



Leggett Reports Record 1999 First Quarter

April 26, 1999

Carthage, MO – Leggett & Platt today reported record sales and earnings for the first quarter of 1999. Sales were \$887.6 million (up 11.9%), net earnings were \$66.1 million (up 14.2%), and earnings per diluted share were \$.33 (up 13.8%) – all compared with 1998 first quarter records.

"The positive outlook we expressed in our recent annual report is confirmed by this good start in the new year," said Felix E. Wright, President and Chief Operating Officer. "Internal growth and operating efficiencies, coupled with our active and ongoing acquisition program, continue to drive sales and earnings which strengthen Leggett's potential in all business segments. We are pleased with the first quarter improvement in our aluminum operations, which reversed the negative trend experienced in the third and fourth quarters of 1998. More importantly, many operations in our other business segments continued to achieve excellent improvements in sales and efficiencies, hence earnings and cash flow."

"Leggett's strong financial position also continues to provide substantial capital resources and flexibility in financing internal improvements and expansions, as well as acquisitions. In our ongoing commitment to creating value for Leggett shareholders, we increased our quarterly cash dividend rate 12.5% (\$.01 per share) in February. Additionally, we repurchased approximately 2.6 million shares of Leggett stock in the first four months of this year, primarily to replace shares issued in purchase acquisitions and employee benefit plans. We may also buy shares issued in the future for purchase acquisitions, or for use in benefit plans."

Mr. Wright concluded by saying: *"We maintain our belief that Leggett is well positioned for the future, and we are aggressively pursuing opportunities to enhance sales and earnings growth, both internally and through acquisitions. We are anticipating modest expansion in the economy during the balance of this year. Our Leggett partners throughout the company remain dedicated to providing the best in service and solutions for every customer in every location."*

In the first quarter, roughly two-thirds of Leggett's year-to-year growth was attributable to acquisitions. Internal growth in unit volume was approximately 6%. When coupled with reduced selling prices of approximately 2%, sales grew 4% internally, in line with the internal growth rate for the full year of 1998.

Summaries of the unaudited results of operations for the quarter ended March 31, 1999 and 1998 are shown below. Highlights of first quarter segment results follow the consolidated summaries.

(All amounts in millions, except per share data)

<u>QUARTER ENDED MARCH 31,</u>	<u>1999</u>	<u>1998</u>
Net sales	\$887.6	\$793.2
Cost of goods sold	<u>655.2</u>	<u>590.9</u>
Gross profit	232.4	202.3
Selling, distribution & administrative expenses	112.7	98.6
Other deductions, net of other income	<u>6.1</u>	<u>4.1</u>
Earnings before interest and income taxes	113.6	99.6
Interest expense	9.4	8.8
Interest income	<u>.9</u>	<u>1.9</u>
Earnings before income taxes	105.1	92.7
Income taxes	<u>39.0</u>	<u>34.8</u>
Net earnings	<u>\$ 66.1</u>	<u>\$ 57.9</u>

Earnings Per Share

Basic	\$.33	\$.29
Diluted	\$.33	\$.29
Average Shares Outstanding		
Basic	199.1	196.3
Diluted	201.4	199.7

Leggett & Platt is a Fortune 500 company and leading manufacturer of engineered products serving several major markets. Sales and production are focused on residential furnishings, commercial furnishings, aluminum products, industrial materials, and specialized products. The company has facilities throughout North America and in numerous international locations. Leggett's common stock is listed on the New York and Pacific Stock Exchanges with the symbol LEG.

Segment Highlights

Residential Furnishings - Total sales for the quarter increased 10.5%, with nearly equal year-to-year internal and acquisition growth. Earnings before interest and income taxes (EBIT) grew 5.4%, as increased volume and efficiencies in many operations were offset primarily by temporary inefficiencies in a major plant producing furniture components.

Commercial Furnishings - Total sales increased 22.1%, with just over two-thirds of the growth attributable to acquisitions. EBIT increased 20.8%, reflecting acquisitions and improved manufacturing efficiencies, offset primarily by costs to consolidate commercial fixture facilities and somewhat lower volume in operations producing office and institutional furniture components.

Aluminum Products - Total sales increased about 1.0%, with acquisition growth just short of 4%. A major die casting customer's restructuring and inventory reduction, and Leggett's reduced production in smelting facilities lowered the sales improvement. EBIT increased 4.3%, reflecting improved efficiencies in certain die casting plants and acquisitions.

Industrial Materials - Total sales increased 8.3%, with just over three-quarters of the growth attributed to acquisitions. EBIT increased 46.2%, benefiting from efficiencies gained on higher production volume, acquisitions, and more normal raw material costs.

Specialized Products - Total sales increased 26.5%, with about one-third of the growth attributable to acquisitions. EBIT increased 66.0%, reflecting higher sales, improved operating efficiencies, and acquisitions.

(All amounts in millions)

<u>QUARTER ENDED MARCH 31, 1999</u>	<u>External Sales</u>	<u>Inter-Segment Sales</u>	<u>Total Sales</u>	<u>EBIT</u>
Residential Furnishings	\$475.4	\$ 2.9	\$478.3	\$ 52.7
Commercial Furnishings	160.0	.8	160.8	25.6
Aluminum Products	137.6	.3	137.9	12.1
Industrial Materials	66.0	55.1	121.1	17.1
Specialized Products	48.6	9.7	58.3	8.3
Intersegment eliminations	--	--	--	(2.4)
Adjustment to LIFO method	--	--	--	.2
Totals	\$ 887.6	\$ 68.8	\$956.4	\$113.6

(All amounts in millions)

<u>QUARTER ENDED MARCH 31, 1998</u>	<u>External Sales</u>	<u>Intersegment Sales</u>	<u>Total Sales</u>	<u>EBIT</u>
Residential Furnishings	\$430.3	\$ 2.5	\$432.8	\$ 50.0
Commercial Furnishings	131.4	.3	131.7	21.2
Aluminum Products	136.8	--	136.8	11.6
Industrial Materials	61.8	50.0	111.8	11.7
Specialized Products	32.9	13.2	46.1	5.0
Intersegment eliminations	--	--	--	(.7)
Adjustment to LIFO method	--	--	--	.8
Totals	<u>\$ 793.2</u>	<u>\$ 66.0</u>	<u>\$ 859.2</u>	<u>\$ 99.6</u>

Residential Furnishings derives its revenues from bedding, furniture, and other furnishings components and related consumer products. *Commercial Furnishings* derives its revenues from retail store fixtures, displays, storage, material handling systems, and office and institutional furnishings components. *Aluminum Product* revenues are derived from die castings, custom tooling, secondary machining and coating, and smelting of aluminum ingot. *Industrial Materials* derives its revenues from drawn steel wire, specialty wire products and welded steel tubing, most of which are sold to other segments as well as trade customers. *Specialized Products* is a combination of non-reportable segments which derive their revenues from machinery, manufacturing equipment, automotive seating suspension, lumbar support, and control cable systems.

This news release includes "forward-looking" statements that involve uncertainties and risks. There can be no assurance that actual results will not differ from the company's expectations. Factors that could cause such differences include the company's ability to improve operations and realize cost savings, competitive and general economic conditions, the future growth of acquired companies, and other risks described in the company's Annual Report on Form 10-K.