

Brief Company History

In 1883 in Carthage, Missouri, far removed from any major metropolitan or urban areas, a historical partnership began. J.P. Leggett, an inventor, initiated the



J.P. Leggett

partnership because he had developed an innovative bedspring. Mr. Leggett's bedspring consisted of single cone spring wire coils, formed and interlaced in a unique manner, then mounted on a wood slat base. The bedspring could then be used as a resilient, durable base for the then-popular cotton, feather or horsehair mattresses. Needing expertise in manufacturing and production, he recruited his brother-in-law, C.B. Platt, whose father owned and operated Platt Plow Works, into the partnership. Together, they perfected the equipment necessary to produce the components of their Leggett & Platt bedspring, which was patented in 1885.



C. B. Platt

The Carthage market for their new product was very limited. To expand the market to a wider region, Mr. Platt and George Leggett, brother of J. P. Leggett, would load a horse-drawn wagon with bedsprings and travel to surrounding communities. Often, to conserve space, they would load the springs and slats separately into the wagon and assemble them in a store or on an adjacent sidewalk. The partnership prospered, and the business was incorporated in 1901.

The company built its first factory and offices in Carthage in 1895. The workforce at that time consisted of the two partners and five employees. Soon after completion of the Carthage plant, a second factory was built in Louisville, Kentucky.



The Platt Plow Works

During the next 50 years, three more factories were built. Demand for the company's improved bedsprings was rising, and a second plant was built in Carthage in 1925. The new, much larger plant was located next to a railroad to allow for expanded shipments of products and supplies. In 1942, an additional factory was built in Winchester, Kentucky, which was subsequently consolidated with the Louisville. For some time, Texas had proven to be a main market outlet, and in 1947, a major factory was built in Ennis, Texas. By 1947, Leggett & Platt consisted of 4 plants and 500 employees.

Although available in various models and continuously improved upon, bedsprings were practically the only product Leggett & Platt offered until 1933. However, in that year the company began to manufacture springs for innerspring mattresses, which were relatively new products in the industry and growing in popularity. Thereafter,

the company slowly began to diversify its products within the bedding industry by producing rollaway beds and folding metal cots, along with bed frames and bed rails.

In 1960, Harry M. Cornell Jr., J.P. Leggett's grandson, was elected President and CEO of the company, taking over for his father (who was Mr. Leggett's son-in-law). The company's total sales in 1960 were approximately \$7 million from three states – Kentucky, Texas and Missouri. Determining the course and future of the company became management's primary objective. Following an extensive evaluation of the company and its potential, Mr. Cornell and his management partners concluded that Leggett & Platt's best opportunities for profitable growth lay in a strategy of specializing in manufacturing, marketing, and distributing a broad and growing line of components and related products, first nationally and eventually on a world-wide basis. Key drivers of future sales and earnings would include aggressive internal growth initiatives, coupled with an active and ongoing acquisition program.

Even greater success followed, and Leggett & Platt became known as "the components people." Leggett & Platt stock was first traded over the counter in 1967. Twelve years later, on June 25th, 1979, top management was present in New York City to witness the stock's first day listed on the New York Stock Exchange. In 1985, Leggett & Platt grew into the Fortune 500 list of the largest U.S.-based manufacturing companies.

In 1999, the company became part of the S&P 500 Index.



Top Management celebrates the listing of Leggett & Platt stock on NYSE. (From left to right) Felix Wright, Harry Cornell Jr., Louis Allen, & Bob Jefferies

Logical, measured steps toward diversification and expansion have led to Leggett's excellent long-term performance. Approximately two-thirds of the company's growth over time has come from acquisitions of existing businesses. Many of them are "bolt on" extensions of Leggett businesses, and can be thought of as internal expansions made in lieu of building brand new facilities

During the 40 years as a public company (the IPO was in March 1967), Leggett & Platt's sales, earnings, and cash flow from operations have grown substantially, along with shareholder dividends and the stock price. The table below highlights compounded annual growth rates in each of these measures over the last 10 and 39 years.

CAGR	10 Yr.	39 Yr.
Trade Sales	8%	17%
Net Earnings	6%	18%
Cash from Ops.	7%	18%
EPS	5%	13%
Dividends	11%	13%
Stock Price (12-31)	3%	16%

Today, Leggett & Platt products can be found nearly everywhere. Leggett has annual revenues of approximate \$5.5 billion, with leading North American market positions in all of the following product lines:

- Components for residential furniture and bedding
- Retail store fixtures and point-of-purchase displays
- Components for office furniture
- Non-automotive aluminum die castings
- Drawn steel wire
- Automotive seat support and lumbar systems
- Bedding industry machinery for wire forming, sewing, and quilting
- Adjustable beds
- Carpet underlay

Results of operations are reported in five business segments, shown below. The percentage of 2006 total sales is also shown.

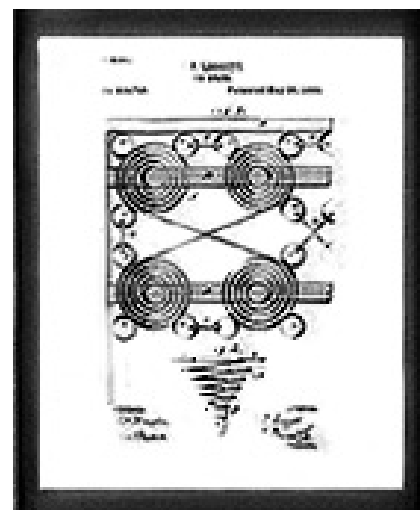
Residential Furnishings	47%
Commercial Fixturing & Components	17%
Aluminum Products	10%
Industrial Materials	13%
Specialized Products	13%

Operations encompass over 300 manufacturing plants, distribution centers and other facilities in more than 20 countries. Employee-partners working in the various locations include 33,000 individuals – the people of Leggett & Platt are the company's greatest asset.

A pervasive spirit of partnership is encouraged through company-wide stock ownership, and in recent years, management and employees have invested about \$30 million annually in Leggett stock through a variety of

employee benefit plans. Nearly 20% of the shares are held by officers, directors, employees, retirees, merger partners and their families.

Management is led by David S. Haffner, President and Chief Executive Officer; Karl Glassman, Executive Vice President and Chief Operating Officer; and Matt Flanigan, Chief Financial Officer.



The original patent that launched an industry

Leggett & Platt is a member of the Fortune 500 and a component in the S&P 500 Index. The stock (symbol: LEG) is listed on the New York Stock Exchange. For additional information contact:

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