

Industry Expertise: Alternative Energy | Business Services | **Consumer** |  
Financial Institutions | Health Care | Industrial Growth | Technology

*The 27th Annual*

## Consumer Conference

June 6-7, 2007, New York, New York



## Select Comfort Corporation

GUIDES FOR  
THE JOURNEY®

PiperJaffray

## Forward Looking Statements

Statements used in this presentation that relate to future plans, events, financial results or performance are forward-looking statements that are subject to certain risks and uncertainties including, among others, such factors as general and industry economic trends; uncertainties arising from global events; consumer confidence; effectiveness of our advertising and promotional efforts; our ability to secure suitable retail locations; our ability to attract and retain qualified sales professionals and other key employees; our ability to successfully expand distribution through independent retailers; consumer acceptance of our products, product quality, innovation and brand image; our ability to continue to expand and improve our product line; industry competition; warranty expenses; risks of potential litigation; our dependence on significant suppliers, and the vulnerability of any suppliers to commodity shortages, inflationary pressures, labor negotiations, liquidity concerns or other factors; rising commodity costs; the capability of our information systems to meet our business requirements and our ability to upgrade our systems on a cost-effective basis without disruptions to our business; and increasing government regulations, including new flammability standards for the bedding industry and our ability to successfully implement systems and manufacturing process changes to ensure compliance with these requirements. Additional information concerning these and other risks and uncertainties is contained in our filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K, and other periodic reports filed with the SEC. The company has no obligation to publicly update or revise any of the forward-looking statements that may be in today's presentation.



You can CURE TIRED.™

## Select Comfort Profile

- Industry disruptor
  - Differentiated product
  - #1 U.S. bed retailer
- Advantaged business model
  - Vertically integrated
  - >90% company owned
  - Nationwide delivery
  - Self-funded growth
- Zero debt, \$290M buy-back



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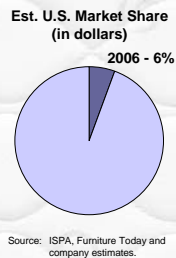
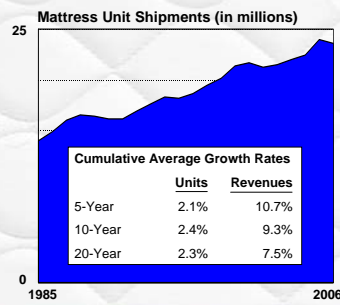
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## Strong Industry Fundamentals



Source: ISPA, Furniture Today and company estimates.



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## Unique, Differentiated Product

- Personalized comfort and support
- Benefits proven and appreciated
- Durable and competitive value
- Queen-sized sets list from \$900 to \$4,000



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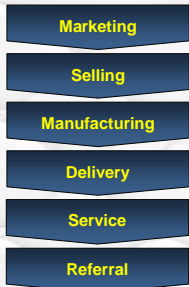
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## Advantaged Business Model

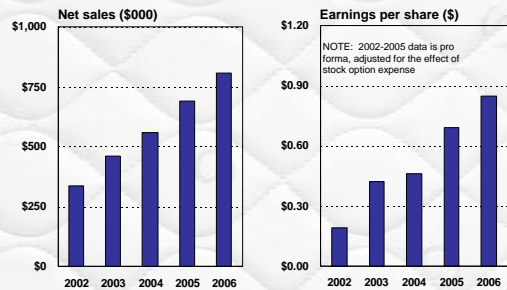


- Direct-to-consumer, >90% company-owned
- Stores are showrooms with minimal inventory
- Just-in-time, build-to-order manufacturing
- Negative cash conversion cycle
- Strong balance sheet
- Mission-driven company



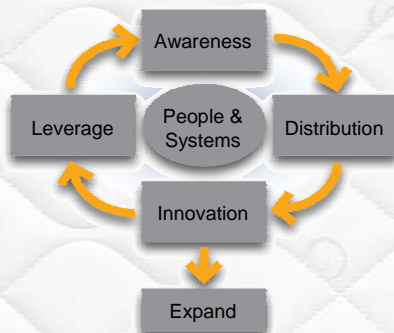
Now use CURE TIRE!

## Consistent Performance

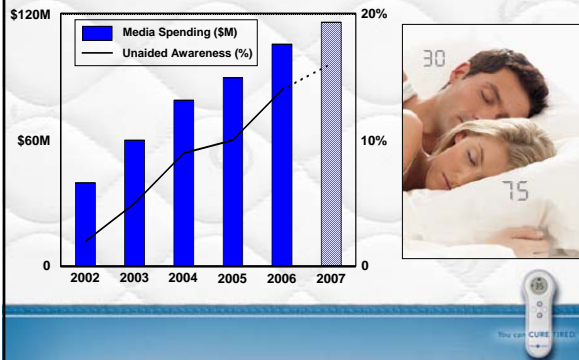


Now use CURE TIRE!

## Proven Strategies



## Building Brand Awareness




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## #1 U.S. Bed Retailer




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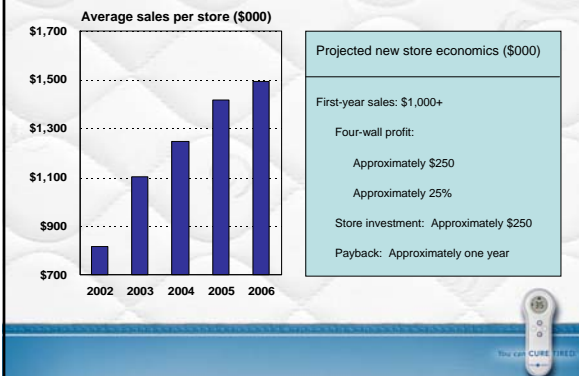
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## Favorable Economics




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## Sustained Product Innovation

Cover  
Comfort Layer  
Passive Cooling



Quality  
Air Control System  
FR Compliant Product  
Foundation




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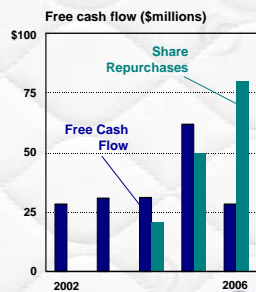
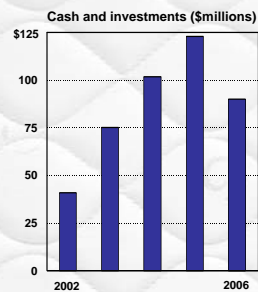
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## Self-Funded Growth




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## Strong Management Team




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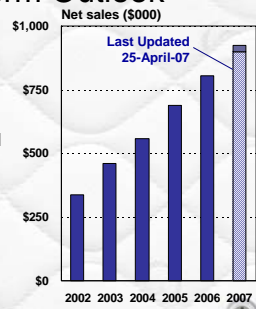
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## Confident Long-Term Outlook

- Consumer & industry fundamentals
- Unique, differentiated product
- Advantaged business model
- Proven strategies
  - Building brand awareness
  - Increasing distribution
  - Accelerating innovation
- Strong management team



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