

LEGGETT & PLATT TO ACQUIRE ELITE COMFORT SOLUTIONS

Creating a Leading Provider of Differentiated Products for the Bedding Industry

Leggett & Platt



ESTABLISHES A GLOBAL LEADER IN BEDDING TECHNOLOGY & MANUFACTURING



- Gain critical capabilities in proprietary foam technology, along with scale in the production of private-label finished mattresses, toppers and pillows
- Leverage ECS's position as the leader in innovative, high-quality specialty foam
- Diversified customer mix and strong position in the high-growth boxed bed market segment

ADDS R&D CAPABILITIES AND PROPRIETARY FOAM TECHNOLOGIES



- Utilize ECS's substantial proprietary and patented technology to develop unique specialty foam products for individual customers
- Create new hybrid products through best-in-class specialty foam innovation and spring technologies

POSITIONS THE COMPANY TO GROW



- Leverage ECS's core competency in boxed bed innovation and capitalize on this new and growing sales channel
- Capture greater share of global specialty foam for bedding
- Capitalize on trends including growth of online mattress channel, emergence of boxed bed brands, and increasing use of hybrid and specialty grade foam in compressed and conventional mattresses

ECS: A LEADING PROVIDER OF PROPRIETARY FOAM TECHNOLOGY FOR BEDDING AND FURNITURE MARKETS

Uniquely qualified to provide e-commerce, retail and OEM customers the most advanced technology solutions in specialty foams today



HEADQUARTERS
Newnan, GA

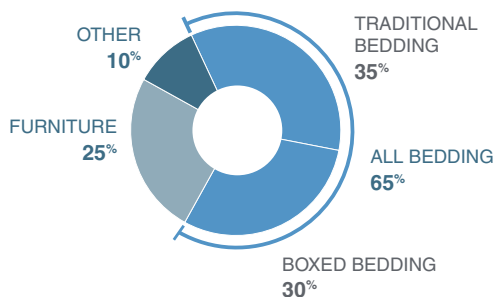


FY 09/30/18 SALES
\$611M



Customers include leading traditional bedding and boxed bed brands

ECS SALES BY END MARKET



STRONG FINANCIAL PROFILE

- Creates synergies through new hybrid products
- ECS to generate double-digit sales growth and strong EBITDA margins
- Acquisition supports achievement of LEG's long-term 6-9% revenue growth target
- Expect to be accretive to LEG EPS beginning in 2020
- Maintaining commitment to long-term dividend growth

Strong Cash Flow to Support Dividend and Rapid Debt Reduction

- 2019 pro-forma operating cash flow of approximately \$550M
- Quickly delever through cash flow to approximately 2.5x EBITDA in 2020

TRANSACTION VALUE

\$1.25B

EXPECTED CLOSING

January 2019

MANAGEMENT

- ECS management team will continue to lead the business
- ECS to become a separate business unit and operate within the Residential Products segment