



## Leggett Reports Record Third Quarter Results

October 15, 1997

Leggett & Platt, Incorporated today reported record third quarter sales and earnings for 1997. Sales were \$747.0 million (up 19%), net earnings were \$52.8 million (up 20%), and earnings per share were \$.54 (up 13%)—all compared to previous third quarter records for 1996. A summary and comparison of third quarter results for the last two years is shown below.

(All amounts in millions, except per share data)

<b><u>THIRD QUARTER ENDED SEPTEMBER 30</u></b>	<b><u>1997</u></b>	<b><u>1996</u></b>	<b><u>Change</u></b>
Net sales	\$747.0	\$628.6	+19%
Gross profit	188.5	157.3	+20
Pre-tax earnings	83.9	71.9	+17
Net earnings	52.8	44.0	+20
Earnings per share	\$.54	\$.48	+13
Average shares outstanding	98.1	92.0	+7

Continuing growth in this year's third quarter reflected increased sales and efficiencies in existing operations, plus ongoing benefits from acquisitions. However, Leggett's previously announced acquisition of Cambridge Tool & Mfg., Co. this past July resulted in pre-tax merger expense of \$2.4 million being charged to the quarter. Pre-tax and after-tax earnings absent this charge increased 20% and 23%, respectively. Net earnings increased at a faster pace due to a slightly lower effective income tax rate in 1997.

Results of operations for the first nine months of 1997 also increased to record levels. A summary and comparison of results for the first nine months of the last two years is shown below.

(All amounts in millions, except per share data)

<b><u>NINE MONTHS ENDED SEPTEMBER 30</u></b>	<b><u>1997</u></b>	<b><u>1996</u></b>	<b><u>Change</u></b>
Net sales	\$2,141.4	\$1,839.8	+16%
Gross profit	542.1	459.5	+18
Pre-tax earnings before non-recurring costs	245.9	203.7	+21
Pre-tax non-recurring costs <sup>(1)</sup>	-	26.6	-
Net earnings before extraordinary item	153.2	108.3	+41
Extraordinary item <sup>(2)</sup>	-	12.5	-
Net earnings	153.2	95.8	+60

Earnings per share

Before non-recurring costs	\$1.60	\$1.37	+17
Non-recurring costs <sup>(1)</sup>	-	(.18)	-
Extraordinary item <sup>(2)</sup>	-	(.14)	-
Net earnings	\$1.60	\$1.05	+52
Average shares outstanding	96.0	91.1	+5

(1) Non-recurring costs are merger related costs from the May 1996 acquisition of Pace Holdings, Inc. (Pace).

(2) Extraordinary item results from the refinancing of Pace debt.

As shown above, sales increased 16% to \$2.14 billion for the first nine months of this year. Net earnings for the same period were \$153.2 million, or \$1.60 per share. When compared with 1996 results before non-recurring costs, net earnings increased 23% and earnings per share increased 17%. Leggett & Platt is a leading manufacturer serving several major markets. Leggett's engineered products include components and related products for bedding, furniture and other furnishings, plus commercial fixtures, store displays, shelving and other products for office and commercial use. Other major Leggett products are materials, equipment and technologies for Leggett operations and other manufacturers. The company has facilities throughout North America and in several international locations. The common stock is listed on the New York and Pacific Stock Exchanges with the symbol LEG.