here's a tip for an outdoor party: wrap sunglasses and suntan lotion in patriotic colored bandannas and place a bundle at each table setting. Your guests will love your ingenuity and thoughtfulness.*		
3	4 *Independence Day*	5
10	11	12
17	18	19
24 *Parents' Day* 31	25	26

Fresh ideas for bringing flowers into your life.

Love the beauty of fresh flowers, but not certain how to create floral arrangements yourself? Our inspiring new book called *A Year Full of Flowers* includes step-by-step instructions and photos for

more than 30 easy projects! To order the book, visit www.1800flowers.com or find it at your favorite bookstore.

1-800-flowers.com[SM]

Make summer days and nights even more enjoyable with delicious treats you'll find at www.1800giftbaskets.com and flavorful gourmet choices at www.greatfood.com.

Stars and stripes,
family and friends

Wednesday	Thursday	Friday	Saturday
		1	2
6	7	8	9
13	14 *Bastille Day*	15	16
20	21	22	23
27	28	29	30

See the money saving coupons in the back pages of this appointment book.

August 2005

Sunday	Monday	Tuesday
	1	2
7	8	9
14	15 *National Friendship Week Begins*	16
21	22	23
28	29	30

Shop online, stay informed.

Vacations, family gatherings, picnics. There are many fun celebrations on your mind during summer. So why wonder about the status of an online purchase? With **Online Order Tracking** from 1-800-FLOWERS.COM, you can check delivery information at www.1800flowers.com any time, in just a few simple steps!

1-800-flowers.com℠

Invited to a pool party? Hosting a barbeque? Visit www.1800flowers.com for our amazing "Summer Celebrations" gift collections.

Summertime
is fun time

Wednesday	Thursday	Friday	Saturday
3	4	5	6
10	11	12	13
17	18	19	20
24	25	26	27
31			

Tip of the month

Do your summer guests a favor.
August is a month of entertaining, from pool parties to barbeques to intimate backyard gatherings. Jane Carroll, one of the world's most innovative floral designers, suggests filling little boxes with miniature floral blossoms to give away as party favors...providing a keepsake so guests remember your celebration for months and years to come.

See the money saving coupons in the back pages of this appointment book.

September 2005

Sunday	Monday	Tuesday
Tip of the month **Dazzlingly different book covers.** *School is starting and that means textbooks need to be covered. Instead of boring plain covers, pump up the energy by using heavy-duty gift wrapping paper adorned with action figures or mesmerizing designs. Wrapping paper will give you more choices and you'll probably find that it's cheaper than ready-made book covers.*		
4	5 *Labor Day*	6
11 *Patriot Day* *Grandparents' Day*	12	13
18	19	20
25	26	27

Enhance your working relationships.

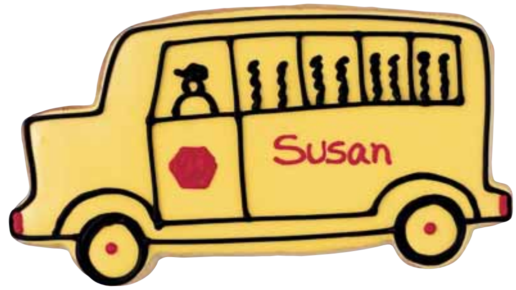
Show your customers, prospects and employees how important they are to you by utilizing **Business Gift Services** from 1-800-FLOWERS.COM. Call 1-888-755-7474 to speak with an account manager about our wide selection of impressive gift ideas. The bottom line? Thoughtful gifts can help you celebrate business growth!

1-800-flowers.com[SM]

In addition to school, September also means Grandparents' Day. Log on to www.1800giftbaskets.com for delicious gifts every grandparent will adore, and visit www.magiccabin.com or www.hearthsong.com for wonderful children's gifts.

Back to school,

back to business



Wednesday	Thursday	Friday	Saturday
	1	2	3
7	8	9	10
14	15	16	17
21	22 *First Day of Fall*	23	24
28	29	30	

Check the back pages of this appointment book for valuable coupons!

October 2005

Take the trick out of Halloween treating.

With so many ways to express your Halloween spirit, choosing the right gifts and decorations can be frightening. 1-800-FLOWERS.COM has the perfect solution. Visit www.1800flowers.com for scrumptious **gourmet treats**, beautiful **floral arrangements**, cuddly **plush toys** and much more!

Tip of the month

Bewitching cookies for young and old.
For a fun treat that will make your Halloween celebration extra delicious, serve "witch hats." They're simple to make: just ice a cookie with chocolate frosting and place a Hershey®'s Kiss® in the cookie's center.

Sunday	Monday	Tuesday
2	3 *Rosh Hashanah Begins at Sunset*	4
9 *National Children's Day*	10 *Columbus Day (observed)*	11
16 *National Bosses' Day*	17	18
23	24	25
30	31 *Halloween*	

1-800-flowers.com[SM]

The perfect Halloween treat is just a click away. Visit www.thepopcornfactory.com for yummy popcorn and confections and www.greatfood.com for a wide assortment of delectable goodies.

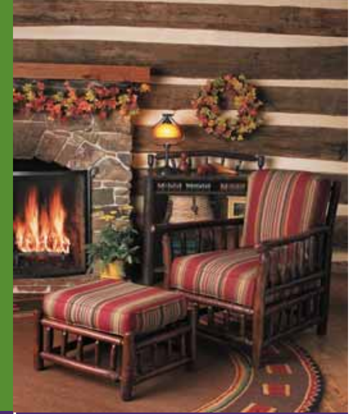
Ghoulishly clever gifts

for a delightful Halloween

Wednesday	Thursday	Friday	Saturday
			1
5	6	7	8
12 *Yom Kippur Begins at Sunset*	13	14	15 *Sweetest Day*
19	20	21	22
26	27	28	29

See the money saving coupons in the back pages of this appointment book.

November 2005



Tip of the month

Cook your Thanksgiving turkey to perfection.
Whether you're planning a Thanksgiving celebration for 2 or 20, turkey is likely to be the main event. If you stuff the bird, allow 2 hours more for cooking. And, use a meat thermometer, which should register 180°F when the turkey is done. The center of the stuffing should be 160°F.

Sunday	Monday	Tuesday
		1
6	7	8 *Election Day*
13	14	15
20	21	22
27	28	29

Innovative designs, imaginative gifts.

It's a striking, unconventional combination of art, sculpture and premium flowers...it's the world of **Jane Carroll**, a wondrous collection of unique gifts and decor available from 1-800-FLOWERS.COM. You may have seen Jane's stylish creations on *Oprah*®. To see more, visit www.1800flowers.com.

1-800-flowers.com℠

Visit www.plowandhearth.com to enhance home and hearth for a warm, inviting holiday look.

The holidays are here,

celebrate in style

Wednesday	Thursday	Friday	Saturday
2	3	4	5
9	10	11 *Veteran's Day*	12
16	17	18	19
23	24 *Thanksgiving Day*	25	26
30			

See the money saving coupons in the back pages of this appointment book.

December 2005

So many people on your list, so little time.

You don't have a moment to spare, especially during the busy holiday shopping season. **Express Checkout** from 1-800-FLOWERS.COM can save you precious time by storing your information so you can click through checkout with speed and ease! Visit www.1800flowers.com and find out what fast is all about.

Sunday	Monday	Tuesday
Tip of the month **'Tis the season for crafting.** *Many people love to create homemade crafts for their holiday celebrations. Typically a glue gun is used to assemble crafts. Remember to keep glue sticks in the freezer to protect them from heat and moisture that can cause the glue to form "strings" and clog the nozzle.*		
4	5	6
11	12	13
18	19	20
25 *Christmas Day* *Hanukkah Begins at Sunset*	26 *First Day of Kwanzaa*	27

1-800-flowers.com

Nothing can match the glow on young faces during the holidays. Visit www.hearthsong.com and www.magiccabin.com for unique, fun and educational children's toys.

Season's greetings
to you and yours

Wednesday	Thursday	Friday	Saturday
	1	2	3
7	8	9	10
14	15	16	17
21 *First Day of Winter*	22	23	24
28	29	30	31

See the money saving coupons on the next page of this appointment book.

15% Off

1-800-flowers.com℠

Use this Coupon to get 15% off your order of $29.99 or more.

Order online at **1800flowers.com**
Enter Promotion Code: **FLWS**
or call **1-800-flowers (1-800-356-9377)**

Expires December 31, 2005

15% Off

15% Off

The Popcorn Factory®

Use this Coupon to get 15% off your order of $29.99 or more.

Order online at **thepopcornfactory.com**
Enter Keycode: **C3FLW**
or call **1-800-541-2676**

Expires December 31, 2005

15% Off

15% Off

Plow & Hearth®
Products For Country Living℠

Use this Coupon to get 15% off your order of $29.99 or more.

Order online at **plowandhearth.com**
Enter Promotion Code: **FLWS**
or call **1-800-627-1712**

Expires December 31, 2005

15% Off

15% Off

HearthSong®
Toys You'll Feel Good About Giving®

Use this Coupon to get 15% off your order of $29.99 or more.

Order online at **hearthsong.com**
Enter Promotion Code: **FLWS**
or call **1-800-325-2502**

Expires December 31, 2005

15% Off

Selected Financial Data

1-800-FLOWERS.COM, Inc. and Subsidiaries

The following tables summarize the Company's consolidated statement of income and balance sheet data. The Company acquired The Popcorn Factory in May 2002, The Children's Group in June 2001, disposed of Floral Works in January 2000, and acquired GreatFood.com and TheGift.com in November 1999. The following financial data reflects the results of operations of these subsidiaries since their respective dates of acquisition and up through the date of disposition. This information should be read together with the discussion in "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the Company's consolidated financial statements and notes to those statements included elsewhere in this Annual Report.

	Years Ended				
	June 27, 2004	June 29, 2003	June 30, 2002	July 1, 2001	July 2, 2000
	(in thousands, except per share data)				
Consolidated Statement of Income Data:					
Net revenues:					
Telephonic	**$263,039**	$271,071	$248,931	$230,723	$227,380
Online	**307,470**	265,278	218,179	182,924	116,810
Retail/fulfillment	**33,469**	29,269	30,095	28,592	35,338
Total net revenues	**603,978**	565,618	497,205	442,239	379,528
Cost of revenues	**351,111**	324,565	293,269	267,779	237,493
Gross profit	**252,867**	241,053	203,936	174,460	142,035
Operating expenses:					
Marketing and sales	**172,251**	170,013	150,638	154,321	155,353
Technology and development	**13,799**	13,937	13,723	16,853	16,809
General and administrative	**30,415**	29,593	28,179	27,043	28,975
Depreciation and amortization	**14,992**	15,389	15,061	21,716	16,479
Total operating expenses	**231,457**	228,932	207,601	219,933	217,616
Operating income (loss)	**21,410**	12,121	(3,665)	(45,473)	(75,581)
Other income, net	**320**	117	1,448	4,152	7,422
Income (loss) before income taxes and minority interests	**21,730**	12,238	(2,217)	(41,321)	(68,159)
Income tax benefit	**19,174**	—	706	—	1,286
Income (loss) before minority interests	**40,904**	12,238	(1,511)	(41,321)	(66,873)
Minority interests	**––**	—	—	—	43
Net income (loss)	**$ 40,904**	$ 12,238	$ (1,511)	$ (41,321)	$ (66,830)
Net income (loss) per common share:					
Basic	**$ .62**	$ 0.19	$ (0.02)	$ (0.64)	$ (1.10)
Diluted	**$ .60**	$ 0.18	$ (0.02)	$ (0.64)	$ (1.10)
Shares used in the calculation of net income (loss) per common share:					
Basic	**65,959**	65,566	64,703	64,197	60,889
Diluted	**68,165**	67,670	64,703	64,197	60,889

	As of				
	June 27, 2004	June 29, 2003	June 30, 2002	July 1, 2001	July 2, 2000
	(in thousands)				
Consolidated Balance Sheet Data:					
Cash and equivalents and short-term investments	**$103,374**	$ 61,218	$ 63,399	$ 63,896	$111,624
Working capital	**83,704**	26,875	23,301	27,409	82,129
Investments-non current	**8,260**	19,471	9,591	16,284	1,918
Total assets	**261,552**	214,796	207,157	195,257	224,641
Long-term liabilities	**8,874**	12,820	15,939	16,029	12,947
Total stockholders' equity	**186,390**	137,288	123,908	117,816	158,918

Overview

For more than 25 years, 1-800-FLOWERS.COM, Inc. (NASDAQ: FLWS) has been the leading innovator in the floral industry, taking the extra step to help people connect and express themselves quickly and easily with exquisite floral gifts crafted with care by renowned artisans and the nation's leading florists, as well as distinctive non-floral gifts appropriate for any occasion or sentiment. The Company provides gift solutions same day, any day, offering an unparalleled selection of flowers, plants, gourmet foods and confections, gift baskets and other impressive unique gifts. As always, satisfaction is guaranteed, and customer service is paramount with quick, convenient ordering options, fast and reliable delivery, and gift advisors always available.

Customers can shop 1-800-FLOWERS.COM 24-hours a day, seven-days a week via the Internet (http://www.1800flowers.com); by calling 1-800-FLOWERS® (1-800-356-9377); or by visiting a Company-operated or franchised store. The 1-800-FLOWERS.COM family of brands also includes home decor and garden merchandise from Plow & Hearth® (1- 800-627-1712 or http://www.plowandhearth.com); premium popcorn and specialty treats from The Popcorn Factory® (1-800-541-2676 or http://www.thepopcornfactory.com); gourmet foods from GreatFood.com® (http://www.greatfood.com); and children's gifts from HearthSong® (http://www.hearthsong.com) and Magic Cabin® (http://www.magiccabin.com).

Most of the Company's floral orders are fulfilled through BloomNet® (comprised of independent florists operating retail flower shops and Local Fulfillment Centers ("LFC's"), Company-owned stores and fulfillment centers and franchise stores). The Company transmits its orders either through BloomLink®, its proprietary Internet-based electronic communication system, or the communication system of a third-party. A portion of the Company's floral and gift merchandise; as well as its home and garden merchandise, non-floral gift products and gourmet food merchandise are shipped by the Company, members of BloomNet®, or third parties directly to the customer using common carriers. Most of the Company's home and garden products are fulfilled from its Madison, Virginia fulfillment center or its Vandalia, Ohio distribution facility, while the Company's children's merchandise is fulfilled from its Vandalia facility. The Company's gourmet popcorn and related merchandise is fulfilled primarily from its Lake Forest, Illinois manufacturing facility.

As of June 27, 2004, the Company-owned retail fulfillment operations consisted of 22 retail stores and 8 fulfillment centers. Retail fulfillment revenues also includes fees paid to the Company by, and the sale of wholesale products by the Company to, members of its BloomNet® network as well as royalties, fees and sublease rent paid to the Company by its 73 franchise stores. Company-owned stores serve as local points of fulfillment and enable the Company to test new products and marketing programs. As such, a significant percentage of the revenues derived from Company-owned stores and fulfillment centers represent fulfillment of its telephonic and online sales channel floral orders and are eliminated as inter-company revenues.

Results of Operations

The Company's fiscal year is a 52- or 53-week period ending on the Sunday nearest to June 30. Fiscal years 2004, 2003 and 2002 which ended on June 27, 2004, June 29, 2003 and June 30, 2002, respectively, consisted of 52 weeks.

Net Revenues

	Years Ended				
	June 27, 2004	% Change	June 29, 2003	% Change	June 30, 2002
	(in thousands)				
Net revenues:					
Telephonic	**$263,039**	(3.0%)	$271,071	8.9%	$248,931
Online	**307,470**	15.9%	265,278	21.6%	218,179
Retail/fulfillment	**33,469**	14.3%	29,269	(2.7%)	30,095
	$603,978	6.8%	$565,618	13.8%	$497,205

Net revenues consist primarily of the selling price of the merchandise, service or outbound shipping charges, less discounts, returns and credits. The Company's combined telephonic and online revenue growth of 6.4% and 14.8% during the fiscal years ended June 27, 2004 and June 29, 2003, respectively, was due to an increase in order volume resulting from: (i) the Company's strong brand name recognition, (ii) continued leveraging of its existing customer base, and (iii) the success of our marketing and merchandising efforts to enhance revenue growth in our floral gift category and in complimentary categories, including gourmet food gifts, such as the Popcorn Factory line of products acquired in May 2002, gift baskets, candy and children's gifts. This growth was offset, in part by, slower sales in the home and garden gift product line as a result of internal marketing and merchandising issues, as well as increasingly competitive market conditions. The Company has completed a review of this product line and has begun to implement a marketing plan to enhance product offerings, and the creative look and feel of its catalogs and website.

The Company fulfilled approximately 9,322,000, 8,681,000 and 7,172,000 orders through its combined telephonic and online sales channels during the fiscal years ended June 27, 2004, June 29, 2003, and June 30, 2002, respectively, representing increases of 7.4% and 21.0% over the respective prior fiscal years. The growth resulted primarily from increases in online order volume, which increased 15.6% and 24.1%, during the years ended June 27, 2004 and June 29, 2003, respectively, in comparison to prior years, driven by improved conversion of qualified traffic through the Company's Web sites, and through third-party portals, search engines and affiliates, and the continued migration of customers from the Company's telephonic sales channel. During the fiscal year ended June 29, 2003, telephonic order volume increased 17.7% over the comparative prior fiscal year, primarily as a result of the acquisition of the Company's gourmet popcorn product line in May 2002. The Company's combined telephonic and online sales channel average order value decreased 1.0% and 5.1% to $61.20 and $61.79

during the fiscal years ended June 27, 2004 and June 29, 2003, respectively, primarily as a result of product sales mix, and, in fiscal 2003, the addition of the gourmet popcorn product line which has a lower average order value. The Company's online sales channel contributed 53.9%, 49.5% and 46.7% of the total combined telephonic and online revenues during the fiscal years ended June 27, 2004, June 29, 2003 and June 30, 2002, respectively. The Company intends to continue to drive revenue growth through its online sales channel and continue the migration of its customers from the telephone to the Web for several important reasons: (i) online orders are less expensive to process than telephonic orders, (ii) online customers can view the Company's full range of gift offerings, including non-floral gifts, which yield higher gross margin opportunities, (iii) online customers can utilize all of the Company's services, such as the various gift search functions, order status check and reminder service, thereby deepening the relationship with its customers and leading to increased order rates, and (iv) when customers visit the Company online, it provides an opportunity to interact with customers in an electronic dialog via cost efficient marketing programs.

In order to improve overall demand, in response to forecasted economic conditions and analysis of consumer buying patterns within the Company's available product offerings, during the fiscal year ended June 27, 2004, the Company reallocated its marketing spending, reducing the circulation of certain home and garden gift product catalogs and redirecting those funds to various online and media programs featuring floral gifts. As a result, during the fiscal year ended June 27, 2004, non-floral gift products accounted for 47.8% of total combined telephonic and online net revenues, compared to 49.5% and 45.8% during the years ended June 29, 2003 and June 30, 2002, respectively. The increase in the percentage of non-floral gift products sold during the fiscal year ended June 29, 2003 resulted from the expansion of candy, gift basket and gourmet foods, including the Popcorn Factory line in May 2002. In the future, the Company will continue to emphasize appropriate products and categories to match consumer preferences and economic conditions.

Retail/fulfillment revenues for the fiscal year ended June 27, 2004 increased compared to the prior year primarily as a result of enhancements to our BloomNet® network of fulfilling florists and to our Bloomlink communication system, as well as sales of wholesale products to its BloomNet® members. During the fiscal year ended June 29, 2003, retail/fulfillment revenues decreased as compared to the prior year primarily as a result of the sale, closure, or conversion of certain company-owned retail stores into franchised operations.

Gross Profit

	Years Ended				
	June 27, 2004	% Change	June 29, 2003	% Change	June 30, 2002
	(in thousands)				
Gross profit	**$252,867**	4.9%	$241,053	18.2%	$203,936
Gross margin %	**41.9%**		42.6%		41.0%

Gross profit consists of net revenues less cost of revenues, which is comprised primarily of florist fulfillment costs (fees paid directly to florists and fees paid to wire service entities that serve as clearinghouses for floral orders, net of wire service rebates), the cost of floral and non-floral merchandise sold from inventory or through third parties, and associated costs including inbound and outbound shipping charges. Additionally, cost of revenues include labor and facility costs related to direct-to-consumer merchandise production operations, as well as facility costs on properties that are sublet to the Company's franchisees. Gross profit increased during the fiscal years ended June 27, 2004 and June 29, 2003 as a result of increased order volume, and in fiscal 2003, as a result of an improved gross margin percentage. During the fiscal year ended June 27, 2004 gross margin percentage declined by 70 basis points over the prior fiscal year, primarily as a result of product mix, specifically, lower sales of home décor and garden merchandise which generate higher gross margins in comparison to the Company's floral merchandise. Gross margin percentage during the fiscal year ended June 29, 2003 increased over the comparative prior year due to several factors including: (i) increased non-floral product sales, which were further complemented by the acquisition of the Popcorn Factory product line in May 2002 which earns higher gross margins, (ii) improvements in product shipping costs, inventory management and product sourcing, (iii) increases in the Company's service charge, to align it with industry norms, and (iv) the Company's continued focus on customer service, whereby stricter control standards and enforcement methods reduced the rate of product credits/returns and replacements.

As the Company implements its plans to restore sustainable growth in its home and garden gift line, the Company expects that over the longer term it will continue to grow its higher margin, non-floral business. During fiscal 2005, while varying by quarter due to seasonal changes in product mix, the Company expects that its gross margin percentage will remain consistent with results achieved during the fiscal year ended June 27, 2004.

Marketing and Sales Expense

	Years Ended				
	June 27, 2004	% Change	June 29, 2003	% Change	June 30, 2002
	(in thousands)				
Marketing and sales	**$172,251**	1.3%	$170,013	12.9%	$150,638
Percentage of sales	**28.5%**		30.1%		30.3%

Marketing and sales expense consists primarily of advertising and promotional expenditures, catalog costs, online portal agreements, retail store and fulfillment operations (other than costs included in cost of revenues) and customer service center expenses, as well as the operating expenses of the Company's departments engaged in marketing, selling and merchandising activities. Marketing and sales expenses decreased as a percentage of net revenues as a result of volume related operating efficiencies and a reduction in order processing costs. During fiscal 2004, marketing and sales expense, as a percentage of net revenue, was further reduced as a result of a net reduction in advertising cost per order, resulting from the aforementioned shift in the mix of products being promoted by the Company, which enabled it to proportionately reduce the circulation of higher cost per order catalogs in favor of lower cost media and online advertising. As a result of the Company's cost efficient customer retention programs, of the 5.7 million customers who placed orders during the fiscal year ended June 27, 2004, approximately 45.3% represented repeat customers, compared to 42.4% in fiscal 2003 and 39.2% in fiscal 2002. In addition, as a result of the strength of the Company's brands, combined with its cost-efficient marketing programs, the Company added approximately 3.1 million new customers during the fiscal year ended June 27, 2004, consistent with the prior fiscal year.

In order to further execute its business plan, the Company expects to continue to invest in its marketing and sales efforts to acquire new customers, while also leveraging its already significant customer base through cost effective customer retention initiatives. Such spending will be within the context of the Company's overall marketing plan, which is continually evaluated and revised to reflect the results of the Company's most recent market research, including the impact of changing economic conditions and consumer preferences, and seeks to determine the most cost-efficient use of the Company's marketing dollars. Although the Company believes that increased spending in the area of marketing and sales will be necessary for the Company to continue to grow its revenues, the Company expects that, on an annual basis, marketing and sales expense will continue to decline as a percentage of net revenues.

Technology and Development Expense

	Years Ended				
	June 27, 2004	% Change	June 29, 2003	% Change	June 30, 2002
	(in thousands)				
Technology and development	**$13,799**	(1.0)%	$13,937	1.6%	$13,723
Percentage of sales	**2.3%**		2.5%		2.8%

Technology and development expense consists primarily of payroll and operating expenses of the Company's information technology group, costs associated with its Web sites, including hosting, design, content development and maintenance and support costs related to the Company's order entry, customer service, fulfillment and database systems. Technology and development expense decreased as a percentage of net revenue during the years ended June 27, 2004 and June 23, 2003, and in absolute spending in fiscal 2004, due to the Company's ability to internalize its development functions, thereby cost effectively enhancing the content and functionality of the Company's Web sites and improving the performance of the fulfillment and database systems, while adding improved operational flexibility and supplemental back-up and system redundancy. During the fiscal years ended June 27, 2004, June 29, 2003, and June 30, 2002, the Company expended $22.8 million, $22.2 million and $24.5 million on technology and development, of which $9.0 million, $8.3 million and $10.8 million, respectively, has been capitalized.

Although the Company believes that continued investment in technology and development is critical to attaining its strategic objectives, the Company expects that its spending in comparison to prior fiscal years will continue to decrease as a percentage of net revenues due to the expected benefits from previous investments in the Company's current technology platform.

General and Administrative Expenses

	Years Ended				
	June 27, 2004	% Change	June 29, 2003	% Change	June 30, 2002
	(in thousands)				
General and administrative	**$30,415**	2.8%	$29,593	5.0%	$28,179
Percentage of sales	**5.0%**		5.2%		5.7%

General and administrative expense consists of payroll and other expenses in support of the Company's executive, finance and accounting, legal, human resources and other administrative functions, as well as professional fees and other general corporate expenses. Although declining as a percentage of net revenues, general and administrative expenses increased during the fiscal years ended June 27, 2004 and June 29, 2003, in comparison to their respective prior years, primarily as a result of increased health and business insurance costs, partially offset by various cost reduction initiatives. The increase in fiscal 2003 was also attributable to the incremental costs associated with the acquisition of The Popcorn Factory in May 2002.

The Company believes that its current general and administrative infrastructure is sufficient to support existing requirements, and as such, while increasing in absolute dollars, general and administrative expenses on an annual basis are expected to continue to decline as a percentage of net revenues.

Depreciation and Amortization

	Years Ended				
	June 27, 2004	% Change	June 29, 2003	% Change	June 30, 2002
	(in thousands)				
Depreciation and amortization	**$14,992**	(2.6)%	$15,389	2.2%	$15,061
Percentage of sales	**2.5%**		2.7%		3.0%

Depreciation and amortization expense decreased during the fiscal year ended June 27, 2004, in comparison to the prior year, due to the declining rate of capital additions, and that certain software components of the Company's order entry, customer service, fulfillment and database systems, are now fully depreciated. The increase in depreciation and amortization expense during the fiscal year ended June 29, 2003, in comparison to the prior fiscal year, was primarily the result of the incremental depreciation and amortization associated with The Popcorn Factory, which was acquired in May 2002.

Although the Company believes that continued investment in its infrastructure, primarily in the areas of technology and development, is critical to attaining its strategic objectives, the Company expects that depreciation and amortization will continue to decrease as a percentage of net revenues in comparison to prior years.

Other Income (Expense)

	Years Ended				
	June 27, 2004	% Change	June 29, 2003	% Change	June 30, 2002
		(in thousands)			
Interest income	**$ 1,324**	14.4%	$ 1,157	(57.0%)	$ 2,688
Interest expense	**(663)**	32.5%	(982)	21.1%	(1,245)
Other, net	**(341)**	487.9%	(58)	(126.0%)	5
	$ 320	173.5%	$ 117	(91.9%)	$ 1,448

Other income (expense) consists primarily of interest income earned on the Company's investments and available cash balances, offset by interest expense, primarily attributable to the Company's capital leases and other long-term debt. The increase in other income (expense) during the fiscal year ended June 27, 2004, in comparison to the prior fiscal year, resulted primarily from: (i) an increase in interest income resulting from higher invested cash balances generated from operations, and (ii) a reduction in interest expense associated with the refinancing of a series of fixed and variable rate mortgage and equipment notes in June 2003, partially offset by losses incurred upon closure/conversion of certain retail stores. The decrease in other income (expense) during the fiscal year ended June 29, 2003, in comparison to the prior fiscal year, was primarily due to a decline in interest income resulting from a decrease in cash and investment balances in order to fund capital expenditures and the acquisition of The Popcorn Factory in May 2002, as well as the decline of the Company's average rate of return on its investments, partially offset by the decline of interest expense due to the decline in interest rates on the Company's variable rate long-term debt.

Income Taxes

During the fiscal year ended June 27, 2004, the Company recorded an income tax benefit of approximately $19.2 million (net) due to the removal of the Company's valuation allowance on its deferred tax assets which consisted primarily of net operating loss carryforwards (see below), offset in part by income tax expense for federal alternative minimum tax and various state taxes resulting from state tax law changes that deferred the use of available net operating losses for state purposes.

At June 27, 2004, management of the Company reassessed the valuation allowance previously established against its net deferred tax assets. Based on the Company's earnings history and projected future taxable income, management determined that it is more likely than not that the deferred tax assets would be realized. Accordingly, the Company removed the valuation allowance of approximately $30.0 million from its deferred tax assets resulting in the recognition of an income tax benefit of approximately $20.8 million, a reduction of goodwill of approximately $3.1 million, related to the acquired net operating losses of GreatFood.com, and an increase in additional paid-in-capital of approximately $6.1 million related to income tax benefits associated with employee stock option exercises. The favorable impact of the income tax benefit has distorted the trends in our net income and will impact the comparability of our net income with other periods. During fiscal 2005, the Company anticipates an effective rate of approximately 41%.

During the fiscal year ended June 29, 2003, the Company provided no income tax provision due to the availability of net operating loss carryforwards. During the fiscal year ended June 30, 2002, the Company recorded a tax benefit related to previously paid income taxes of approximately $0.7 million as a result of tax law changes which extended the period for which companies were allowed to carry-back losses.

At June 27, 2004, the Company's federal and state net operating loss carryforwards were approximately $72.1 million, which, if not utilized, will begin to expire in fiscal year 2020.

Liquidity and Capital Resources

At June 27, 2004, the Company had working capital of $83.7 million, including cash and equivalents and short-term investments of $103.4 million, compared to working capital of $26.9 million, including cash and equivalents and short-term investments of $61.2 million, at June 29, 2003. In addition to cash and short-term investments, at June 27, 2004 and June 29, 2003, the Company maintained approximately $8.3 million and $19.5 million of long-term investments, respectively, consisting primarily of investment grade corporate and U.S. government securities.

Net cash provided by operating activities of $42.1 million for the fiscal year ended June 27, 2004 was primarily attributable to earnings, adjusted for depreciation and amortization, deferred income taxes and other non-cash charges, which in total amounted to $35.8 million, as well as decreases in other assets, primarily related to recoverable income taxes.

Net cash used in investing activities of $9.6 million for the fiscal year ended June 27, 2004 was principally comprised of capital expenditures related to the Company's technology infrastructure.

Net cash used in financing activities was $0.8 million for the fiscal year ended June 27, 2004, resulting primarily from the repayment of amounts outstanding under the Company's credit facilities and long-term capital lease obligations, offset in part by the net proceeds received upon the exercise of employee stock options and employee stock purchase plan.
The Company has a $5.0 million revolving line of credit, renewable November 30, 2004 (none outstanding at any point during the fiscal year ending June 27, 2004), available for working capital purposes.

At June 27, 2004, the Company's contractual obligations consist of:

	Payments due by period				
	Total	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years
			(in thousands)		
Long-term debt	$ 5,589	$ 1,284	$ 2,751	$ 1,554	$ —
Capital lease obligations	3,495	1,738	1,732	19	6
Operating lease obligations	11,788	4,417	3,490	1,570	2,311
Sublease obligations	9,692	2,781	3,670	2,009	1,232
Other cash obligations (*)	228	228	—	—	—
Purchase commitments (**)	25,894	25,894	—	—	—
Total	$ 56,686	$ 36,342	$ 11,643	$ 5,152	$ 3,549

(*) Other cash obligations include $0.2 million of franchise lease guarantees.
(**) Purchase commitments consist primarily of inventory and equipment purchase orders made in the ordinary course of business.

On September 16, 2001, the Company's Board of Directors approved the repurchase of up to $10.0 million of the Company's Class A common stock. Although no repurchases have been made as of June 27, 2004, any such purchases could be made from time to time in the open market and through privately negotiated transactions, subject to general market conditions. The repurchase program will be financed utilizing available cash.

Critical Accounting Policies and Estimates

The Company's discussion and analysis of its financial position and results of operations are based upon the consolidated financial statements of 1-800-FLOWERS.COM, Inc., which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses, and related disclosure of contingent assets and liabilities. On an ongoing basis, management evaluates its estimates, including those related to revenue recognition, inventory and long-lived assets, including goodwill and other intangible assets related to acquisitions. Management bases its estimates and judgments on historical experience and on various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results may differ from these estimates under different assumptions or conditions. Management believes the following critical accounting policies, among others, affect its more significant judgments and estimates used in preparation of its consolidated financial statements.

Revenue Recognition

Net revenues are generated by online, telephonic and retail fulfillment operations and primarily consist of the selling price of merchandise, service or outbound shipping charges, less discounts, returns and credits. Net revenues are recognized upon product shipment.

Accounts Receivable

The Company maintains allowances for doubtful accounts for estimated losses resulting from the inability of its customers or franchisees to make required payments. If the financial condition of the Company's customers or franchisees were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

Inventory

The Company states inventory at the lower of cost or market. In assessing the realization of inventories, we are required to make judgments as to future demand requirements and compare that with inventory levels. It is possible that changes in consumer demand could cause a reduction in the net realizable value of inventory.

Goodwill and Other Intangible Assets

Goodwill represents the excess of the purchase price over the fair value of the net assets acquired and is evaluated annually for impairment. The cost of intangible assets with determinable lives is amortized to reflect the pattern of economic benefits consumed, on a straight-line basis, over the estimated periods benefited, ranging from 3 to 16 years.

The Company periodically evaluates acquired businesses for potential impairment indicators. Judgment regarding the existence of impairment indicators is based on market conditions and operational performance of the Company. Future events could cause the Company to conclude that impairment indicators exist and that goodwill and other intangible assets associated with our acquired businesses is impaired.

Capitalized Software

The carrying value of capitalized software, both purchased and internally developed, is periodically reviewed for potential impairment indicators. Future events could cause the Company to conclude that impairment indicators exist and that capitalized software is impaired.

Income Taxes

The Company has established deferred income tax assets and liabilities for temporary differences between the financial reporting bases and the income tax bases of its assets and liabilities at enacted tax rates expected to be in effect when such assets or liabilities are realized or settled. The Company has recognized as a deferred tax asset the tax benefits associated with losses related to operations, which are expected to result in a future tax benefit. Realization of this deferred tax asset assumes that we will be able to generate sufficient future taxable income so that these assets will be realized. The factors that we consider in assessing the likelihood of realization include the forecast of future taxable income and available tax planning strategies that could be implemented to realize the deferred tax assets.

Quantitative and Qualitative Disclosures About Market Risk

The Company's earnings and cash flows are subject to fluctuations due to changes in interest rates primarily from its investment of available cash balances in money market funds and investment grade corporate and U.S. government securities. Under its current policies, the Company does not use interest rate derivative instruments to manage exposure to interest rate changes.

Cautionary Note Regarding Forward-Looking Statements

Certain of the matters and subject areas discussed in this Annual Report contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical information provided herein are forward-looking statements and may contain information about financial results, economic conditions, trends and known uncertainties based on the Company's current expectations, assumptions, estimates and projections about its business and the Company's industry. These forward-looking statements involve risks and uncertainties. The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of several factors, including those more fully described under the caption "Business - Risk Factors that May Affect Future Results" and elsewhere in this Annual Report. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management's analysis, judgment, belief or expectation only as of the date hereof. The forward-looking statements made in this Annual Report relate only to events as of the date on which the statements are made. The Company undertakes no obligation to publicly update any forward-looking statements for any reason, even if new information becomes available or other events occur in the future.

Quarterly Results of Operations

The following table provides unaudited quarterly consolidated results of operations for each quarter of fiscal years 2004 and 2003. The Company believes this unaudited information has been prepared substantially on the same basis as the annual audited consolidated financial statements and all necessary adjustments, consisting of only normal recurring adjustments, have been included in the amounts stated below to present fairly the Company's results of operations. The operating results for any quarter are not necessarily indicative of the operating results for any future period.

	Three Months Ended							
	June 27, 2004	Mar. 28, 2004	Dec. 28, 2003	Sept. 28, 2003	June 29, 2003	Mar. 30, 2003	Dec. 29, 2002	Sep. 29, 2002
	(in thousands)							
Net revenues:								
Telephonic	$58,443	$50,851	$113,374	$ 40,371	$ 62,254	$52,287	$113,999	$42,531
Online	93,135	74,521	90,878	48,936	84,133	64,595	75,750	40,800
Retail fulfillment	9,989	8,697	8,930	5,853	8,456	7,239	7,680	5,894
Total net revenues	161,567	134,069	213,182	95,160	154,843	124,121	197,429	89,225
Cost of revenues	98,039	79,429	117,550	56,093	91,588	73,095	107,335	52,547
Gross Profit	63,528	54,640	95,632	39,067	63,255	51,026	90,094	36,678
Operating expenses:								
Marketing and sales	38,950	37,693	66,762	28,846	40,372	35,710	64,978	28,953
Technology and development	3,289	3,576	3,503	3,431	3,621	3,323	3,415	3,578
General and administrative	7,187	7,872	7,577	7,779	7,381	7,343	7,462	7,407
Depreciation and amortization	3,660	3,572	3,843	3,917	3,698	3,594	4,068	4,029
Total operating expenses	53,086	52,713	81,685	43,973	55,072	49,970	79,923	43,967
Operating income (loss)	10,442	1,927	13,947	(4,906)	8,183	1,056	10,171	(7,289)
Other income (expense), net	455	82	23	(240)	79	127	(84)	(5)
Income (loss) before income taxes	10,897	2,009	13,970	(5,146)	8,262	1,183	10,087	(7,294)
Income tax benefit (provision)	19,532	(66)	(292)	—	—	—	—	—
Net income (loss)	$30,429	$ 1,943	$ 13,678	$ (5,146)	$ 8,262	$ 1,183	$10,087	$ (7,294)
Net income (loss) per share:								
Basic	$ 0.46	$ 0.03	$ 0.21	$ (0.08)	$ 0.13	$ 0.02	$ 0.15	$ (0.11)
Diluted	$ 0.45	$ 0.03	$ 0.20	$ (0.08)	$ 0.12	$ 0.02	$ 0.15	$ (0.11)

The Company's quarterly results may experience seasonal fluctuations. Due to the Company's expansion into gift, home, gourmet and other related products, the Thanksgiving through Christmas holiday season, which falls within the Company's second fiscal quarter, generates the highest proportion of the Company's annual revenues. Additionally, as the result of a number of major floral gifting occasions, including Mother's Day, Administrative Professionals Week and Easter, revenues also rise during the Company's fiscal fourth quarter, in relation to its fiscal first and third quarters.

Consolidated Balance Sheets

1-800-FLOWERS.COM, Inc. and Subsidiaries

(in thousands, except share data)

	June 27, 2004	June 29, 2003
Assets		
Current Assets:		
Cash and equivalents	**$ 80,824**	$ 49,079
Short-term investments	**22,550**	12,139
Receivables, net	**9,013**	7,767
Inventories	**19,625**	20,370
Deferred income taxes	**16,463**	—
Prepaid and other	**1,517**	2,208
Total current assets	**149,992**	91,563
Property, plant and equipment, net	**42,460**	46,500
Investments	**8,260**	19,471
Goodwill	**34,529**	37,692
Other intangibles, net	**2,598**	3,211
Deferred income taxes	**13,548**	—
Other assets	**10,165**	16,359
Total assets	**$261,552**	$ 214,796
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued expenses	**$ 63,266**	$ 61,663
Current maturities of long-term debt and obligations under capital leases	**3,022**	3,025
Total current liabilities	**66,288**	64,688
Long-term debt and obligations under capital leases	**6,062**	9,124
Other liabilities	**2,812**	3,696
Total liabilities	**75,162**	77,508
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, $.01 par value, 10,000,000 shares authorized, none issued	**—**	—
Class A common stock, $.01 par value, 200,000,000 shares authorized, 29,428,143 and 28,679,848 shares issued in 2004 and 2003, respectively	**295**	287
Class B common stock, $.01 par value, 200,000,000 shares authorized, 42,144,465 and 42,399,915 shares issued in 2004 and 2003, respectively	**421**	424
Additional paid-in capital	**255,829**	247,636
Retained deficit	**(67,047)**	(107,951)
Treasury stock, at cost – 52,800 Class A and 5,280,000 Class B shares	**(3,108)**	(3,108)
Total stockholders' equity	**186,390**	137,288
Total liabilities and stockholders' equity	**$261,552**	$214,796

See accompanying notes.

Consolidated Statements of Income

1-800-FLOWERS.COM, Inc. and Subsidiaries

(in thousands, except per share data)

	Years Ended		
	June 27, 2004	June 29, 2003	June 30, 2002
Net revenues	**$603,978**	$565,618	$497,205
Cost of revenues	**351,111**	324,565	293,269
Gross profit	**252,867**	241,053	203,936
Operating expenses:			
Marketing and sales	**172,251**	170,013	150,638
Technology and development	**13,799**	13,937	13,723
General and administrative	**30,415**	29,593	28,179
Depreciation and amortization	**14,992**	15,389	15,061
Total operating expenses	**231,457**	228,932	207,601
Operating income (loss)	**21,410**	12,121	(3,665)
Other income (expense):			
Interest income	**1,324**	1,157	2,688
Interest expense	**(663)**	(982)	(1,245)
Other, net	**(341)**	(58)	5
Total other income, net	**320**	117	1,448
Income (loss) before income taxes	**21,730**	12,238	(2,217)
Income tax benefit	**19,174**	—	706
Net income (loss)	**$ 40,904**	$ 12,238	$ (1,511)
Net income (loss) per common share:			
Basic	**$ 0.62**	$ 0.19	$ (0.02)
Diluted	**$ 0.60**	$ 0.18	$ (0.02)
Weighted shares used in the calculation of net income (loss) per common share:			
Basic	**65,959**	65,566	64,703
Diluted	**68,165**	67,670	64,703

See accompanying notes.

Consolidated Statements of Stockholders' Equity

1-800-FLOWERS.COM, Inc. and Subsidiaries

Years ended June 27, 2004, June 29, 2003, and June 30, 2002

(in thousands, except share data)

	Common Stock				Additional				Total
	Class A		Class B		Paid-In	Retained	Treasury Stock		Stockholders'
	Shares	Amount	Shares	Amount	Capital	Deficit	Shares	Amount	Equity
Balance at July 1, 2001	26,586,875	$ 266	43,028,525	$ 430	$238,906	$(118,678)	5,332,800	$ (3,108)	$ 117,816
Exercise of stock options	788,008	8	—	—	2,228	—	—	—	2,236
Employee stock purchase plan	44,191	—	—	—	382	—	—	—	382
Issuance of shares of common stock in connection with the acquisition of The Popcorn Factory	353,003	4	—	—	4,981	—	—	—	4,985
Conversion of Class B common stock into Class A common stock	547,600	5	(547,600)	(5)	—	—	—	—	—
Net loss	—	—	—	—	—	(1,511)	—	—	(1,511)
Balance at June 30, 2002	28,319,677	283	42,480,925	425	246,497	(120,189)	5,332,800	(3,108)	123,908
Exercise of stock options	228,666	2	—	—	842	—	—	—	844
Employee stock purchase plan	50,495	1	—	—	297	—	—	—	298
Conversion of Class B common stock into Class A common stock	81,010	1	(81,010)	(1)	—	—	—	—	—
Net income	—	—	—	—	—	12,238	—	—	12,238
Balance at June 29, 2003	28,679,848	287	42,399,915	424	247,636	(107,951)	5,332,800	(3,108)	137,288
Exercise of stock options	**440,741**	**4**	**—**	**—**	**1,730**	**—**	**—**	**—**	**1,734**
Employee stock purchase plan	**52,104**	**1**	**—**	**—**	**391**	**—**	**—**	**—**	**392**
Reversal of valuation allowance related to income tax benefits from employee stock option exercises	**—**	**—**	**—**	**—**	**6,072**	**—**	**—**	**—**	**6,072**
Conversion of Class B common stock in Class A common stock	**255,450**	**3**	**(255,450)**	**(3)**	**—**	**—**	**—**	**—**	**—**
Net income	**—**	**—**	**—**	**—**	**—**	**40,904**	**—**	**—**	**40,904**
Balance at June 27, 2004	**29,428,143**	**$ 295**	**42,144,465**	**$ 421**	**$255,829**	**$ (67,047)**	**5,332,800**	**$ (3,108)**	**$ 186,390**

See accompanying notes.

Consolidated Statements of Cash Flows

1-800-FLOWERS.COM, Inc. and Subsidiaries

(in thousands)

	Years Ended		
	June 27, 2004	June 29, 2003	June 30, 2002
Operating activities:			
Net income (loss)	**$ 40,904**	$ 12,238	$ (1,511)
Reconciliation of net income (loss) to net cash provided by operations:			
Depreciation and amortization	**14,992**	15,389	15,061
Deferred income taxes	**(20,776)**	—	—
Bad debt expense	**437**	426	107
Other non-cash items	**250**	72	425
Changes in operating items, excluding the effects of acquisitions:			
Receivables	**(1,683)**	1,152	(1,031)
Inventories	**745**	(4,723)	(7)
Prepaid and other	**691**	12	(215)
Accounts payable and accrued expenses	**1,624**	(2,493)	2,264
Other assets	**5,829**	(2,555)	(3,544)
Other liabilities	**(884)**	1	59
Net cash provided by operating activities	**42,129**	19,519	11,608
Investing activities:			
Acquisitions, net of cash acquired	**—**	—	(7,037)
Capital expenditures, net of non-cash expenditures – $0, $0, and $2,894 in 2004, 2003 and 2002, respectively	**(10,576)**	(10,269)	(11,994)
Purchases of investments	**(62,584)**	(56,412)	(22,798)
Proceeds from sales of investments	**63,384**	57,191	6,693
Other	**217**	390	495
Net cash used in investing activities	**(9,559)**	(9,100)	(34,641)
Financing activities:			
Proceeds from employee stock options/stock purchase plan	**2,126**	1,142	2,618
Repayment of notes payable and bank borrowings	**(1,176)**	(1,492)	(826)
Payments of capital lease obligations	**(1,775)**	(1,591)	(2,054)
Net cash used in financing activities	**(825)**	(1,941)	(262)
Net change in cash and equivalents	**31,745**	8,478	(23,295)
Cash and equivalents:			
Beginning of year	**49,079**	40,601	63,896
End of year	**$ 80,824**	$ 49,079	$ 40,601

Supplemental Cash Flow Information:
- Interest paid amounted to $663, $982 and $1,245 for the years ended June 27, 2004, June 29, 2003 and June 30, 2002, respectively.
- The Company received tax refunds, net of income taxes paid of approximately $1,476, $0 and $706 for the years ended June 27, 2004, June 29, 2003 and June 30, 2002, respectively.

See accompanying notes.

Note 1. Description of Business

1-800-FLOWERS.COM, Inc. ("1-800-FLOWERS.COM") is a leading gift retailer, providing a broad range of thoughtful gift products including flowers, plants, gourmet foods, candies, gift baskets, and other unique gifts to our customers around the world. The 1-800-FLOWERS.COM family of brands also includes Plow & Hearth, a direct marketer of home decor and garden merchandise, GreatFood.com, a source for gourmet products, The Popcorn Factory, a manufacturer and direct marketer of premium popcorn and specialty food gifts, and HearthSong and Magic Cabin, direct marketers of unique children's toys and games. The Company operates in one business segment, providing its customers with convenient, multi-channel access via the Internet, telephone, catalogs and retail stores.

Note 2. Significant Accounting Policies

Fiscal Year

The Company's fiscal year is a 52- or 53-week period ending on the Sunday nearest to June 30th. Fiscal years 2004, 2003 and 2002, which ended June 27, 2004, June 29, 2003 and June 30, 2002, respectively, consisted of 52 weeks.

Basis of Presentation

The consolidated financial statements include the accounts of 1-800-FLOWERS.COM and its wholly-owned subsidiaries (collectively, the "Company"). All significant intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and Equivalents

Cash and equivalents consist of demand deposits with banks, highly liquid money market funds, United States government securities, overnight repurchase agreements and commercial paper with maturities of three months or less when purchased.

Inventories

Inventories are valued at the lower of cost or market using the first-in, first-out method of accounting.

Property, Plant and Equipment

Property, plant and equipment is recorded at cost reduced by accumulated depreciation. Depreciation expense is recognized over the assets' estimated useful lives using the straight-line method. Amortization of leasehold improvements and capital leases are calculated using the straight-line method over the shorter of the lease terms, including renewal options expected to be exercised, or estimated useful lives of the improvements. Estimated useful lives are periodically reviewed, and where appropriate, changes are made prospectively. The Company's property, plant and equipment is depreciated using the following estimated lives:

Buildings	40 years
Leasehold improvements	3 - 10 years
Furniture, Fixtures and Equipment	3 - 10 years
Software	3 years

Goodwill and Other Intangible Assets

Goodwill and indefinite-lived intangibles are not amortized, but are evaluated annually in the Company's fiscal fourth quarter for impairment. To date, there has been no impairment of these assets.

The cost of intangible assets with determinable lives is amortized to reflect the pattern of economic benefits consumed, on a straight-line basis, over the estimated periods benefited, ranging from 3 to 16 years.

Deferred Catalog Costs

The Company capitalizes the costs of producing and distributing its catalogs. These costs are amortized in direct proportion with actual sales from the corresponding catalog over a period not to exceed 26-weeks. Included within other assets was $3.8 million and $2.6 million at June 27, 2004 and June 29, 2003, respectively, relating to prepaid catalog costs.

Investments

The Company considers all of its debt and equity securities, for which there is a determinable fair market value and no restrictions on the Company's ability to sell within the next 12 months, as available-for-sale. Available-for-sale securities are carried at fair value, with unrealized gains and losses reported as a separate component of stockholders' equity. For the years ended June 27, 2004, June 29, 2003 and June 30, 2002, there were no significant unrealized gains or losses. Realized gains and losses are included in other income. The cost basis for realized gains and losses on available-for-sale securities is determined on a specific identification basis.

Fair Values of Financial Instruments

The recorded amounts of the Company's cash and equivalents, short-term investments, receivables, accounts payable, and accrued liabilities approximate their fair values principally because of the short-term nature of these items. The fair value of investments, including available-for-sale securities, is based on quoted market prices where available. The fair value of the Company's long-term obligations are estimated based on the current rates offered to the Company for obligations of similar terms and maturities. Under this method, the Company's fair value of long-term obligations was not significantly different than the carrying values at June 27, 2004 and June 29, 2003.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of cash and equivalents, investments and accounts receivable. The Company maintains cash and equivalents and investments with high credit, quality financial institutions. Concentration of credit risk with respect to accounts receivable are limited due to the Company's large number of customers and their dispersion throughout the United States, and the fact that a substantial portion of receivables are related to balances owed by major credit card companies. Allowances relating to consumer, corporate and franchise accounts receivable ($1.4 million and $1.3 million at June 27, 2004 and June 29, 2003, respectively) have been recorded based upon previous experience and management's evaluation.

Revenue Recognition

Net revenues are generated by online, telephonic and retail fulfillment operations and primarily consist of the selling price of merchandise, service or outbound shipping charges, less discounts, returns and credits. Net revenues are recognized upon product shipment.

Cost of Revenues

Cost of revenues consists primarily of florist fulfillment costs (fees paid directly to florists and fees paid to wire service entities that serve as clearinghouses for floral orders, net of wire service rebates), the cost of floral and non-floral merchandise sold from inventory or through third parties, and associated costs including inbound and outbound shipping charges. Additionally, cost of revenues includes labor and facility costs related to direct-to-consumer merchandise production operations, as well as facility costs on properties that are sublet to the Company's franchisees.

Marketing and Sales

Marketing and sales expense consists primarily of advertising and promotional expenditures, catalog costs, interactive marketing agreements, retail store and fulfillment operations (other than costs included in cost of revenues), and customer service center expenses, as well as the operating expenses of the Company's departments engaged in marketing, selling and merchandising activities.

The Company expenses all advertising costs, with the exception of catalog costs (see *Deferred Catalog Costs* above) at the time the advertisement is first shown. Advertising expense was $91.1 million, $88.9 million and $69.6 million for the years ended June 27, 2004, June 29, 2003 and June 30, 2002, respectively.

Technology and Development

Technology and development expense consists primarily of payroll and operating expenses of the Company's information technology group, costs associated with its Web sites, including hosting, design, content development and maintenance and support costs related to the Company's order entry, customer service, fulfillment and database systems. Costs associated with the acquisition or development of software for internal use are capitalized if the software is expected to have a useful life beyond one year and amortized over the software's useful life, typically three years. Costs associated with repair, maintenance or the development of Web site content are expensed as incurred as the useful lives of such software modifications are less than one year.

Stock-Based Compensation

The Company accounts for its employee stock option and stock purchase plans under the recognition and measurement principles of Accounting Principles Board Opinion ("APB") No. 25, *Accounting for Stock Issued to Employees.* Under APB No. 25, no stock-based compensation is reflected in net income, as all options granted under the plans had an exercise price equal to or greater than the market value of the underlying common stock on the date of grant and the related number of shares granted is fixed at that point in time. The following table illustrates the effect on net income (loss) per share as if the Company had applied the fair value recognition provisions of Statement of Financial Accounting Standards ("SFAS") No. 123, *Accounting for Stock-Based Compensation,* as amended by SFAS No. 148, *Accounting for Stock-Based Compensation – Transition and Disclosure* (see Note 9, "Stock Option Plans"):

	Years Ended		
	June 27, 2004	June 29, 2003	June 30, 2002
	(in thousands, except per share data)		
Net income (loss), as reported	**$40,904**	$12,238	$(1,511)
Less: FAS 123 stock based compensation (*)	**1,339**	7,803	5,447
Pro Forma net income (loss)	**$39,565**	$ 4,435	$(6,958)
Net income (loss) per share:			
Basic - As reported	**$ 0.62**	$ 0.19	$ (0.02)
Basic - Pro forma	**$ 0.60**	$ 0.07	$ (0.11)
Diluted - As reported	**$ 0.60**	$ 0.18	$ (0.02)
Diluted - Pro forma	**$ 0.58**	$ 0.07	$ (0.11)

(*)Note: During fiscal 2004, FAS 123 stock based compensation is net of the income tax benefit, of $6.1 million, associated with the removal of the valuation allowance on deferred tax assets arising from employee stock option exercises.

Comprehensive Income (Loss)

For the years ended June 27, 2004, June 29, 2003 and June 30, 2002, the Company's comprehensive income (losses) were equal to the respective net income (losses) for each of the periods presented.

Net Income (Loss) Per Share

Basic net income (loss) per common share is computed using the weighted-average number of common shares outstanding during the period. Diluted net income per share is computed using the weighted-average number of common and dilutive common equivalent shares (consisting of employee stock options) outstanding during the period. Diluted net loss per common share is computed using the weighted-average number of common shares and excludes dilutive potential common shares outstanding, as their effect is antidilutive.

Reclassifications

Certain balances in the prior fiscal years have been reclassified to conform with the presentation in the current fiscal year.

Note 3. Acquisitions and Disposition

Acquisition of Selected Assets of The Popcorn Factory

On May 3, 2002, the Company extended the breadth of its gourmet food product assortment when it completed the acquisition of selected operating assets and liabilities of The Popcorn Factory, a manufacturer and direct marketer of premium popcorn and specialty food gifts. The purchase price of approximately $12.6 million, including $0.3 million of transaction costs, was comprised of $7.3 million used to retire The Popcorn Factory's outstanding debt and the issuance of 353,003 shares of the Company's Class A common stock, valued at approximately $5.0 million, based upon the average closing price of the Company's common stock on the date of and the two days preceding and following the closing of the transaction. The acquisition was accounted for as a purchase and, accordingly, acquired assets and liabilities are recorded at their fair values, and the operating results of The Popcorn Factory have been included in the Company's consolidated results of operations since the date of acquisition. The excess of the purchase price over the fair market value of net assets acquired of $12.0 million was allocated to goodwill.

The purchase price allocation of The Popcorn Factory business resulted in the following condensed balance sheet of assets acquired and liabilities assumed.

	The Popcorn Factory Purchase Price Allocation
	(in thousands)
Current assets	$ 1,704
Property, plant and equipment	1,061
Intangible assets	1,120
Goodwill(*)	12,001
Total assets acquired	15,886
Current liabilities	3,120
Non-current liabilities	142
Total liabilities assumed	3,262
Net assets acquired	$12,624

(*) Approximately $12.0 million is expected to be deductible for tax purposes.

The Popcorn Factory acquisition resulted in $1.1 million in total intangible assets acquired, other than goodwill, with $0.2 million allocated to trademarks with indefinite lives. The remaining $0.9 million of acquired intangibles were allocated to customer list, and is being amortized over the asset's determinable useful life of 3 years.

Pro forma Results of Operation

The following unaudited pro forma consolidated financial information has been prepared as if the acquisition of The Popcorn Factory had taken place at the beginning of fiscal year 2002. The following unaudited pro forma information is not necessarily indicative of the results of operations in future periods or results that would have been achieved had the acquisition taken place at the beginning of the periods presented.

	Years Ended		
	June 27, 2004 (as reported)	June 29, 2003 (as reported)	June 30, 2002 (pro forma)
	(in thousands, except per share data)		
Net revenues	**$603,978**	$565,618	$528,103
Income (loss) from operations	**$ 21,410**	$ 12,121	$ (6,407)
Net income (loss)	**$ 40,904**	$ 12,238	$ (4,688)
Net income (loss) per common share			
Basic	**$ 0.62**	$ 0.19	$ (0.07)
Diluted	**$ 0.60**	$ 0.18	$ (0.07)

Note 4. Goodwill and Intangible Assets

The change in the net carrying amount of goodwill is as follows:

	June 27, 2004	June 29, 2003
	(in thousands)	
Goodwill - beginning of year	**$37,692**	$37,772
Removal of deferred tax asset valuation allowance related to net operating losses acquired from GreatFood.com, Inc.	**(3,163)**	—
Other	––	(80)
Goodwill - end of year	**$34,529**	$37,692

The Company's intangible assets consist of the following:

		June 27, 2004			June 29, 2003		
	Amortization Period	Gross Carrying Amount	Accumulated Amortization	Net	Gross Carrying Amount	Accumulated Amortization	Net
				(in thousands)			
Intangible assets with determinable lives:							
Investment in licenses	**14-16 years**	**$4,927**	**$3,115**	**$1,812**	$4,927	$2,792	$2,135
Customer lists	**3 years**	**910**	**657**	**253**	910	354	556
Other	**20 years**	**194**	**137**	**57**	171	127	44
		6,031	**3,909**	**2,122**	6,008	3,273	2,735
Trademarks with indefinite lives	––	**476**	––	**476**	476	––	476
Total intangible assets		**$6,507**	**$3,909**	**$2,598**	$6,484	$3,273	$3,211

The amortization of intangible assets for the years ended June 27, 2004, June 29, 2003 and June 30, 2002 was $0.6 million, $0.9 million and $0.7 million, respectively. Future estimated amortization expense is as follows: 2005 - $0.6 million, 2006 - $0.3 million, 2007 - $0.3 million, 2008 - $0.3 million, and 2009 - $0.3 million, and thereafter - $0.3 million.

Note 5. Property, Plant and Equipment

	June 27, 2004	June 29, 2003
	(in thousands)	
Computer equipment	**$41,173**	$37,429
Software	**36,321**	31,712
Telecommunication equipment	**6,842**	6,411
Leasehold improvements	**11,767**	12,267
Building and building improvements	**12,038**	11,454
Equipment	**8,016**	7,160
Furniture and fixtures	**3,755**	3,712
Land	**666**	666
	120,578	110,811
Accumulated depreciation and amortization	**78,118**	64,311
	$42,460	$46,500

Note 6. Long-Term Debt

	June 27, 2004	June 29, 2003
	(in thousands)	
Commercial notes and revolving credit line (1-2)	**$5,504**	$6,612
Seller financed acquisition obligations (3-4)	**85**	145
Obligations under capital leases (see Note 12)	**3,495**	5,392
	9,084	12,149
Less current maturities of long-term debt and obligations under capital leases	**3,022**	3,025
	$6,062	$9,124

The following notes and credit lines relate to obligations arising from, and collateralized by, the underlying assets of the Company's Plow & Hearth facility in Madison, Virginia.

(1) $5,000,000 revolving credit line, renewable on November 30, 2004 (none outstanding at June 27, 2004), bearing interest equal to the monthly LIBOR Index plus 1.75% per annum (3.09% at June 27, 2004).

(2) $6,612,000 note dated June 27, 2003, ($5,504,000 outstanding at June 27, 2004), bearing

interest at 5.44% per annum. The note, which resulted from the consolidation and refinancing of a series of fixed and variable rate mortgage and equipment notes in June 2003, is payable in 60 equal monthly installments of principal and interest commencing August 1, 2003.

The following notes relate to seller-financed acquisition obligations, all of which have been collateralized by either the stock or assets of various subsidiaries of the Company:

(3) $275,000 promissory note dated November 1, 1994 ($16,000 outstanding at June 27, 2004), bearing interest at 8% per annum. The note is payable in 120 equal monthly installments of principal and interest commencing December 1, 1994.

(4) $160,000 non-interest bearing promissory note dated September 30, 1999 ($69,000 outstanding at June 27, 2004). The note is payable in 8 annual installments commencing August 2000.

As of June 27, 2004, long-term debt maturities, excluding amounts relating to capital leases, are as follows:

Year	Debt Maturities
	(in thousands)
2005	$1,284
2006	1,338
2007	1,413
2008	1,554
	$5,589

Note 7. Income Taxes

Significant components of the income tax benefit are as follows:

	Years Ended		
	June 27, 2004	June 29, 2003	June 30, 2002
	(in thousands)		
Current provision (benefit):			
Federal	**$ 677**	$ —	$ (706)
State	**923**	—	—
	1,600	—	(706)
Deferred benefit:			
Federal	**(15,796)**	—	—
State	**(4,980)**	—	—
	(20,776)	—	—
Income tax benefit	**$ (19,174)**	$ —	$ (706)

A reconciliation of the U.S. federal statutory tax rate to the Company's effective tax rate is as follows:

	Years Ended		
	June 27, 2004	June 29, 2003	June 30, 2002
Tax at U.S. statutory rates	**35.0%**	34.0%	(34.0)%
State income taxes, net of federal tax benefit	**2.8**	5.9	(3.6)
Goodwill amortization	**.5**	1.0	13.8
Tax settlements	**2.7**	—	—
Change in tax rates	**4.2**	—	—
Change in valuation allowance	**(140.1)**	(39.7)	(8.6)
Other	**6.7**	(1.2)	0.6
	(88.2)%	0.0%	(31.8)%

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The significant components of the Company's deferred income tax assets (liabilities) are as follows:

	Years Ended		
	June 27, 2004	June 29, 2003	June 30, 2002
	(in thousands)		
Deferred income tax assets:			
Net operating loss carryforwards	**$27,878**	$34,247	$37,946
Accrued expenses and reserves	**3,463**	3,624	3,031
Valuation allowance	**––**	(36,523)	(38,242)
Deferred tax liabilities:			
Installment sales	**(39)**	(53)	(54)
Tax in excess of book depreciation	**(1,291)**	(1,295)	(2,681)
Net deferred income tax assets	**$30,011**	$ —	$ —

At June 27, 2004, management of the Company reassessed the valuation allowance previously established against its net deferred income tax assets. Based on the Company's earnings history and projected future taxable income, management determined that it is more likely than not that the deferred income tax assets would be realized. Accordingly, the Company removed the valuation allowance of approximately $30.0 million from its deferred income tax assets resulting in the recognition of an income tax benefit of approximately $20.8 million, a reduction of goodwill of approximately $3.1 million, related to the acquired net operating losses of GreatFood.com, and an increase in additional paid-in-capital of approximately $6.1 million related to income tax benefits associated with employee stock option exercises.

During the fiscal year ended June 30, 2002, the Company recorded a benefit related to previously paid income taxes of approximately $0.7 million as a result of tax law changes which extended the period for which companies were allowed to carry-back losses.

At June 27, 2004, the Company's federal and state net operating loss carryforwards were approximately $72.1 million, which, if not utilized, will begin to expire in fiscal year 2020.

Note 8. Capital Stock

Holders of Class A common stock generally have the same rights as the holders of Class B common stock, except that holders of Class A common stock have one vote per share and holders of Class B common stock have 10 votes per share on all matters submitted to the vote of stockholders. Holders of Class A common stock and Class B common stock generally vote together as a single class on all matters presented to the stockholders for their vote or approval, except as may be required by Delaware law. Class B common stock may be converted into Class A common stock at any time on a one-for-one share basis. Each share of Class B common stock will automatically convert into one share of Class A common stock upon its transfer, with limited exceptions.

On September 16, 2001, the Company's Board of Directors approved the repurchase of up to $10.0 million of the Company's Class A common stock. Any such purchases could be made from time to time in the open market and through privately negotiated transactions, subject to general market conditions. The repurchase program will be financed utilizing available cash. No repurchases had been made as of June 27, 2004.

Note 9. Stock Option Plans

In December 2003, the Company's Board of Directors and shareholders approved the 1-800-FLOWERS.COM 2003 Long Term Incentive and Share Award Plan (the "Plan"). The Plan is a broad-based, long-term incentive program that is intended to attract, retain and motivate employees, consultants and directors to achieve the Company's long-term growth and profitability objectives, and therefore align stockholder and employee interests. The Plan provides for the grant to eligible employees, consultants and directors of stock options, share appreciation rights ("SARs"), restricted shares, restricted share units, performance shares, performance units, dividend equivalents, and other share-based awards (collectively "Awards"). The Plan reserves 7,500,000 shares of Common Stock, which is approximately the amount of shares which had been previously available for issuance under the Company's 1999 Stock Incentive Plan. No further awards will be issued under the 1999 Stock Incentive Plan. During a calendar year i) the maximum number of shares with respect to which options and SARs may be granted to an eligible participant under the Plan will be 1,000,000 shares, and ii) the maximum number of shares with respect to which Awards intended to qualify as performance-based compensation other than options and SARs may be granted to an eligible participant under the Plan will be 500,000 shares.

The Plan is administered by the Compensation Committee or such other Board committee (or the entire Board) as may be designated by the Board (the "Committee"). Unless otherwise determined by the Board, the Committee will consist of two or more members of the Board who are nonemployee directors within the meaning of Rule 16b-3 of the Securities Exchange Act of 1934 and "outside directors" within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended. The Committee will determine which eligible employees, consultants and directors receive awards, the types of awards to be received and the terms and conditions thereof. The Chief Executive Officer shall have the power and authority to make Awards under the Plan to employees and consultants not subject to Section 16 of the Exchange Act, subject to limitations imposed by the Committee.

At June 27, 2004, the Company has reserved approximately 17,415,000 shares of common stock for issuance under common stock option plans, including options previously authorized for issuance under the 1999 Stock Incentive Plan.

The following table summarizes activity in stock options:

	Years Ended					
	June 27, 2004		June 29, 2003		June 30, 2002	
	Shares Under Option	**Weighted Average Exercise Price**	Shares Under Option	Weighted Average Exercise Price	Shares Under Option	Weighted Average Exercise Price
Balance, beginning of year	**10,001,345**	**$ 8.28**	8,113,144	$ 8.95	6,455,262	$ 6.64
Grants	**154,800**	**$10.15**	3,036,705	$ 6.55	2,897,950	$12.43
Exercises	**(440,741)**	**$ 3.93**	(228,666)	$ 3.69	(788,008)	$ 2.72
Forfeitures	**(606,419)**	**$ 9.38**	(919,838)	$ 9.43	(452,060)	$ 9.94
Balance, end of year	**9,108,985**	**$ 8.45**	10,001,345	$ 8.28	8,113,144	$ 8.95

The following table summarizes information about stock options outstanding at June 27, 2004:

	Options Outstanding			Options Exercisable	
Exercise Price	Options Outstanding	Weighted-Average Remaining Contractual Life	Weighted-Average Exercise Price	Options Exercisable	Weighted-Average Exercise Price
$ 1.61 - 2.00	297,325	4.0 years	$ 1.95	297,325	$ 1.95
$ 3.32 - 4.50	2,664,927	6.2 years	$ 4.05	1,879,829	$ 4.08
$ 4.95 - 6.70	2,615,853	8.2 years	$ 6.45	24,724	$ 5.14
$ 6.76 - 10.00	164,900	8.1 years	$ 8.39	50,000	$ 8.24
$ 10.20 - 14.69	2,725,080	7.0 years	$12.41	1,356,950	$12.49
$ 15.77 - 17.38	1,100	7.5 years	$15.92	440	$15.92
$ 21.00 - 23.10	639,800	4.9 years	$21.09	639,800	$21.09
	9,108,985	6.9 years	$ 8.45	4,249,068	$ 9.23

Fair Value Disclosures

The exercise price of employee stock option grants is set at the closing price of the Company's common stock on the date of grant and the related number of shares granted is fixed at that point in time. Therefore, under the principles of APB No. 25, the Company does not recognize compensation expense associated with the grant of employee stock options. SFAS No. 123 requires the use of option valuation models to provide supplemental information regarding options granted after 1994.

The weighted average fair value of stock options on the date of grant, and the assumptions used to estimate the fair value of the stock options using the Black-Scholes option valuation model, were as follows:

	Years Ended		
	June 27, 2004	June 29, 2003	June 30, 2002
Weighted average fair value of options granted	**$5.99**	$3.95	$7.32
Risk-free interest rate	**3.61%**	3.95%	4.50%
Expected life (in years)	**5.0**	5.0	5.0
Expected volatility	**67.8%**	70.0%	66.0%
Expected dividend yield	**0.0%**	0.0%	0.0%

Note 10. Employee Stock Purchase Plan

In December 2000, the Company's Board of Director's approved the 1-800-FLOWERS.COM, Inc. 2001 Employee Stock Purchase Plan (ESPP), a non-compensatory employee stock purchase plan under Section 423 of the Internal Revenue Code, to provide substantially all employees who have completed six months of service, an opportunity to purchase shares of the Company's Class A common stock. Employees may contribute a maximum of 15% of eligible compensation, but in no event can an employee purchase more than 500 shares on any purchase date. Offering periods have a duration of six months, and the purchase price per share will be the lower of: (i) 85% of the fair market value of a share of Class A common stock on the last trading day of the applicable offering period, or (ii) 85% of the fair market value of a share of Class A common stock on the last trading day before the commencement of the offering period. At June 27, 2004, the Company has reserved approximately 3,098,000 shares of common stock for issuance under its ESPP. The share pool shall be increased on the first trading day of each calendar year, by a number equal to the lesser of (i) 1% of the total number of shares of common stock then outstanding, or (ii) 750,000 shares of Class A common stock.

Note 11. Profit Sharing Plan

The Company has a 401(k) Profit Sharing Plan covering substantially all of its eligible employees. All full-time employees who have attained the age of 21 are eligible to participate upon completion of one year of service. Participants may elect to make voluntary contributions to the 401(k) plan in amounts not exceeding federal guidelines. On an annual basis the Company, as determined by its board of directors, may make certain discretionary contributions. Employees are vested in the Company's contributions based upon years of service. The Company made contributions of $0.3 million, $0.4 million and $0.3 million, for the years ended June 27, 2004, June 29 2003 and June 30, 2002, respectively.

Note 12. Commitments and Contingencies

Leases

The Company currently leases office, store facilities, and equipment under various operating leases through fiscal 2019. As these leases expire, it can be expected that in the normal course of business they will be renewed or replaced. Most lease agreements contain renewal options and rent escalation clauses and require the Company to pay real estate taxes, insurance, common area maintenance and operating expenses applicable to the leased properties. The Company has also entered into leases that are on a month-to-month basis. All leases and subleases with an initial term of greater than one year are accounted for under SFAS No. 13, *Accounting for Leases.* These leases are classified as either capital leases, operating leases or subleases, as appropriate.

The Company leases certain computer, telecommunication and related equipment under capital leases, which are included in property and equipment with a capitalized cost of approximately $18.4 million at June 27, 2004 and June 29, 2003, and accumulated amortization of $15.6 million and $14.1 million, respectively. In addition, the Company subleases land and buildings (which are leased from third parties) to certain of its franchisees. Certain of the leases, other than land leases which have been classified as operating leases, are classified as capital leases and have initial lease terms of approximately 20 years (including option periods in some cases).

The Company has a $5.0 million equipment lease line of credit with a bank. Interest under this line, which is renewable annually, is determined on the date of each commitment to borrow and is based on the bank's base rate on such date. At June 27, 2004, approximately $3.5 million is outstanding. The borrowings, which bear interest at rates ranging from 5.39% to 6.36% annually, are payable in 60 monthly installments of principal and interest commencing in February 2001. Borrowings under the line are collateralized by the underlying equipment purchased and an equal amount of pledged investments.

As of June 27, 2004, future minimum payments under non-cancelable capital lease obligations and operating leases with initial terms of one year or more consist of the following:

	Obligations Under Capital Leases	Operating Leases
	(in thousands)	
2005	$1,934	$ 4,417
2006	1,440	2,087
2007	367	1,403
2008	12	1,066
2009	12	504
Thereafter	7	2,311
Total minimum lease payments	3,772	$11,788
Less amounts representing interest	(277)	
Present value of net minimum lease payments	$3,495	

At June 27, 2004, the aggregate future sublease rental income under long-term operating sub-leases for land and buildings and corresponding rental expense under long-term operating leases were as follows:

	Sublease Income	Sublease Expense
	(in thousands)	
2005	$2,778	$2,781
2006	2,066	2,066
2007	1,610	1,604
2008	1,193	1,187
2009	827	822
Thereafter	1,244	1,232
	$9,718	$9,692

In addition to the above, the Company has agreed to provide rent guarantees for leases entered into by certain franchisees with third party landlords. At June 27, 2004, the aggregate minimum rent payable by franchisees guaranteed by the Company was approximately $0.2 million. Rent expense was approximately $8.4 million, $9.0 million, and $8.7 million for the years ended June 27, 2004, June 29, 2003 and June 30, 2002 respectively.

Litigation

There are various claims, lawsuits, and pending actions against the Company and its subsidiaries incident to the operations of its businesses. It is the opinion of management, after consultation with counsel, that the ultimate resolution of such claims, lawsuits and pending actions will not have a material adverse effect on the Company's consolidated financial position, results of operations or liquidity.

Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders of
1-800-FLOWERS.COM, Inc. and Subsidiaries

We have audited the accompanying consolidated balance sheets of 1-800-FLOWERS.COM, Inc. and Subsidiaries (the "Company") as of June 27, 2004 and June 29, 2003, and the related consolidated statements of income, stockholders' equity and cash flows for each of the three years in the period ended June 27, 2004. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of 1-800-FLOWERS.COM, Inc. and Subsidiaries at June 27, 2004 and June 29, 2003, and the consolidated results of their operations and their cash flows for each of the three years in the period ended June 27, 2004, in conformity with U.S. generally accepted accounting principles.

Ernst & Young LLP

Melville, New York
July 30, 2004

Market for Common Equity and Related Stockholder Matters

Market Information

1-800-FLOWERS.COM's Class A common stock trades on The Nasdaq National Stock Market under the ticker symbol "FLWS." There is no established public trading market for the Company's Class B common stock. The following table sets forth the reported high and low sales prices for the Company's Class A common stock for each of the fiscal quarters during the fiscal years ended June 27, 2004 and June 29, 2003.

	High	Low
Year ended June 27, 2004		
June 30, 2003 – September 28, 2003	$10.14	$ 7.55
September 29, 2003 – December 28, 2003	$12.14	$ 7.48
December 29, 2003 – March 28, 2004	$12.10	$ 8.90
March 29, 2004 – June 27, 2004	$11.15	$ 9.08
Year ended June 29, 2003		
July 1, 2002 – September 29, 2002	$11.25	$ 4.75
September 30, 2002 – December 29, 2002	$10.90	$ 5.75
December 30, 2002 – March 30, 2003	$ 7.50	$ 5.61
March 31, 2003 – June 29, 2003	$ 8.91	$ 6.45

Rights of Common Stock

Holders of Class A common stock generally have the same rights as the holders of Class B common stock, except that holders of Class A common stock have one vote per share and holders of Class B common stock have 10 votes per share on all matters submitted to the vote of stockholders. Holders of Class A common stock and Class B common stock generally vote together as a single class on all matters presented to the stockholders for their vote or approval, except as may be required by Delaware law. Class B common stock may be converted into Class A common stock at any time on a one-for-one share basis. Each share of Class B common stock will automatically convert into one share of Class A common stock upon its transfer, with limited exceptions.

Holders

As of September 7, 2004, there were approximately 260 shareholders of record of the Company's Class A common stock, although the Company believes that there is a significantly larger number of beneficial owners. As of September 7, 2004, there were approximately 14 shareholders of record of the Company's Class B common stock.

Dividend Policy

Although the Company has never declared or paid any cash dividends on its Class A or Class B common stock, the Company anticipates that it will generate increasing free cash flow in excess of its capital investment requirements. As such, although the Company has no current intent to do so, the Company may chose, at some future date, to use some portion of its cash for the purpose of cash dividends.

Resales of Securities

40,613,080 shares of Class A and Class B common stock are "restricted securities" as that term is defined in Rule 144 under the Securities Act. Restricted securities may be sold in the public market from time to time only if registered or if they qualify for an exemption from registration under Rule 144 or 701 under the Securities Act. As of September 7, 2004, all of such shares of the Company's common stock could be sold in the public market pursuant to and subject to the limits set forth in Rule 144. Sales of a large number of these shares could have an adverse effect on the market price of the Company's Class A common stock by increasing the number of shares available on the public market.

Purchases of Equity Securities by the Issuer

On September 16, 2001, the Company's Board of Directors approved the repurchase of up to $10.0 million of the Company's Class A common stock. Any such purchases could be made from time to time in the open market and through privately negotiated transactions, subject to general market conditions. The repurchase program will be financed utilizing available cash. No repurchases were made during the fiscal year ended June 27, 2004.

Company Information

BOARD OF DIRECTORS

James F. McCann
Chairman and Chief Executive Officer
1-800-FLOWERS.COM

T. Guy Minetti
Vice Chairman
1-800-FLOWERS.COM

Christopher G. McCann
President
1-800-FLOWERS.COM

Kevin J. O'Connor
Chairman
DoubleClick, Inc.

Jeffrey C. Walker
Managing Partner
JPMorgan Partners

Mary Lou Quinlan
CEO
JUST ASK A WOMAN

John J. Conefry
Vice Chairman
Astoria Financial Corporation

Leonard J. Elmore
Senior Counsel
LeBoeuf, Lamb,
Green and MacRae, LLP

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Chairman and Chief Executive Officer
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Vice Chairman
Corporate Development
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Senior Vice President of Finance
and Administration, Treasurer and
Chief Financial Officer
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Senior Vice President, General
Counsel and Secretary
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President
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Enzo J. Micali
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Monica L. Woo
Senior Vice President and
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STOCK EXCHANGE LISTING

NASDAQ National Market
Ticker Symbol: FLWS

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SHAREHOLDER INQUIRIES

Copies of the Company's reports on Forms 10-K and 10-Q as filed with the Securities and Exchange Commission and additional information about 1-800-FLOWERS.COM may be obtained without charge by calling 516-237-6113.

Information is also available via the Internet in the Investor Relations section at www.1800flowers.com, or by writing to:
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