Form 10-Q

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

(X) QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 1999

OR

( ) TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934

for the transition period from ____________ to ________________

For Quarter Ended	Commission File Number
September 30, 1999	1-7845

LEGGETT & PLATT, INCORPORATED
(Exact name of registrant as specified in its charter)

Missouri	44-0324630
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

No. 1 Leggett Road Carthage, Missouri	64836
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (417) 358-8131

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities and Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

Common stock outstanding as of November 1, 1999: 196,284,790

PART I. FINANCIAL INFORMATION
LEGGETT & PLATT, INCORPORATED AND SUBSIDIARIES
ITEM 1. FINANCIAL STATEMENTS
CONSOLIDATED CONDENSED BALANCE SHEETS
(Unaudited)

(Amounts in millions)	September 30, 1999	December 31, 1998
CURRENT ASSETS		
Cash and cash equivalents	$ 21.8	$ 83.5
Accounts and notes receivable	623.4	516.6
Allowance for doubtful accounts	(15.9)	(13.5)
Inventories	541.4	486.2
Other current assets	68.7	64.3
Total current assets	1,239.4	1,137.1
PROPERTY, PLANT & EQUIPMENT, NET	884.4	820.4
OTHER ASSETS		
Excess cost of purchased companies over net assets acquired, less accumulated amortization of $62.4 in 1999 and $50.8 in 1998	682.0	498.9

Other intangibles, less accumulated amortization of $29.8 in 1999 and $25.3 in 1998	44.1	29.7
Sundry	44.5	49.2
Total other assets	770.6	577.8
TOTAL ASSETS	$2,894.4	$2,535.3
CURRENT LIABILITIES		
Accounts and notes payable	$ 160.1	$ 134.8
Accrued expenses	203.3	168.8
Other current liabilities	83.4	97.8
Total current liabilities	446.8	401.4
LONG-TERM DEBT	745.2	574.1
OTHER LIABILITIES	48.8	48.1
DEFERRED INCOME TAXES	72.5	74.9
SHAREHOLDERS' EQUITY		
Common stock	2.0	2.0
Additional contributed capital	420.3	396.1
Retained earnings	1,221.5	1,058.7
Accumulated other comprehensive income	(11.9)	(18.2)
Treasury stock	(50.8)	(1.8)
Total shareholders' equity	1,581.1	1,436.8
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$2,894.4	$2,535.3

Items excluded are either not applicable or de minimis in amount and, therefore, are not shown separately.

See accompanying notes to consolidated condensed financial statements.

LEGGETT & PLATT, INCORPORATED AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF EARNINGS
(Unaudited)

(Amounts in millions, except per share data)

	Nine Months Ended September 30, 1999	Nine Months Ended September 30, 1998	Three Months Ended September 30, 1999	Three Months Ended September 30, 1998
Net sales	$2,813.9	2,532.7	$ 991.1	$ 884.1
Cost of goods sold	2,058.2	1,882.3	721.2	655.3
Gross profit	755.7	650.4	269.9	228.8
Selling, distribution and administrative expenses	362.4	313.5	128.9	109.9
Other deductions (income), net	20.4	13.7	6.3	5.4
Earnings before interest and income taxes	372.9	323.2	134.7	113.5
Interest expense	30.5	28.7	11.1	9.9
Interest income	1.8	3.4	0.4	0.8
Earnings before income taxes	344.2	297.9	124.0	104.4
Income taxes	128.0	111.4	46.3	39.2
NET EARNINGS	$ 216.2	$ 186.5	$ 77.7	$ 65.2
Earnings Per Share				
Basic	$ 1.09	$ 0.94	$ 0.39	$ 0.33
Diluted	$ 1.08	$ 0.93	$ 0.39	$ 0.32
Cash Dividends Declared Per Share	$ 0.27	$ 0.235	$ 0.09	$ 0.08
Average Shares Outstanding				
Basic	198.5	197.9	198.2	198.3
Diluted	201.1	200.6	200.9	201.1

See accompanying notes to consolidated condensed financial statements.

LEGGETT & PLATT, INCORPORATED AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
(Unaudited)

(Amounts in millions)	Nine Months Ended September 30, 1999	1998
OPERATING ACTIVITIES		
Net Earnings	$ 216.2	$ 186.5
Adjustments to reconcile net earnings to net cash provided by operating activities		
Depreciation	89.3	77.0
Amortization	20.6	15.4
Other	(2.7)	13.2
Other changes, net of effects from purchase of companies		
Increase in accounts receivable, net	(53.4)	(87.0)
(Increase) decrease in inventories	(19.1)	7.1
Increase in other current assets	(2.4)	(3.5)
Increase in current liabilities	47.2	15.2
NET CASH PROVIDED BY OPERATING ACTIVITIES	295.7	223.9
INVESTING ACTIVITIES		
Additions to property, plant and equipment	(113.4)	(102.1)
Purchases of companies, net of cash acquired	(233.0)	(89.9)
Other	4.9	0.1
NET CASH USED FOR INVESTING ACTIVITIES	(341.5)	(191.9)
FINANCING ACTIVITIES		
Additions to debt	209.3	262.7
Payments on debt	(83.9)	(193.3)
Dividends paid	(68.9)	(59.9)
Issuances of common stock	3.1	4.3
Purchases of common stock	(78.6)	(5.2)
Other	3.1	(6.0)
NET CASH (USED FOR) PROVIDED BY FINANCING ACTIVITIES	(15.9)	2.6
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(61.7)	34.6
CASH AND CASH EQUIVALENTS - January 1,	83.5	7.7
CASH AND CASH EQUIVALENTS - September 30,	$ 21.8	$ 42.3

See accompanying notes to consolidated condensed financial statements.

LEGGETT & PLATT, INCORPORATED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

(Amounts in millions)

1. STATEMENT

In the opinion of management, the accompanying consolidated condensed financial statements contain all adjustments necessary for a fair statement of results of operations and financial position of Leggett & Platt, Incorporated and Consolidated Subsidiaries (the `Company').

2. INVENTORIES

Inventories, using principally the Last-In, First-Out (LIFO) cost method, comprised the following:

	September 30, 1999	December 31, 1998
At First-In, First-Out (FIFO) cost		
Finished goods	$ 280.2	$ 251.7
Work in process	65.5	56.2
Raw materials	203.3	185.5
	549.0	493.4
Excess of FIFO cost over LIFO cost	7.6	7.2
	$ 541.4	$ 486.2

3. PROPERTY, PLANT & EQUIPMENT

Property, plant and equipment comprised the following:

	September 30, 1999	December 31, 1998
Property, plant and equipment, at cost	$ 1,578.6	$ 1,435.0
Less accumulated depreciation	694.2	614.6
	$ 884.4	$ 820.4

4. COMPREHENSIVE INCOME

In accordance with the provisions of Financial Accounting Standard No. 130, the Company has elected to report comprehensive income in its Statement of Changes in Shareholders' Equity. For the nine months ending September 30, 1999 and 1998, comprehensive income was $222.5 and $179.2, respectively.

5. EARNINGS PER SHARE

Basic and diluted earnings per share were calculated as follows:

	Nine Months Ended September 30, 1999	Nine Months Ended September 30, 1998	Three Months Ended September 30, 1999	Three Months Ended September 30, 1998
Basic				
Weighted average shares outstanding, including shares issuable for little or no cash	198.5	197.9	198.2	198.3
Net earnings	$ 216.2	$ 186.5	$ 77.7	$ 65.2
Earnings per share - basic	$ 1.09	$ 0.94	$ 0.39	$ 0.33
Diluted				
Weighted average shares outstanding, including shares issuable for little or no cash	198.5	197.9	198.2	198.3
Additional dilutive shares principally from the assumed exercise of outstanding stock options	2.6	2.7	2.7	2.8
	201.1	200.6	200.9	201.1
Net earnings	$ 216.2	$ 186.5	$ 77.7	$ 65.2
Earnings per share - diluted	$ 1.08	$ 0.93	$ 0.39	$ 0.32

6. CONTINGENCIES

The Company is involved in various legal proceedings including matters which involve claims against the Company under employment, intellectual property, environmental and other laws. One of the Company's subsidiaries is involved in an unfair labor complaint filed by the National Labor Relations Board prior to the Company's acquisition of the subsidiary. An administrative decision has been rendered against the subsidiary, which has been upheld by the courts. The Company is currently pursuing actions to resolve this matter.

6. CONTINGENCIES - CONTINUED

When it appears probable in management's judgement that the Company will incur monetary damages or other costs in connection with claims and proceedings, and the costs can be reasonably estimated, appropriate liabilities are recorded in the financial statements and charges are made against earnings. No claim or proceeding has resulted in a material charge against earnings, nor are the total liabilities recorded material to the Company's financial position. While the results of any ultimate resolution cannot be predicted, management believes the possibility of a material adverse effect on the Company's consolidated financial position, results of operations and cash flows from claims and proceedings is remote.

7. SEGMENT INFORMATION

Reportable segments are primarily based upon the Company's management and organizational structure. This structure is generally focused on broad end-user markets for the Company's diversified products. Residential furnishings derives its revenues from components for bedding, furniture and other furnishings, as well as related consumer products. Commercial Furnishings derives its revenues from retail store fixtures, displays, storage, material handling systems, and components for office and institutional furnishings. Aluminum Products 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 sold to trade customers as well as other Leggett segments. Specialized Products is a combination of non-reportable segments which derive their revenues from machinery and manufacturing equipment, automotive seating suspension and lumbar supports, and control cable systems.

A summary of segment sales and earnings before interest and income taxes (EBIT) for the nine months ended September 30, 1999 and 1998 and the quarters ended September 30, 1999 and 1998 are shown in the following tables.

	External Sales	Inter-Segment Sales	Total Sales	EBIT
Nine Months ended Sept. 30, 1999				
Residential Furnishings	$1,460.9	$ 7.5	$1,468.4	$ 166.2
Commercial Furnishings	570.8	2.3	573.1	95.8
Aluminum Products	401.6	12.3	413.9	38.5
Industrial Materials	208.6	155.6	364.2	53.6
Specialized Products	172.0	32.4	204.4	22.6
Intersegment eliminations	-	-	-	(3.4)
Change in LIFO reserve	-	-	-	(0.4)
Totals	$2,813.9	$210.1	$3,024.0	$ 372.9

7. SEGMENT INFORMATION - CONTINUED

	External Sales	Inter-Segment Sales	Total Sales	EBIT
Nine Months ended Sept. 30, 1998				
Residential Furnishings	$1,335.5	$ 4.7	$1,340.2	$ 150.2
Commercial Furnishings	474.3	1.2	475.5	85.8
Aluminum Products	383.2	12.3	395.5	27.8
Industrial Materials	198.8	142.8	341.6	36.4
Specialized Products	140.9	35.7	176.6	19.4
Intersegment eliminations	-	-	-	(1.3)
Change in LIFO reserve	-	-	-	4.9
Totals	2,532.7	196.7	2,729.4	323.2
Quarter ended Sept. 30, 1999				
Residential Furnishings	$ 510.2	$ 2.5	$ 512.7	$ 61.5
Commercial Furnishings	230.4	0.7	231.1	38.6
Aluminum Products	119.1	3.8	122.9	10.7
Industrial Materials	72.8	50.0	122.8	18.4
Specialized Products	58.6	9.6	68.2	6.2
Intersegment eliminations	-	-	-	(0.1)
Change in LIFO reserve	-	-	-	(0.6)
Totals	$ 991.1	$ 66.6	$1,057.7	$ 134.7
Quarter ended Sept. 30, 1998				
Residential Furnishings	$ 468.8	$ 1.5	$ 470.3	$ 54.8
Commercial Furnishings	182.9	0.4	183.3	36.2
Aluminum Products	105.9	4.2	110.1	0.9
Industrial Materials	75.8	42.7	118.5	14.0
Specialized Products	50.7	13.2	63.9	6.2
Intersegment eliminations	-	-	-	(0.4)
Change in LIFO reserve	-	-	-	1.8
Totals	$ 884.1	$ 62.0	$ 946.1	$ 113.5

7. SEGMENT INFORMATION - CONTINUED

Asset information for the Company's segments at September 30, 1999 and December 31, 1998 is shown in the following table:

	September 30, 1999	December 31, 1998
Assets		
Residential Furnishings	$1,127.7	$ 971.0
Commercial Furnishings	692.9	469.8
Aluminum Products	427.3	404.4
Industrial Materials	191.3	204.5
Specialized Products	214.8	188.8
Unallocated assets	209.8	285.9
Adjustment to period-end vs. average assets	30.6	10.9
	$2,894.4	$2,535.3

ITEM 2. - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Capital Resources and Liquidity

The Company's total capitalization at September 30, 1999 and December 31, 1998 is shown in the table below. Also, the table shows the amount of unused committed credit available through the Company's revolving bank credit agreements and the amount of cash and cash equivalents.

(Dollar amounts in millions)	September 30, 1999	December 31, 1998
Long-term debt outstanding:		
Scheduled maturities	$ 642.7	$ 574.1
Average interest rates	6.6%	6.6%
Average maturities in years	5.5	6.2
Revolving credit/commercial paper	102.5	-
Total long-term debt	745.2	574.1
Deferred income taxes and other liabilities	121.3	123.0
Shareholders' equity	1,581.1	1,436.8
Total capitalization	$2,447.6	$2,133.9
Unused committed credit	$ 300.0	$ 300.0
Cash and cash equivalents	$ 21.8	$ 83.5

Internal investments to modernize and expand manufacturing capacity were $113.4 million in the first nine months of 1999. The Company also invested $233.0 million (net of cash acquired) and issued 885,704 shares of common stock to acquire 21 businesses in transactions accounted for as purchases. In addition, the Company repurchased approximately 3.7 million shares of its common stock for $78.6 million cash, primarily to replace shares issued in purchase acquisitions and for use in employee benefit plans.

A majority of the funds required for these investments resulted from cash provided by operating activities and temporary cash equivalent investments. Proceeds from the issuance of privately placed medium-term notes and commercial paper provided the balance. As shown above, long-term debt outstanding on September 30, 1999 was 30.4% of total capitalization compared to 26.9% at the end of 1998.

Working capital at the end of the third quarter was $792.6 million, up from $735.7 million at year-end. Total current assets reflected increases primarily in accounts and notes receivable, inventories and other current assets, which were partially offset by reduced cash and cash equivalents. Total current liabilities reflected increases in accounts payable and accrued expenses, partially offset by a decrease in other current liabilities. There was no short-term bank debt outstanding at the end of either period.

Given this strong financial position and the continuing strong coverage of interest expense, the Company has substantial capital resources and flexibility for projected internal cash needs and additional acquisitions consistent with management's goals and objectives. Management continuously provides for available credit in excess of near-term projected cash needs and has maintained a guideline for long-term debt as a percentage of total capitalization in a range of 30% to 40%. In addition to unused committed credit, the Company has the availability of short-term uncommitted credit from several banks.

Results of Operations

Discussion of Consolidated Results

The Company achieved record sales and earnings in the first nine months of 1999. Sales increased to $2.81 billion (up 11.1%), net earnings increased to $216.2 million (up 15.9%), and earnings per diluted share increased to $1.08 (up 16.1%) - all compared with the first nine months of 1998.

Third quarter results also set new highs. Sales were $991.1 million (up 12.1%), net earnings were $77.7 million (up 19.2%), and earnings per diluted share were $.39 (up 21.9%) - all compared with the third quarter of 1998 and all at the highest levels for any prior quarter.

This performance reflects ongoing benefits from numerous acquisitions, as well as broadly based internal improvements and efficiencies. Sales growth stemming from acquisitions was approximately 8% in the first nine months and 11% in the third quarter. Internal growth in unit volume for each of these periods was approximately 5% and 3%, respectively. When coupled with reduced selling prices of approximately 2%, same location sales increased about 3% in the nine months and 1% in the third quarter. The 5% increase in unit volume for the nine months is in line with management's long-term objective for internal growth.

Businesses acquired in the first nine months of 1999 have annualized volume of approximately $390 million. When compared with the Company's 1998 sales of $3.37 billion, this additional volume will provide growth of approximately 12%. Thus, the Company is ahead of management's long-term objective for acquisition growth of approximately 10% per year.

Residential Furnishings accounted for 44.6% of the 1999 increase in consolidated sales in the first nine months, and Commercial Furnishings accounted for 34.3%. In the third quarter, Commercial Furnishings accounted for 44.4% of the year-to-year increase, and Residential Furnishings accounted for 38.7%. The reduced selling prices noted earlier were concentrated in Residential Furnishings, Aluminum Products and Industrial Materials.

The following table shows various measures of earnings as a percentage of sales for the first nine months and the third quarter in both of the last two years. It also shows the effective income tax rate and the coverage of interest expense by pre-tax earnings plus interest.

	Nine Months Ended September 30,		Quarter Ended September 30,	
	1999	1998	1999	1998
Gross profit margin	26.9%	25.7%	27.2%	25.9%
EBIT (earnings before interest and income taxes) margin	13.3	12.8	13.6	12.8
Net profit margin	7.7	7.4	7.8	7.4
Effective income tax rate	37.2	37.4	37.3	37.5
Interest coverage ratio	12.3x	11.4x	12.2x	11.5x

The improvement in gross profit margin reflected continued increases in production efficiencies on higher volume, lower material and other costs, and generally better manufacturing overhead absorption. The EBIT margin also increased due to these factors, offset in part primarily by higher total selling, distribution and administrative expenses.

Discussion of Segment Results

A description of the products included in each segment, segment sales, segment EBIT and other segment data appear in Note 7 of the Notes to Consolidated Condensed Financial Statements. Following is a comparison of EBIT margins (Segment EBIT divided by Total Segment Sales):

	Nine Months Ended September 30,		Quarter Ended September 30,	
	1999	1998	1999	1998
Residential Furnishings	11.3%	11.2%	12.0%	11.7%
Commercial Furnishings	16.7	18.0	16.7	19.7
Aluminum Products	9.3	7.0	8.7	0.8
Industrial Materials	14.7	10.7	15.0	11.8
Specialized Products	11.1	11.0	9.1	9.7

NINE MONTH DISCUSSION

Residential Furnishings sales increased 9.6%, with acquisition growth of about 6%. EBIT grew 10.7%, with a slight increase in margin reflecting broadly based improvements in efficiencies on higher production and acquisitions.

Commercial Furnishings sales increased 20.5%, with acquisition growth of approximately 18%. EBIT increased 11.7%, but the margin declined as the benefits of acquisitions and higher volume in the first half of 1999 were partially offset in the third quarter by lower same location sales and temporary labor inefficiencies.

Aluminum Products sales increased 4.7%, with nearly equal year-to-year acquisition and internal growth. EBIT increased 38.5%, as the margin recovered substantially in the third quarter due to improvements in efficiencies and more normal cost/price relationships.

Industrial Materials sales increased 6.6%, with acquisition growth of approximately 4.5%. EBIT increased 47.3%, with a higher margin reflecting more normal cost/price relationships and efficiencies gained on higher production.

Specialized Products sales increased 15.7%, with acquisition growth of just over 10%. EBIT increased 16.5%, as the margin improved due primarily to higher first quarter sales of machinery and equipment which carries higher margins.

THIRD QUARTER DISCUSSION

Residential Furnishings sales increased 9%, with acquisition growth of 7%. EBIT grew 12.2%, with the higher margin reflecting broadly based improvements in efficiencies on higher production and acquisitions.

Commercial Furnishings sales increased 26.1%, with acquisition growth of just over 30% more than offsetting lower than expected same location sales of store fixtures. About $9 million of store fixture sales expected in this year's third quarter were delayed and shifted to the next two quarters. The shifting resulted primarily from delayed customer store openings due to limited availability of construction labor and the recent shifting of building materials to weather damaged parts of the country. EBIT increased 6.6%, with the lower margin reflecting the impact of lower volume and temporary labor inefficiencies, partially offset by acquisitions.

Aluminum Products sales increased 11.6%, with acquisition growth of just under 2%. EBIT increased nearly 12-fold, as the margin recovered substantially due to improvements in efficiencies on higher production and more normal cost/price relationships.

Industrial Materials sales increased 3.6%, with a slight contribution from acquisitions. EBIT increased 31.4%, as the higher margin reflected more normal cost/price relationships and efficiencies gained on higher production.

Specialized Products sales increased 6.7%, with acquisition growth of just over 10%. EBIT was unchanged, but the margin declined due to lower machinery and equipment volume which carries higher margins.

Year 2000 Readiness Disclosure

The "Year 2000" issue refers to older computer programs that used only two digits to represent the year, rather than four digits. As a result, these older computer programs may not process information or otherwise function properly when using the year "2000", since that year will be indistinguishable from the year "1900". These computer programs are found in information processing applications and in timing devices for certain machinery and equipment.

To monitor Year 2000 issues, the Company implemented a Corporate level Year 2000 Steering Committee (the Steering Committee). The Steering Committee meets regularly to review the Company's progress, and to consider other actions that may be necessary for Year 2000 issues.

In addition, the Company has engaged a large, reputable consulting firm to perform certain procedures to review the Company's planning, implementation and readiness for the Year 2000 issues at certain major locations. The results of the consulting firm's studies have been reviewed with the Company's Audit Committee of the Board of Directors. The Company has responded to the critical recommendations made by the consulting firm.

The Company recognized the Year 2000 issue several years ago, and has been working since to correct this problem in its computer systems. The majority of the Company's information processing is centralized at its Corporate Offices. All of these critical central systems have been converted to Year 2000 compliant software, and individual system testing is substantially complete.

Many of the Company's international and certain domestic operations do not use some or any of the Corporate Offices' centralized systems. All of these non-central system locations have active projects to convert their systems to Year 2000 compliant software, most of which projects are now complete, or have otherwise provided for adequate testing of Year 2000 compliance.

In total, combining both central system and non-central system locations, management estimates that the Year 2000 systems conversion effort is 99% complete as of November 10, 1999.

All locations of the Company have been instructed to review their facilities for Year 2000 issues. Potential internal and third party risks were identified and considered in this review. Inventories of computer equipment, communications with key suppliers, correspondence with customers, obtaining machinery and equipment compliance certificates and other facility testing related to Year 2000 issues are complete or nearing completion at the Company's approximately 300 locations around the world. These efforts are expected to be complete at all significant locations prior to the year 2000.

Since the Company has been working on Year 2000 issues for several years, the costs of mitigating these issues, which costs have not been material in the past, were expensed in ongoing operations. No material costs are expected from the remaining Year 2000 compliance efforts. Costs of all the Company's system conversion and implementation efforts, which include those efforts related to the Year 2000 issue, were less than $6 million in 1998. The overall magnitude of these ongoing system conversion and implementation costs is not expected to be significantly different for 1999. It is not practical to segregate past or anticipated capital expenditures between Year 2000 compliance and expenditures which occur normally to keep operations technologically competitive. However, management believes that past or expected future capital requirements related to Year 2000 compliance issues are not significant to its operations.

The Company manufactures a broad line of products in over 175 major manufacturing sites around the world. Raw materials and critical outside services are generally available from numerous supply sources including, in some cases, the Company's own vertically integrated operations. The Company's revenues are not dependent upon any single customer or any few customers. Therefore, the impact to the Company of any individual operating location or third-party risk involving Year 2000 is relatively small. It is reasonable to assume that the Company will experience a few, hopefully isolated, disturbances to its operations early in the year 2000. While reasonable actions have been taken, and will continue to be taken in the future, to mitigate such disruption, the magnitude of all Year 2000 disturbances cannot be predicted. In addition, any widespread Year 2000 failures, particularly in North America, in industries such as electrical and other utilities, financial services, communications or transportation, could significantly and adversely impact the Company's operations.

Efforts to date have been concentrated on mitigating Year 2000 disturbances. The Steering Committee has evaluated the reasonable potential risks that cannot be mitigated (primarily unexpected computer failure or power outage) and determined the extent of contingency planning and resources that are needed. These contingency actions and resources, including appropriate personnel, will be in place for potential implementation over the year-end period.

Forward-Looking Statements

This report and other public reports or statements made from time to time by the Company or its management may contain "forward-looking" statements concerning possible future events, objectives, strategies, trends or results. Such statements are identified either by the context in which they appear or by use of words such as "anticipate," "believe," "estimate," "expect," or the like.

Readers are cautioned that any forward-looking statement reflects only the beliefs of the Company or its management at the time the statement is made. In addition, readers should keep in mind that, because all forward-looking statements deal with the future, they are subject to risks, uncertainties and developments that might cause actual events or results to differ materially from those envisioned or reflected in any forward-looking statement. Moreover, the Company does not have and does not undertake any duty to update any forward-looking statement to reflect events or circumstances after the date on which the statement was made. For all of these reasons, forward-looking statements should not be relied upon as a prediction of actual future events, objectives, strategies, trends or results.

It is not possible to anticipate and list all of the risks, uncertainties and developments which may affect the future operations or performance of the Company, or which otherwise may cause actual events or results to differ from forward-looking statements. However, some of these risks and uncertainties include the following: general economic and market conditions and risks, such as the rate of economic growth in the United States, inflation, government regulation, interest rates, taxation, and the like; risks and uncertainties which could affect industries or markets in which the Company participates, such as growth rates and opportunities in those industries, or changes in demand for certain products, etc.; and factors which could impact costs, including but not limited to the availability and pricing of raw materials, the availability of labor and wage rates, and fuel and energy costs. As indicated above, the consequences of the Year 2000 issues cannot be accurately predicted; therefore, actual consequences will remain at least to some extent uncertain.

ITEM 3. DISCLOSURES ABOUT MARKET RISK

(Unaudited)
(Amounts in millions)

INTEREST RATE

The Company has debt obligations sensitive to changes in interest rates. The Company has no other significant financial instruments sensitive to changes in interest rates. The Company has not typically in the past used derivative financial instruments to hedge its exposure to interest rate changes but, in the second quarter of 1999, $14 of fixed rate debt was issued and converted to variable rate debt by use of a swap instrument. Substantially all of the Company's debt is denominated in United States dollars. The fair value of variable rate debt is not significantly different from its recorded amount. The fair value of fixed rate debt is calculated using the U.S. Treasury Bond rate as of September 30, 1999 for similar remaining maturities, plus an estimated spread over such Treasury securities representing the Company's interest costs under its medium-term note program. The fair value of fixed rate debt approximated $537 at September 30, 1999.

EXCHANGE RATE

The Company has not typically hedged foreign currency exposures related to transactions denominated in other than its functional currencies, although such transactions have not been material in the past. The Company does hedge firm commitments for certain machinery purchases, and occasionally may hedge amounts due in foreign currencies related to its acquisition program. The decision by management to hedge any such transactions is made on a case-by-case basis. The amount of forward contracts outstanding at September 30, 1999 was not significant.

The Company views its investment in foreign subsidiaries as a long-term commitment and does not hedge any translation exposures. The investment in a foreign subsidiary may take the form of either permanent capital or notes. The Company's net investment in foreign subsidiaries subject to translation exposure was $375 at September 30, 1999. The increase in translation exposure was due to foreign acquisitions, changing the functional currency of the Company's Mexican operations from the US dollar to the Mexican peso, increases in Canadian dollar exposure from the strengthening of this currency (versus the US dollar) and other factors.

COMMODITY PRICE

The Company does not use derivative commodity instruments to hedge its exposures to changes in commodity prices. The principal commodity price exposure is aluminum, of which the Company had an estimated $58 (at cost) in inventory at September 30, 1999. The Company has purchasing procedures and arrangements with customers to mitigate its exposure to aluminum price changes. No other commodity exposures are significant to the Company.

PART II. OTHER INFORMATION

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(A) Exhibit 27 - Financial Data Schedule

(B) No reports on Form 8-K have been filed during the quarter for which this report is filed.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

LEGGETT & PLATT, INCORPORATED

DATE: November 12, 1999

By: /s/ FELIX E. WRIGHT
Felix E. Wright
President and
Chief Executive Officer

DATE: November 12, 1999

By: /s/ MICHAEL A. GLAUBER
Michael A. Glauber
Senior Vice President,
Finance and Administration

EXHIBIT INDEX

9-MOS
DEC-31-1999
SEP-30-1999
21,800
0
623,400
15,900
541,400
1,239,400
1,578,600
694,200
2,894,400
446,800
745,200
0
0
2,000
1,579,100
2,894,400
2,813,900
2,813,900
2,058,200
2,058,200
0
0
30,500
344,200
128,000
216,200
0
0
0
216,200
1.09
1.08