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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT PURSUANT  
TO SECTION 13 OR 15(D) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported) July 21, 2005

TEMPUR-PEDIC INTERNATIONAL INC.  
(Exact Name of Registrant as Specified in Its Charter)

Delaware (State or other jurisdiction of incorporation)	001-31922 (Commission File No.)	33-1022198 (I.R.S. Employer Identification No.)
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1713 Jaggie Fox Way  
Lexington, Kentucky 40511  
(Address of principal executive offices) (Zip Code)

(800) 878-8889  
(Registrant's telephone number, including area code)

N/A  
(Former name or former address, if changed since last report)

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On July 21, 2005, Tempur-Pedic International Inc. issued a press release to announce its financial results for the second quarter ended June 30, 2005, including certain non-GAAP financial results. This press release includes reconciliations of such non-GAAP financial measures to the most directly comparable GAAP financial measures and is furnished herewith as Exhibit 99.1 and incorporated by reference herein.

The information in this report (including Exhibit 99.1) shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

ITEM 7.01. REGULATION FD DISCLOSURE.

The information furnished under Item 2.02 of this Form 8-K, including Exhibit 99.1 furnished herewith, is hereby incorporated by reference under this Item 7.01 as if fully set forth herein.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(a) Financial Statements of Businesses Acquired.

Not applicable.

(b) Pro Forma Financial Information.

Not applicable.

(c) Exhibits.

99.1. Press release dated July 21, 2005 titled "Tempur-Pedic International Achieves 47% Earnings Increase on 27% Net Sales Increase in Second Quarter of 2005."

SIGNATURES

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

Date: July 21, 2005

Tempur-Pedic International Inc.

By: /s/ Robert B. Trussell, Jr  
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Name: Robert B. Trussell, Jr.

Title: Chief Executive Officer

EXHIBIT INDEX

Exhibit	Description
99.1	Press release dated July 21, 2005, titled "Tempur-Pedic International Achieves 47% Earnings Increase on 27% Net Sales Increase in Second Quarter of 2005."

TEMPUR-PEDIC INTERNATIONAL ACHIEVES 47% EARNINGS INCREASE ON 27%  
NET SALES INCREASE IN SECOND QUARTER OF 2005

PRO FORMA NET INCOME INCREASES 38% TO \$0.25 PER DILUTED SHARE, GAAP NET INCOME  
INCREASES 47% TO \$0.24 PER DILUTED SHARE

LEXINGTON, Ky., July 21 /PRNewswire-FirstCall/ -- Tempur-Pedic International Inc. (NYSE: TPX), the market-leading manufacturer, marketer and distributor of premium mattresses and pillows worldwide, today announced net sales and earnings for the second quarter ended June 30, 2005.

Second Quarter 2005 Highlights

- Pro forma net income rose 38% to \$25.5 million, or \$0.25 per diluted share, from \$18.4 million, or \$0.18 per diluted share, in the second quarter of 2004. The Company reported net income under GAAP of \$24.8 million, or \$0.24 per diluted share, compared to \$16.9 million, or \$0.16 per diluted share, in the second quarter of 2004, an increase in net income of 47%.
- Net sales rose 27% to \$192.6 million from \$151.6 million in the second quarter of 2004.
- Operating margin increased to 23.2% from 21.8% in the second quarter of 2004.
- The Company's retail channel continued its strong growth, with net sales rising 35% worldwide. Sales in the U.S. retail channel were especially strong, increasing 42%.
- Worldwide, mattress net sales increased 40% on unit growth of 27%.

Chief Executive Officer Robert B. Trussell, Jr. commented, "Tempur-Pedic International delivered excellent second quarter results and strong growth in what is seasonally a slower period for the retail furniture industry. Our results were fueled by the ongoing expansion of our retail channel and sales of our premium mattresses, reflecting consumers' growing awareness of the comfort and sleep benefits our products offer. We continue to see the key elements of Tempur-Pedic's strategy - our superior products, unique marketing model and growing distribution - play a decisive role in the Company's impressive performance. By executing on our strategy, we believe Tempur-Pedic can deliver sustained growth and capitalize on the extraordinary market opportunity we have identified in the premium bedding category."

President H. Thomas Bryant continued, "During the second quarter, we added approximately 400 net furniture retail stores in the U.S. and approximately another 180 net internationally to our retail distribution channel, substantially exceeding our targets for the period. Equally important, we generated solid growth in our established accounts and are well on track to meet our goal of increasing sales from these accounts by 30-35% this year. The visco-elastic category we created is continuing to expand as more and more people become interested in our innovative and proprietary technology and growing array of products.

"Over the past three months, we made excellent progress with our new product introductions and other initiatives. 'The CelebrityBed by Tempur-Pedic(TM)' represented 20% of our mattress sales in the U.S. in the second quarter. Retailer interest in 'The EuroBed by Tempur-Pedic(TM)', which began shipping in July, has been outstanding. Our futon product is being well received by Japanese consumers and we began the second phase of the roll-out on schedule, shipping to bedding and futon stores throughout Japan.

"Our marketing campaign, which has been so successful in establishing the Tempur-Pedic brand, continued to serve as an engine for growth, improving our brand recognition worldwide. In fact, our most recent independent study shows that aided brand awareness in the U.S. increased to 71% at the end of 2004 from 60% the previous year. Construction of our new manufacturing facility in Albuquerque, New Mexico proceeds on schedule and on budget. We look forward to beginning operations in the second quarter of 2006. The new factory will help us satisfy demand in North America, our largest single market, quickly and cost-effectively.

"Finally, during the quarter we were pleased to receive the prestigious Ease-of-Use Commendation from the Arthritis Foundation for our adjustable base and three mattresses - the Tempur-Pedic Classic Swedish Mattress, the Tempur-Pedic Deluxe Swedish Mattress and 'The CelebrityBed by Tempur-Pedic(TM)'. We are very gratified that our mattresses are the first to be

recognized by the Arthritis Foundation, whose Ease-of-Use program identifies products that improve the quality of life for the many people suffering from arthritis. The commendation is additional evidence of the comfort and support our proprietary TEMPUR(R) material provides."

For a complete discussion of pro forma adjustments, see the Supplemental Information included later in this press release.

#### 2005 Guidance

The Company is confirming the full-year guidance it previously provided for 2005. The Company currently expects net sales for 2005 to range from \$880 million -- \$890 million and pro forma diluted net income to range from \$1.10 - \$1.13. It expects GAAP diluted earnings per share to range from \$1.08 - \$1.11.

The Company notes that its expectations are based on information available at the time of this release, and are subject to changing conditions, many of which are outside the Company's control.

#### Conference Call Information

As previously announced, Tempur-Pedic International will host a live conference call featuring Chief Executive Officer Robert Trussell, Jr., President H. Thomas Bryant, and Chief Financial Officer Dale Williams to discuss second quarter financial results today, July 21, 2005 at 5:00 p.m. Eastern Time (2 p.m. Pacific Time). The dial-in number for the conference call is 706-634-0167. The call is also being webcast, and can be accessed at <http://www.tempurpedic.com/ir>.

For those who cannot listen to the live broadcast, a replay of the call will be available from July 21, 2005 at 8:00 p.m. Eastern Time through July 28, 2005. To listen to the telephone replay, dial 706-645-9291, conference ID #6926996.

An archived webcast will also be available on the Tempur-Pedic International investor relations website at <http://www.tempurpedic.com/ir>.

#### Forward-Looking Statements

This release contains "forward-looking statements," which include information concerning one or more of the Company's plans, objectives, goals, strategies, future revenues and performance, capital expenditures, financing needs and other information that is not historical information. When used in this release, the words "estimates," "expects," "anticipates," "projects," "plans," "intends," "believes," and variations of such words or similar expressions are intended to identify forward-looking statements. All forward-looking statements, including without limitation, management's expectations regarding continued growth and its net sales and pro forma and GAAP net income for 2005, the construction of its Albuquerque facility and the timing of new products, are based upon current expectations and beliefs and various assumptions. There can be no assurance that the Company will realize these expectations or that these beliefs will prove correct.

There are a number of risks and uncertainties that could cause actual results to differ materially from the forward-looking statements contained in this release. Numerous factors, many of which are beyond the Company's control, could cause actual results to differ materially from those expressed as forward-looking statements. Certain of these risk factors are discussed in the Company's filings with the Securities and Exchange Commission, including without limitation the Company's annual report on Form 10-K under the headings "Special Note Regarding Forward-Looking Statements" and "Business-Risk Factors". Any forward-looking statement speaks only as of the date on which it is made, and the Company undertakes no obligation to update any forward-looking statements to reflect events or circumstances after the date on which it is made or to reflect the occurrence of anticipated or unanticipated events or circumstances.

#### About the Company

Tempur-Pedic International Inc. (NYSE: TPX) manufactures and distributes Swedish Mattresses and Neck Pillows(TM) made from its proprietary TEMPUR(R) pressure-relieving material: a visco-elastic material that conforms to the body to provide support and help alleviate pressure points. Products are currently sold in 60 countries under the TEMPUR(R) and Tempur-Pedic(R) brand names. World headquarters for Tempur-Pedic International are in Lexington, KY.

For more information, visit <http://www.tempurpedic.com> or call 800-805-3635.

TEMPUR-PEDIC INTERNATIONAL INC. AND SUBSIDIARIES  
Consolidated Statements of Income

(\$ in thousands, except per share data)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2005	2004	Chg %	2005	2004	Chg %
Net sales	\$ 192,615	\$ 151,600	27%	\$ 414,994	\$ 304,723	36%
Cost of sales	94,080	70,787		202,216	142,571	
Gross profit	98,535	80,813	22%	212,778	162,152	31%
Selling expenses	38,149	31,653		83,118	66,608	
General and administrative expenses	15,276	15,929		34,366	31,291	
Research and development expenses	513	242		1,317	730	
Operating Income	44,597	32,989	35%	93,977	63,523	48%
Other income (expense), net:						
Interest expense, net	(4,864)	(5,551)		(10,227)	(11,645)	
Loss on debt extinguishment	-	-		(717)	(5,381)	
Other income (expense), net	412	116		327	196	
Total other expense, net	(4,452)	(5,435)		(10,617)	(16,830)	
Income before income taxes	40,145	27,554		83,360	46,693	
Income tax provision	15,295	10,608		31,760	17,977	
Net income	\$ 24,850	\$ 16,946	47%	\$ 51,600	\$ 28,716	80%
Basic earnings per share	\$ 0.25	\$ 0.17		\$ 0.52	\$ 0.29	
Diluted earnings per share	\$ 0.24	\$ 0.16		\$ 0.50	\$ 0.28	
Dilutive weighted average shares outstanding (in thousands)	103,431	103,119		103,315	103,010	



Supplemental Information

Pro Forma Net Income and Other Financial Data

To further provide investors useful information, pro forma net income is presented and represents the Company's GAAP net income before non-cash stock-based compensation expense of \$0.7 million and \$1.5 million for the three months ended June 30, 2005 and 2004, respectively, and \$1.4 million and \$3.0 million for the six months ended June 30, 2005 and 2004 respectively. In addition, for the six months ended June 30, 2004, GAAP net income includes, and pro forma net income excludes, a loss on debt extinguishment totaling \$3.3 million, net of tax, relating to the Company's redemption in January 2004 of \$52.5 million aggregate principal amount of the outstanding 10-1/4% Senior Subordinated Notes due 2010, issued by its subsidiaries Tempur-Pedic, Inc. and Tempur Production USA, Inc.

The Company believes that excluding non-cash stock-based compensation expense and loss on debt extinguishment provides a measure that is more representative of ongoing costs and therefore more comparable to the Company's historical operations. The following is a reconciliation of GAAP net income to pro forma net income and per share amounts:

TEMPUR-PEDIC INTERNATIONAL INC. AND SUBSIDIARIES  
Reconciliation of GAAP Net Income to Pro Forma Net Income,  
and Other Financial Data

(\$ in thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2005	2004	2005	2004
GAAP net income	\$ 24,850	\$ 16,946	\$ 51,600	\$ 28,716
Non-cash stock-based compensation expense	655	1,490	1,430	2,990
Loss on debt extinguishment, net of tax	-	-	-	3,309
Pro forma net income	\$ 25,505	\$ 18,436	\$ 53,030	\$ 35,015
GAAP net income per share, diluted	\$ 0.24	\$ 0.16	\$ 0.50	\$ 0.28
Pro forma net income per share, diluted	\$ 0.25	\$ 0.18	\$ 0.51	\$ 0.34
Other financial data				
Depreciation and amortization	\$ 6,825	\$ 7,065	\$ 14,239	\$ 13,965
Net debt	\$ 264,441	\$ 286,435	\$ 264,441	\$ 286,435

Summary of Channel Sales

The Company generates sales through four distribution channels: retail, direct, healthcare and third party. The retail channel sells to furniture, specialty and department stores globally. The direct channel sells directly to consumers. The healthcare channel sells to hospitals, nursing homes, healthcare professionals and medical retailers. The third party channel sells to distributors in countries where Tempur-Pedic International does not operate its own distribution company.

The following table highlights net sales information, by channel and by segment, for the second quarter of 2005 compared to 2004:

(\$ in thousands)

	CONSOLIDATED Three Months Ended June 30,		DOMESTIC Three Months Ended June 30,		INTERNATIONAL Three Months Ended June 30	
	2005	2004	2005	2004	2005	2004
<b>By Sales Channel</b>						
Retail	\$ 143,642	\$ 106,073	\$ 97,109	\$ 68,515	\$ 46,533	\$ 37,558
Direct	26,166	22,821	22,222	18,932	3,944	3,889
Healthcare	10,605	10,403	2,594	2,587	8,011	7,816
Third Party	12,202	12,303	2,129	1,705	10,073	10,598
Total	\$ 192,615	\$ 151,600	\$ 124,054	\$ 91,739	\$ 68,561	\$ 59,861
<b>By Segment</b>						
Domestic	\$ 124,054	\$ 91,739				
International	68,561	59,861				
Total	\$ 192,615	\$ 151,600				

**Summary of Product Sales**

A summary of net sales by product is reported below:

(\$ in thousands)

	CONSOLIDATED Three Months Ended June 30,		DOMESTIC Three Months Ended June 30,		INTERNATIONAL Three Months Ended June 30	
	2005	2004	2005	2004	2005	2004
<b>Net Sales</b>						
Mattresses	\$ 130,788	\$ 93,176	\$ 91,022	\$ 64,951	\$ 39,766	\$ 28,225
Pillows	28,579	32,393	12,010	10,496	16,569	21,897
Other	33,248	26,031	21,022	16,292	12,226	9,739
Total	\$ 192,615	\$ 151,600	\$ 124,054	\$ 91,739	\$ 68,561	\$ 59,861
<b>Units Sold(1)</b>						
Mattresses	152,837	120,773	86,436	70,572	66,401	50,201
Pillows	585,257	695,606	252,327	210,036	332,930	485,570

(1) Units sold represent net sales after consideration of returned mattresses and pillows and excludes units shipped to fulfill warranty claims and promotional activities.

SOURCE Tempur-Pedic International Inc.

-0- 07/21/2005  
/CONTACT: Tempur-Pedic International, 1-800-805-3635 /  
/Web site: <http://www.tempurpedic.com> /

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