

BEAR STEARNS COMPANIES INC
Form 424B5
June 20, 2003

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Filed Pursuant to Rule 424(b)(5)
Registration No. 333-104455

PROSPECTUS SUPPLEMENT
(To Prospectus Dated April 24, 2003)

US\$1,500,000,000
The Bear Stearns Companies Inc.
\$1,000,000,000 2.875% Global Notes due 2008
\$500,000,000 4.65% Global Notes due 2018

The Bear Stearns Companies Inc. is offering \$1,000,000,000 principal amount of 2.875% notes due 2008 (the "2008 Notes") and \$500,000,000 principal amount of 4.65% notes due 2018 (the "2018 Notes" and, together with the 2008 Notes, the "Notes").

Set forth below is a summary of the terms of the Notes offered by this prospectus supplement and the accompanying prospectus. For more detail, see "Description of the Notes."

- **Global Offering**

We are offering the Notes in the United States and in parts of Europe and Asia where it is legal to offer the Notes.

- **Interest**

The 2008 Notes have a fixed annual rate of 2.875%, which will be paid every six months on January 2 and July 2. The 2018 Notes have a fixed annual rate of 4.65%, which will be paid every six months on January 2 and July 2.

- **Maturity**

The 2008 Notes will mature on July 2, 2008. The 2018 Notes will mature on July 2, 2018.

- **Ranking**

The Notes will be our unsecured senior debt and will rank equally with all of our other unsecured and unsubordinated debt.

- **Redemption**

The Notes are only redeemable prior to maturity if certain events involving US taxation occur.

- **No Sinking Fund**

The Notes will not be subject to any sinking fund.

- **Book-Entry Notes**

The Notes will be represented by one or more global securities registered in the name of Cede & Co., as nominee of The Depository Trust Company.

- Listing

We will make application to the Financial Services Authority in its capacity as competent authority under the Financial Services and Markets Act 2000 for the Notes to be admitted to the official list of the UK Listing Authority and to the London Stock Exchange plc for such Notes to be admitted to trading on the London Stock Exchange's market for listed securities.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

	Per 2008 Note	Total	Per 2018 Note	Total
Initial public offering price	99.893% \$	998,930,000	99.56% \$	497,800,000
Underwriting discount	0.350% \$	3,500,000	0.50% \$	2,500,000
Proceeds, before expenses, to us	99.543% \$	995,430,000	99.06% \$	495,300,000

Bear, Stearns & Co. Inc. is the Global Coordinator for the offering of the Notes. Bear, Stearns International Limited is the International Coordinator for all Notes to be sold to purchasers in Europe. The Underwriters expect to deliver the Notes in book-entry form only through the facilities of The Depository Trust Company, Clearstream Banking, société anonyme and Euroclear Bank S.A./N.V., as operator of the Euroclear System against payment on or about June 25, 2003.

After this offering is complete, the Underwriters may use this prospectus supplement and the accompanying prospectus in connection with market-making transactions at negotiated prices related to the prevailing market prices at the time of sale. The Underwriters may act as principal or agent in these transactions.

Bear, Stearns & Co. Inc.

Bear, Stearns International Limited

ABN AMRO Incorporated
 Banc One Capital Markets, Inc.
 BB&T Capital Markets
 Credit Lyonnais Securities
 JPMorgan
 Merrill Lynch & Co.
 Ramirez & Co., Inc.
 U.S. Bancorp Piper Jaffray
 Wells Fargo Investment Services LLC

Banc of America Securities LLC
 Bank of Nova Scotia
 Citigroup
 Fleet Securities, Inc.
 Mellon Financial Markets, LLC
 Morgan Stanley
 SunTrust Robinson Humphrey
 Wachovia Securities

The date of this prospectus supplement is June 18, 2003

Offers and sales of the Notes are subject to restrictions in certain jurisdictions. In particular, there are restrictions on the distribution of this prospectus supplement and the accompanying prospectus and the offer or sale of the Notes in the United Kingdom, and details of these restrictions are set out in "Underwriting" in this prospectus supplement. The distribution of this prospectus supplement and the accompanying prospectus and the offer or sale of the Notes in certain other jurisdictions may be restricted by law. Persons who come into possession of this prospectus supplement and the accompanying prospectus or any Notes must inform themselves about and observe any applicable restrictions on the distribution of this prospectus supplement and the accompanying prospectus and the offer and sale of the Notes.

We accept responsibility for the information contained in this prospectus supplement and the accompanying prospectus. To the best of our knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained in this prospectus supplement and the accompanying prospectus is in accordance with the facts and does not omit anything likely to affect the import of the information.

You must read this prospectus supplement and the accompanying prospectus as one along with all the documents which are deemed to be incorporated in this prospectus supplement and the accompanying prospectus by reference (see "Where You Can Find More Information"). This prospectus supplement and the accompanying prospectus must be read and construed on the basis that the incorporated documents are so incorporated and form part of this document, except as specified in this document.

We have not authorized any person to give any information or represent anything not contained in this prospectus supplement and the accompanying prospectus. You must not rely on any unauthorized information.

In order to facilitate the offering of the Notes, Bear Stearns, in its capacity as Global Coordinator of the offering of the Notes, may over-allot or effect transactions which stabilize or maintain the market price of the Notes at a level higher than that which might otherwise prevail in the open market. Specifically, Bear Stearns, on behalf of the Underwriters, may over-allot or otherwise create a short position in the Notes for the account of the Underwriters by selling more Notes than have been sold to them by us. Bear Stearns, on behalf of the Underwriters, may elect to cover any such short position by purchasing Notes in the open market. In addition, Bear Stearns, on behalf of the Underwriters, may stabilize or maintain the price of the Notes by bidding for or purchasing Notes in the open market and may impose penalty bids, under which selling concessions allowed to syndicate members or other broker-dealers participating in the offering are reclaimed if Notes previously distributed in the offering are repurchased in connection with stabilization transactions or otherwise. The effect of these transactions may be to stabilize or maintain the market price of the Notes at a level above that which might otherwise prevail in the open market. The imposition of a penalty bid may also affect the price of the Notes to the extent that it discourages resales of Notes. No representation is made as to the magnitude or effect of any such stabilization or other transactions. Such stabilizing, if commenced, may be discontinued at any time and in any event shall be discontinued within a limited period. No other party may engage in stabilization.

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FORWARD-LOOKING STATEMENTS

This prospectus supplement and the accompanying prospectus include and incorporate by reference "forward-looking statements" within the meaning of the securities laws. All statements regarding our expected financial position, business and financing plans are forward-looking statements. Forward-looking statements also include representations of our expectations or beliefs concerning future events that involve risks and uncertainties, including those associated with the effect of international, national and regional economic conditions and the performance of our products within the prevailing economic environment. Although we believe that the expectations reflected in those forward-looking statements are reasonable, those expectations may prove to be incorrect. Cautionary statements describing important factors that could cause actual results to differ materially from our expectations are disclosed in this prospectus supplement along with the forward-looking statements included or incorporated by reference in this prospectus supplement and the accompanying prospectus. All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by such cautionary statements. These forward-looking statements speak only as of the date of the document in which they are made. We disclaim any obligation or undertaking to provide any updates or revisions to any forward-looking statement to reflect any change in our expectations or any change in events, conditions or circumstances on which the forward-looking statement is based.

CERTAIN DEFINITIONS

Unless otherwise stated in this prospectus supplement:

the "Company," "we," "us" and "our" refer to The Bear Stearns Companies Inc. and its subsidiaries;

"AMEX" refers to the American Stock Exchange LLC;

"Bear Stearns" refers to Bear, Stearns & Co. Inc.;

"BSB" refers to Bear Stearns Bank plc;

"BSSC" refers to Bear, Stearns Securities Corp.;

"BSIL" refers to Bear, Stearns International Limited;

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"ISE" refers to the International Securities Exchange;

"NYSE" refers to the New York Stock Exchange, Inc.; and

"US dollars," "dollars," "US \$" and "\$" refer to the lawful currency of the United States of America.

Other capitalized terms that are used but not defined in this prospectus supplement have the meanings given to them in the accompanying prospectus.

Bear Stearns, BSB, BSSC and BSIL are subsidiaries of The Bear Stearns Companies Inc.

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WHERE YOU CAN FIND MORE INFORMATION

We file current, annual and quarterly reports, proxy statements and other information required by the Securities Exchange Act of 1934, as amended (the "Exchange Act"), with the Securities and Exchange Commission (the "SEC"). You may read and copy any document we file at the SEC's public reference rooms located at 450 Fifth Street, N.W., Washington, D.C. 20549 and at Northwest Atrium Center, 5000 West Madison Street, Suite 1400, Chicago, Illinois 60661-2511, U.S.A. Please call the SEC at 1-800-SEC-0330 for further information on the public reference rooms. Our SEC filings are also available to the public from the SEC's web site at <http://www.sec.gov>. Copies of these reports, proxy statements and other information can also be inspected at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005, U.S.A.

Our website is <http://www.bearstearns.com>. We make available free of charge on our website our annual reports on Form 10-K; quarterly reports on Form 10-Q and any amendments to such reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act as soon as reasonably practicable after such material is electronically filed with, or furnished to, the SEC.

The SEC allows us to "incorporate by reference" the information that we file with them, which means that we can disclose important information to you by referring you to the other information we have filed with the SEC. The information that we incorporate by reference is considered to be part of this prospectus supplement, and information that we file later with the SEC will automatically update and supersede this information.

The following documents filed by us with the SEC pursuant to Section 13 of the Exchange Act (File No. 1-8989) and any future filings under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act made before the termination of the offering of the Notes are incorporated by reference:

- (i) the Annual Report on Form 10-K (including the portions of the Company's Annual Report to Stockholders and Proxy Statement incorporated by reference therein) for the fiscal year ended November 30, 2002;
- (ii) the Quarterly Report on Form 10-Q for the quarter ended February 28, 2003; and
- (iii) the Current Reports on Form 8-K dated December 18, 2002, December 18, 2002, December 20, 2002, January 8, 2003, January 14, 2003, January 30, 2003, February 11, 2003, February 11, 2003, February 24, 2003, March 19, 2003, March 19, 2003, March 26, 2003, April 7, 2003, April 24, 2003, April 28, 2003, April 28, 2003, June 2, 2003 and June 18, 2003.

We will provide to you without charge, a copy of any or all documents incorporated by reference into this prospectus supplement except the exhibits to such documents (unless such exhibits are specifically incorporated by reference in such documents). You may request copies by writing or telephoning us at the Investor Relations Department, The Bear Stearns Companies Inc., 383 Madison Avenue, New York, New York 10179, U.S.A.; telephone number (212) 272-2000. In addition, once the Notes are admitted to the Official List of the UK Listing Authority (as defined below), these documents will be available from BSIL in its capacity as listing agent for the Notes at its principal office at One Canada Square, London E14 5AD, England.

SUMMARY OF THE OFFERING

Issuer	The Bear Stearns Companies Inc.
Securities Offered	US \$1,000,000,000 aggregate principal amount of 2.875% Global Notes due 2008. US \$500,000,000 aggregate principal amount of 4.65% Global Notes due 2018.
Specified Currency	The Notes will be denominated in US dollars and all payments on the Notes will be made in US dollars.
Offering Price	
2008 Notes	The 2008 Notes are being offered at a price of 99.893% of par.
2018 Notes	The 2018 Notes are being offered at a price of 99.56% of par.
Date of Original Issuance (Settlement Date)	June 25, 2003.
Maturity Dates	
2008 Notes	July 2, 2008.
2018 Notes	July 2, 2018.
Interest Payment Dates	
2008 Notes	January 2 and July 2 in each year, beginning January 2, 2004.
2018 Notes	January 2 and July 2 in each year, beginning January 2, 2004.
Ranking	<p>The Notes will be unsecured and will rank equally with all our other unsecured and unsubordinated debt. Because we are a holding company, the Notes will be effectively subordinated to the claims of creditors of our subsidiaries with respect to their assets. At February 28, 2003:</p> <p style="padding-left: 40px;">we had outstanding (on an unconsolidated basis) approximately \$37.4 billion of debt and other obligations, including approximately \$34.3 billion of unsecured senior debt and \$2.6 billion of unsecured inter-company debt; and</p> <p style="padding-left: 40px;">our subsidiaries had outstanding (after elimination of inter-company items) approximately \$145.5 billion of debt and other obligations (including \$47.9 billion related to securities sold under repurchase agreements, \$52.9 billion related to payables to customers, \$26.4 billion related to financial instruments sold, but not yet purchased, and \$18.3 billion of other liabilities, including \$13.6 billion of debt).</p>
Mandatory Redemption or Sinking Fund	None.
Optional Redemption	The Notes may only be redeemed prior to maturity if certain events involving US taxation occur. See "Redemption Upon Certain Tax

Events" below.

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Payment of Additional Amounts

Subject to the various exceptions and limitations set forth in this prospectus supplement, we will pay as additional interest or, as the case may be, principal on the Notes all such additional amounts that are necessary in order that the net payment by us or a paying agent of the principal of and interest on the Notes to a person that is not a US Holder (as defined under "Certain US Federal Income Tax Considerations"), after deduction for any present or future tax, assessment or governmental charge of the United States or a political subdivision or taxing authority of the United States or in the United States, imposed by withholding with respect to the payment, will not be less than the amount provided in the Notes to be then due and payable. See "Description of the Notes Payment of Additional Amounts" below.

Redemption Upon Certain Tax Events

If (a) as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated under those laws) of the United States (or any political subdivision or taxing authority of the United States or in the United States), or any change in, or amendments to, the official position regarding the application or interpretation of these laws, regulations or rulings, which is announced or becomes effective on or after the date of this prospectus supplement, we become or will become obligated to pay additional amounts as described in this prospectus supplement under the heading "Description of the Notes Payment of Additional Amounts" below or (b) any act is taken by a taxing authority of the United States on or after the date of this prospectus supplement, whether that act is taken with respect to us or any affiliate, that results in a substantial probability that we will or may be required to pay such additional amounts, then we may, at our option, redeem, in whole but not in part, the Notes on any interest payment date on not less than 30 nor more than 60 days' prior notice, at a redemption price equal to 100% of their principal amount, together with interest accrued on the Notes to the date fixed for redemption; provided that we determine, in our business judgment, that the obligation to pay such additional amounts cannot be avoided by the use of reasonable measures available to us, not including substitution of the obligor under the Notes. See "Description of the Notes Redemption Upon Certain Tax Events" below.

Use of Proceeds

We will use the net proceeds before expenses from the sale of the Notes of approximately \$1.49 billion for general corporate purposes. These purposes may include additions to working capital, the repayment of short-term and long-term debt and making investments in or extending credit to our subsidiaries.

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Book-Entry Form

The Notes will be issued only in book-entry form. This means that we will not issue certificates to you. Instead, the Notes will be issued in the form of one or more fully registered global securities, which will be deposited with a custodian. The Notes will be registered in the name of Cede & Co., as the nominee for The Depository Trust Company. You will not receive a definitive note representing your

interest. This form will be referred to as "book-entry only." You may elect to hold your interests in the global securities through either The Depository Trust Company ("DTC") (in the United States) or Clearstream Banking, société anonyme ("Clearstream") or Euroclear Bank S.A./N.V., as operator of the Euroclear System ("Euroclear") (in Europe). Interests will be held on behalf of the participants of Clearstream and Euroclear on the books of their respective depositories. See "Description of Debt Securities Global Securities" in the accompanying prospectus and "Description of the Notes Book-Entry, Delivery and Form Global Clearance and Settlement Procedures" below.

Events of Default

See "Description of Debt Securities Events of Default" in the accompanying prospectus.

Limitation on Liens

See "Description of Debt Securities Limitation on Liens" in the accompanying prospectus.

Listing

We will make application to the Financial Services Authority in its capacity as competent authority under the Financial Services and Markets Act 2000 (the "UK Listing Authority") for the Notes to be admitted to the official list of the UK Listing Authority (the "Official List") and to the London Stock Exchange plc (the "London Stock Exchange") for such Notes to be admitted to trading on the London Stock Exchange's market for listed securities. We cannot guarantee that our application will be approved, and settlement of the Notes is not conditional on obtaining the listing.

Governing Law

New York.

Selling Restrictions

There are selling restrictions for certain jurisdictions, including the United Kingdom. See "Underwriting" below.

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RATIO OF EARNINGS TO FIXED CHARGES

Our ratio of earnings to fixed charges was 2.3 for the three months ended February 28, 2003 and 1.6 for the three months ended February 28, 2002. The ratio was calculated by dividing the sum of the fixed charges into the sum of the earnings before taxes and fixed charges. Fixed charges for purposes of the ratio consist of interest expense and certain other immaterial expenses.

THE BEAR STEARNS COMPANIES INC.

We are a holding company that, through our subsidiaries, principally Bear Stearns, BSSC, BSIL and BSB, is a leading investment banking, securities and derivatives trading, clearance and brokerage firm serving corporations, governments, institutional and individual investors worldwide. BSSC, a subsidiary of Bear Stearns, provides professional and correspondent clearing services, in addition to clearing and settling customer transactions and certain of our proprietary transactions. Our business includes:

market-making and trading in US government, government agency, corporate debt and equity, mortgage-related, asset-backed, municipal securities and high yield products;

trading in options, futures, foreign currencies, interest rate swaps and other derivative products;

securities, options and futures brokerage;

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providing securities clearance services;

managing equity and fixed income assets for institutional and individual clients;

financing customer activities;

securities lending;

securities and futures arbitrage;

involvement in specialist activities on both the NYSE, AMEX and ISE;

underwriting and distributing securities;

arranging for the private placement of securities;

assisting in mergers, acquisitions, restructurings and leveraged transactions;

making principal investments in leveraged acquisitions;

engaging in commercial real estate activities;

investment management and advisory services; and

fiduciary, custody, agency and securities research services.

Our business is conducted:

from our principal offices in New York City;

from domestic regional offices in Atlanta, Boston, Chicago, Dallas, Denver, Los Angeles, San Francisco and San Juan;

from representative offices in Beijing, Herzliya, Hong Kong, Sao Paulo and Shanghai;

through international offices in Dublin, Hong Kong, London, Lugano, Milan, Singapore and Tokyo; and

through joint ventures with other firms in Belgium, Greece, Spain and Sweden.

We are incorporated in the State of Delaware. Our principal executive office is located at 383 Madison, New York, New York 10179, USA, and our telephone number is (212) 272-2000. Our internet address is <http://www.bearstearns.com>.

Directors of the Company

The following table sets forth certain information concerning the directors of the Company.

Name	Age (as of January 31, 2003)	Principal Occupation and Directorships Held	Year First Elected to Serve as Director of the Company
James E. Cayne	68	Chairman of the Board and Chief Executive Officer of the Company and Bear Stearns, member of the Executive Committee of the Company (the "Executive Committee"); Director, New York Stock Exchange, Inc.	1985
Carl D. Glickman	76	Private Investor; Trustee, Chairman of the Executive Committee, Lexington Corporate Property Trust	1985
Alan C. Greenberg	75	Chairman of the Executive Committee; Director, Viacom, Inc.	1985
Donald J. Harrington	57	President, St. John's University; Director, The Reserve Fund, Reserve Institutional Trust, Reserve Tax-Exempt Trust, Reserve New York Tax-Exempt Trust and Reserve Special Portfolios Trust	1993
William L. Mack	62	Founder and Managing Partner, The Apollo Real Estate Investment Funds; President and Senior Managing Partner, The Mack Organization; Chairman of the Board of Mack-Cali Realty Corporation and Metropolis Realty Trust, Inc.; Director, Vail Resorts, Inc. and Wyndham International, Inc.	1997
Frank T. Nickell	55	President and Chief Executive Officer of Kelso & Company; Director, BlackRock Inc., Earle M. Jorgensen Company, Peebles Inc., NYU Hospitals Center Board of Trustees and New York University School of Medicine Foundation Board	1993
Paul A. Novelly	59	Chairman of the Board and Chief Executive Officer of Apex Oil Company, Inc.; Deputy Chairman of the Board, Liquid Funding, Ltd.; Director, Intrawest Corporation, Boss Holdings, Inc. and Coastcast Corporation	2002

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Frederic V. Salerno	59	Former Vice Chairman and Chief Financial Officer of Verizon Communications; Chairman of the Board, Lynch Interactive Corp.; Director, Avnet, Inc., Viacom, Inc., Consolidated Edison Company, Akamai Technologies, Inc. and Dun &	1992
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		Bradstreet	
Alan D. Schwartz	52	President and Co-Chief Operating Officer of the Company and Bear Stearns, member of the Executive Committee; Director, Champps Entertainment, Inc.	1987(1)
Warren J. Spector	45	President and Co-Chief Operating Officer of the Company and Bear Stearns, member of the Executive Committee	1990(1)
Vincent Tese	59	Chairman and Director of Wireless Cable International Inc.; Director, Bowne & Co. Inc., Cablevision Inc., Custodial Trust Company (a wholly owned subsidiary of the Company), Mack-Cali Realty Corp., National Wireless Holdings Inc. and Lynch Interactive Corp.	1994
Fred Wilpon	66	Chairman of the Board of Directors of Sterling Equities, Inc.; Director, Loews Corporation; Chairman of the Board of Directors and Chief Executive Officer of the New York Mets	1993

(1)
Did not serve as director during 1997 and 1998.

Mr. Cayne became Chairman of the Board on June 25, 2001. Mr. Cayne has been Chief Executive Officer of the Company and Bear Stearns for more than the past five years and prior to June 25, 2001, was President of the Company and Bear Stearns for more than the past five years.

Mr. Glickman has been a private investor for more than the past five years. Mr. Glickman is also currently Chairman of the Compensation Committee of the Board of Directors of the Company.

Mr. Greenberg has been Chairman of the Executive Committee for more than the past five years and prior to June 25, 2001, was Chairman of the Board of the Company for more than the past five years.

Father Harrington has been the President of St. John's University for more than the past five years.

Mr. Mack has been Managing Partner of the Apollo Real Estate Investment Funds for more than the past five years. He has been President and Senior Managing Partner of The Mack Organization (a

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national owner, developer and investor in office and industrial buildings and other real estate) for more than the past five years. Mr. Mack is Chairman of the Board of Mack-Cali Realty Corporation (a publicly traded real estate investment trust). He is also Chairman of the Board of Metropolis Realty Trust, Inc. (the owner of high rise office buildings).

Mr. Nickell has been President of Kelso & Company, a privately held merchant banking firm, for more than the past five years. Mr. Nickell was appointed Chief Executive Officer of Kelso & Company in 1998.

Mr. Novelly became a director of the Company on June 20, 2002. Mr. Novelly has been Chairman of the Board and Chief Executive Officer of Apex Oil Company, Inc., a privately held company engaged in wholesale sale, storage and distribution of petroleum products, for

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more than the past five years. Mr. Novelty was appointed Deputy Chairman of the Board of Liquid Funding, Ltd. on November 9, 2001.

Mr. Salerno was the Vice Chairman and Chief Financial Officer of Verizon Communications (formerly Bell Atlantic Corporation) until his retirement on September 30, 2002. Mr. Salerno became Chairman of the Board of Lynch Interactive Corp. on December 9, 2002. Prior to June 2000, Mr. Salerno was the Senior Executive Vice President and Chief Financial Officer/Strategy and Business Development of Bell Atlantic Corporation. Prior to the merger of NYNEX Corp. ("NYNEX") and Bell Atlantic Corporation, Mr. Salerno was the Vice Chairman of the Board of NYNEX for more than five years.

Mr. Schwartz became President and Co-Chief Operating Officer of the Company and Bear Stearns on June 25, 2001. From June 30, 1999 to June 24, 2001, Mr. Schwartz was an Executive Vice President of Bear Stearns. Prior to June 30, 1999, Mr. Schwartz was an Executive Vice President of the Company and of Bear Stearns for more than the past five years.

Mr. Spector became President and Co-Chief Operating Officer of the Company and Bear Stearns on June 25, 2001. From June 30, 1999 to June 24, 2001, Mr. Spector was an Executive Vice President of Bear Stearns. Prior to June 30, 1999, Mr. Spector was an Executive Vice President of the Company and of Bear Stearns for more than the past five years.

Mr. Tese has been Chairman of Wireless Cable International Inc. since April 1995. Mr. Tese was Chairman of Cross Country Wireless Inc. from October 1994 to July 1995 and was a corporate officer and a general partner of Cross Country Wireless Inc.'s predecessors, Cross Country Wireless Cable I, L.P. and Cross Country Wireless Cable West, L.P., from 1990 until October 1994. Mr. Tese was the Director of Economic Development for the State of New York from June 1987 to December 1994. Mr. Tese is currently Chairman of the Audit Committee of the Board of Directors of the Company.

Mr. Wilpon has been Chairman of the Board of Directors of Sterling Equities, Inc., a privately held entity, and certain affiliates thereof, which are primarily real estate development/owner management companies, for more than the past five years. Mr. Wilpon became Chairman of the Board of Directors of the New York Mets baseball team on August 23, 2002. Mr. Wilpon has been Chief Executive Officer of the New York Mets baseball team for more than the past five years and prior to August 23, 2002, was President of the New York Mets baseball team for more than the past five years.

There is no family relationship among any of the directors or executive officers.

All directors hold office until our next Annual Meeting of Stockholders or until their successors have been duly elected and qualified. Officers serve at the discretion of the Board of Directors.

The business address for each director is 383 Madison Avenue, New York, New York 10179, USA.

USE OF PROCEEDS

We will use the net proceeds before expenses from the sale of the Notes of approximately \$1.49 billion for general corporate purposes. These purposes may include additions to working capital, the repayment of short-term and long-term debt and making investments in or extending credit to our subsidiaries.

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CAPITALIZATION

The following table sets forth our consolidated capitalization as of February 28, 2003, and as adjusted to give effect to the offering of the Notes. It is important that you read the following information along with the consolidated financial statements and notes thereto incorporated by reference in this prospectus supplement and the accompanying prospectus. See "Where You Can Find More Information" and "General Information".

February 28, 2003*	
Actual	As Adjusted

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February 28, 2003*

(Unaudited, in thousands)

Short-Term Borrowings:		
Bank and Other Borrowings	\$ 6,383,571	\$ 6,383,571
Commercial Paper	7,829,646	7,829,646
Medium-Term Notes	2,661,031	2,661,031
Total Short-Term Borrowings	\$ 16,874,248	\$ 16,874,248
Long-Term Borrowings:		
Floating Rate Notes due 2003 to 2007	\$ 2,839,518	\$ 2,839,518
Fixed Rate Senior Notes due 2003 to 2018; interest rates ranging from 2.875% to 8.75%	10,411,182	11,907,912
Medium-Term Notes	11,645,089	11,645,089
Total Long-Term Borrowings	24,895,789	26,392,519
Guaranteed Preferred Beneficial Interests in Company Subordinated Debt Securities(1)	562,500	562,500
Stockholders' Equity:		
Preferred Stock, \$1.00 par value; Series A, E, F, and G, 10,000,000 shares authorized; 6,250,000 shares issued(2)	682,783	682,783
Common Stock, \$1.00 par value; 500,000,000 shares authorized; 184,805,848 shares issued	184,806	184,806
Paid-in Capital	2,878,311	2,878,311
Retained Earnings	4,149,161	4,149,161
Employee Stock Compensation Plans	2,181,730	2,181,730
Unearned Compensation	(183,580)	(183,580)
Treasury Stock:		
Adjustable Rate Cumulative Preferred Stock; Series A: 2,520,750 shares	(103,421)	(103,421)
Common Stock: 85,828,184 shares	(3,260,162)	(3,260,162)
Total Stockholders' Equity	6,529,628	6,529,628
Total Long-Term Borrowings, Guaranteed Preferred Beneficial Interests in Company Subordinated Debt Securities and Stockholders' Equity	\$ 31,987,917	\$ 33,484,647

*

Certain information regarding the Company's results of operations and certain other information at May 31, 2003 and for the three and six months ended May 31, 2003 is contained in the Company's Current Report on Form 8-K dated June 18, 2003, which is incorporated herein by reference.

- (1) Guaranteed Preferred Beneficial Interests in Company Subordinated Debt Securities reflects the preferred securities of Bear Stearns Capital Trust II and Bear Stearns Capital Trust III. Each of the trusts is a wholly-owned subsidiary of the Company and holds certain of our subordinated debentures as its sole asset. The preferred securities of Bear Stearns Capital Trust II and Bear Stearns Capital Trust III are guaranteed by the Company and are unsecured.
- (2) Between March 1, 2003 and June 16, 2003, the Company redeemed Preferred Stock in the amount of \$18.3 million.

SELECTED CONSOLIDATED FINANCIAL DATA

The financial data in the following table for the three months ended February 28, 2003 and February 28, 2002 has been derived from our unaudited consolidated financial statements for those periods. The financial data in the following table for the fiscal years ended November 30, 2002, November 30, 2001, November 30, 2000, the five months ended November 26, 1999, and the fiscal years ended June 30, 1999 and 1998 has been derived from information contained in or incorporated by reference into our Annual Reports on Form 10-K. See "Where You Can Find More Information" and "General Information".

	Three Months Ended*	
	February 28, 2003	February 28, 2002
(Unaudited, in thousands, except common share data and other data)		
Operating Results:		
Revenues	\$ 1,837,915	\$ 1,718,144
Interest Expense	322,481	478,966
Revenues, net of interest expense	1,515,434	1,239,178
Non-interest expenses:		
Employee compensation and benefits	757,889	633,642
Non-compensation expenses	332,346	332,009
Total non-interest expenses	1,090,235	965,651
Income before provision for income taxes	425,199	273,527
Provision for income taxes	150,946	93,001
Net income	\$ 274,253	\$ 180,526
Net income applicable to common shares	\$ 266,261	\$ 170,748
Financial Position:		
Total assets	\$ 193,776,077	\$ 185,153,782
Long-term borrowings	\$ 24,895,789	\$ 24,740,220
Guaranteed Preferred Beneficial Interests in Company Subordinated Debt Securities (1)	\$ 562,500	\$ 562,500
Stockholders' equity	\$ 6,529,628	\$ 5,760,905
Common Share Data: (2)		
Basic earnings per share	\$ 2.21	\$ 1.39
Diluted earnings per share	\$ 2.00	\$ 1.29
Cash dividends declared per common share	\$ 0.17	\$ 0.15
Book value per common share	\$ 41.64	\$ 34.95
Common shares outstanding (3)	146,659,224	147,040,102
Other Data:		
Return on average common equity (annualized)	19.9%	15.2%
Profit margin (4)	28.1%	22.1%
Employees	10,506	10,341

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*

Certain information regarding the Company's results of operations and certain other information at May 31, 2003 and for the three and six months ended May 31, 2003 is contained in the Company's Current Report on Form 8-K dated June 18, 2003, which is incorporated herein by reference.

- (1) As of February 28, 2003 and February 28, 2002, Guaranteed Preferred Beneficial Interests in Company Subordinated Debt Securities reflects the preferred securities of Bear Stearns Capital Trust II and Bear Stearns Capital Trust III. Each of the trusts is a wholly-owned subsidiary of the Company and holds certain of our subordinated debentures as its sole asset. The preferred securities of Bear Stearns Capital Trust II and Bear Stearns Capital Trust III are guaranteed by the Company and are unsecured.
- (2) Reflects all stock dividends prior to February 28, 2003.
- (3) Common shares outstanding include units issued under certain stock compensation plans which will be distributed as shares of common stock.
- (4) Represents the ratio of income before provision for income taxes to revenues, net of interest expense.

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	Fiscal Year Ended November 30,			Five Months Ended November 26, 1999	Fiscal Year Ended June 30,	
	2002	2001	2000		1999	1998
(In thousands, except common share data and other data)						
Operating Results:						
Revenues	\$ 6,890,816	\$ 8,701,033	\$ 10,247,964	\$ 3,462,549	\$ 7,846,314	\$ 7,964,052
Interest expense	1,762,580	3,793,998	4,772,286	1,524,046	3,344,190	3,622,629
Revenues, net of interest expense	5,128,236	4,907,035	5,475,678	1,938,503	4,502,124	4,341,423
Non-interest expenses:						
Employee compensation and benefits	2,508,197	2,528,852	2,788,638	964,529	2,265,830	2,094,679
Non-compensation expenses	1,309,076	1,443,739	1,515,517	520,382	1,172,186	1,183,252
Total non-interest expenses	3,817,273	3,972,591	4,304,155	1,484,911	3,438,016	3,277,931
Income before provision for income taxes and cumulative effect of change in accounting principle	1,310,963	934,444	1,171,523	453,592	1,064,108	1,063,492
Provision for income taxes	432,618	309,479	398,340	167,778	391,060	403,063
Income before cumulative effect of change in accounting principle	878,345	624,965	773,183	285,814	673,048	660,429
Cumulative effect of change in accounting principle, net of tax(1)		(6,273)				

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	Fiscal Year Ended November 30,			Fiscal Year Ended June 30,		
Net income	\$ 878,345	\$ 618,692	\$ 773,183	\$ 285,814	\$ 673,048	\$ 660,429
Net income applicable to common shares	\$ 842,739	\$ 579,579	\$ 734,070	\$ 269,517	\$ 633,618	\$ 629,417
Financial Position:						
Total assets	\$ 184,854,423	\$ 185,530,228	\$ 168,631,602	\$ 162,037,962	\$ 153,894,340	\$ 154,495,895
Long-term borrowings	\$ 23,681,399	\$ 23,429,054	\$ 20,095,888	\$ 15,911,392	\$ 14,647,092	\$ 13,295,952
Guaranteed Preferred Beneficial Interests in Company Subordinated Debt Securities (2)	\$ 562,500	\$ 762,500	\$ 500,000	\$ 500,000	\$ 500,000	\$ 350,000
Stockholders' equity	\$ 6,382,083	\$ 5,628,527	\$ 5,654,288	\$ 4,941,947	\$ 4,955,509	\$ 4,291,533
Common Share Data: (3)						
Basic earnings per share	\$ 7.00	\$ 4.49	\$ 5.37	\$ 1.78	\$ 4.26	\$ 4.17
Diluted earnings per share	\$ 6.47	\$ 4.27	\$ 5.35	\$ 1.78	\$ 4.26	\$