

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Form 10-Q**

(Mark One)

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

For the quarterly period ended September 30, 2024
OR

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

For the transition period from _____ to _____
Commission File Number: 001-07845

LEGGETT & PLATT, INCORPORATED

(Exact name of registrant as specified in its charter)

Missouri
(State or other jurisdiction of
incorporation or organization)

44-0324630
(I.R.S. Employer
Identification No.)

1 Leggett Road
Carthage, Missouri
(Address of principal executive offices)

64836
(Zip Code)

(417) 358-8131

Registrant's telephone number, including area code

N/A

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, \$.01 par value	LEG	New York Stock Exchange

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 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 No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Common stock outstanding as of November 1, 2024: 134,294,816

LEGGETT & PLATT, INCORPORATED—10-Q
FOR THE PERIOD ENDED SEPTEMBER 30, 2024
TABLE OF CONTENTS

	Page Number
Forward-Looking Statements	1
PART I - FINANCIAL INFORMATION	
Item 1. Financial Statements.	
Consolidated Condensed Balance Sheets at September 30, 2024 and December 31, 2023	3
Consolidated Condensed Statements of Operations for the three and nine months ended September 30, 2024 and 2023	4
Consolidated Condensed Statements of Comprehensive Income (Loss) for the three and nine months ended September 30, 2024 and 2023	5
Consolidated Condensed Statements of Cash Flows for the nine months ended September 30, 2024 and 2023	6
Consolidated Condensed Statements of Changes in Equity for the three and nine months ended September 30, 2024 and 2023	7
Notes to Consolidated Condensed Financial Statements	9
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.	23
Item 3. Quantitative and Qualitative Disclosures About Market Risk.	44
Item 4. Controls and Procedures.	44
PART II - OTHER INFORMATION	
Item 1. Legal Proceedings.	45
Item 1A. Risk Factors.	46
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.	56
Item 5. Other Information.	57
Item 6. Exhibits.	58
SIGNATURES	59

Forward-Looking Statements

This report may contain “forward-looking” statements including, but not limited to: projections of our revenue, income, earnings, capital expenditures, dividends, product demand, capital structure, cash flows, interest costs, the payment of cash dividends, metal margins, cash repatriation, tax impacts, effective tax rate, maintenance of commercial paper indebtedness, litigation expense, acquisition or disposition activity, collectability of receivables, ability to issue debt in the capital markets, cybersecurity protections and costs, future cash expenditures, realization of pricing change impacts, antidumping determinations, amortization expense, source of funds to retire notes, uses of cash, our technological competitiveness, compiling a GHG emissions inventory, geography of sales origination, hedge accounting treatment, unauthorized use of artificial intelligence, industry demand projections, impact of accounts receivable and payable programs, cost of property insurance, access to liquidity, compliance with debt covenants, raw material and parts availability and pricing, supply chain disruptions, labor, raw material and part shortages, inventory levels, climate-related targets and costs, goodwill or other asset impairment; possible plans, goals, objectives, prospects, strategies, or trends concerning future operations; statements concerning future economic performance; items related to the restructuring plan (the “Restructuring Plan” or “Plan”) such as estimates of the amounts, types, and timing of facility closures, restructuring-related costs (cash and non-cash including inventory obsolescence) and impairment charges, sales reduction, proceeds from the sale of facilities, and EBIT benefit; and the underlying assumptions relating to forward-looking statements. These statements are identified by the context in which they appear or words such as “anticipate,” “believe,” “estimate,” “expect,” “guidance,” “intend,” “may,” “plan,” or the like. All forward-looking statements, whether written or oral, and whether made by us or on our behalf, are expressly qualified by the cautionary statements described herein. Any forward-looking statement reflects only the beliefs of Leggett & Platt at the time the statement is made, and is subject to risks, uncertainties, and developments, which might cause actual events or results to differ materially from those envisioned in any forward-looking statement. Moreover, we do not have, and do not undertake, any duty to update or revise any forward-looking statement to reflect events or circumstances after the date on which the statement was made. Forward-looking statements should not be relied upon as a prediction of actual future events, objectives, strategies, trends, or results.

Readers should review Item 1A Risk Factors in our [Form 10-K](#) filed February 27, 2024 and in this [Form 10-Q](#) for a description of factors that could cause actual events or results to differ materially from forward-looking statements. It is not possible to anticipate and list all risks, uncertainties, and developments which may cause actual events or results to differ materially from forward-looking statements. However, some of these risks and uncertainties include:

- our Restructuring Plan cost estimates may change; our ability to implement the Plan or sell real estate and obtain expected proceeds in a timely manner; the impact on relationships with employees, customers, and vendors; and other restructuring, impairment, and related costs in addition to the Plan;
- delays and non-delivery of raw materials, parts, and finished products in our supply chain from fire, explosion, terrorism, geopolitical conflicts, government action, labor strikes (including the U.S. and Canadian longshoremen strikes), delivery port shutdowns, trade tensions, trucking constraints, pandemics, vendor quality issues, and non-compliance with laws;
- our product demand, growth rates and reduced opportunities in the industries in which we participate;
- consumer confidence, housing turnover, employment levels, interest rates, and trends in capital spending;
- the loss of business with customers;
- impairment of goodwill and long-lived assets;
- our ability to manage working capital;
- our ability to borrow under our credit facility and comply with restrictive covenants;
- our ability to simplify our portfolio through our strategic review;
- compliance with environmental and climate change laws, including the cost, market, technological, and reputational impacts;
- the direct and indirect physical effects of climate change, including severe weather-related events, natural disasters, and changes in climate patterns, on our markets, operations, supply chains, and results;
- inability to collect receivables due to customer financial difficulties or insolvency;
- inflationary and deflationary impacts on raw materials, wage rates and energy costs, and availability and pricing of steel scrap and rod, chemicals, and semiconductors;

- our market share in goods and services we sell or provide;
- our ability to pass along cost increases through increased selling prices;
- price and product competition from Asian, European, Mexican, and domestic competitors;
- our ability to maintain profit margins if our customers change the quantity and mix of our products;
- our ability to access the commercial paper market and debt markets and increased borrowing costs due to credit rating changes;
- adverse changes in political risk and U.S. or foreign laws, regulations, or legal systems (including tax and trade laws);
- the realization of deferred tax assets and challenges to tax positions pursuant to ongoing or future audits;
- cash repatriation from foreign accounts;
- the enforcement of antidumping and countervailing duties on the import of innersprings, steel wire rod, and finished mattresses;
- tariffs imposed by the U.S. government resulting in increased costs of imported purchases;
- the disruption of the semiconductor industry and our global operations generally from conflict between China and Taiwan;
- the development of commercially viable and innovative products;
- the functioning of our internal business processes and information systems through technology failures;
- cybersecurity incidents on our business, financial results, supplier or customer relationships, cybersecurity protection and remediation costs, legal costs, insurance premiums, competitiveness, and reputation;
- the unauthorized use of artificial intelligence that could expose Company information, infringe intellectual property rights, violate privacy laws, and harm our reputation;
- environmental, social, and governance responsibilities;
- litigation risks including antitrust, intellectual property, personal injury, contract disputes, product liability and warranty, taxation, patent, climate change, environmental, and workers' compensation;
- business disruptions to our steel rod mill, including a lack of adequate supply of steel scrap;
- foreign operating risks, including credit, intellectual property rights, exchange rates, taxation, labor strikes, customs and shipping rates, asset seizure, business licensing, land use requirements, and inconsistent enforcement of laws;
- controls regarding the exportation of semiconductor chips and equipment to China;
- privacy and data protection regulations; and
- continuation of cash dividends on our common stock.

PART I - FINANCIAL INFORMATION
Item 1. Financial Statements.

LEGGETT & PLATT, INCORPORATED
Consolidated Condensed Balance Sheets
(Unaudited)

(Amounts in millions)	September 30, 2024	December 31, 2023
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 277.2	\$ 365.5
Trade receivables, net	583.9	564.9
Other receivables, net	54.2	72.4
Inventories	754.4	819.7
Prepaid expenses and other current assets	64.8	58.9
Total current assets	1,734.5	1,881.4
Property, Plant and Equipment—at cost		
Machinery and equipment	1,485.0	1,488.3
Buildings and other	807.9	820.3
Land	39.6	42.8
Total property, plant and equipment	2,332.5	2,351.4
Less accumulated depreciation	1,583.6	1,570.2
Net property, plant and equipment	748.9	781.2
Other Assets		
Goodwill	814.7	1,489.8
Other intangibles, net	151.4	167.5
Operating lease right-of-use assets	188.2	193.2
Sundry	142.4	121.4
Total other assets	1,296.7	1,971.9
TOTAL ASSETS	\$ 3,780.1	\$ 4,634.5
LIABILITIES AND EQUITY		
Current Liabilities		
Short-term debt and current maturities of long-term debt	\$ 301.1	\$ 308.0
Current portion of operating lease liabilities	53.7	57.3
Accounts payable	516.0	536.2
Accrued expenses	249.3	256.8
Other current liabilities	51.6	104.3
Total current liabilities	1,171.7	1,262.6
Long-term Liabilities		
Long-term debt	1,578.2	1,679.6
Operating lease liabilities	143.3	150.5
Other long-term liabilities	90.1	106.6
Deferred income taxes	55.0	101.2
Total long-term liabilities	1,866.6	2,037.9
Commitments and Contingencies		
Equity		
Common stock	2.0	2.0
Additional contributed capital	570.8	575.8
Retained earnings	2,057.3	2,661.1
Accumulated other comprehensive loss	(54.2)	(43.7)
Treasury stock	(1,834.9)	(1,861.9)
Total Leggett & Platt, Inc. equity	741.0	1,333.3
Noncontrolling interest	.8	.7
Total equity	741.8	1,334.0
TOTAL LIABILITIES AND EQUITY	\$ 3,780.1	\$ 4,634.5

See accompanying notes to consolidated condensed financial statements.

LEGGETT & PLATT, INCORPORATED
Consolidated Condensed Statements of Operations
(Unaudited)

(Amounts in millions, except per share data)	Nine Months Ended September 30,		Three Months Ended September 30,	
	2024	2023	2024	2023
Net trade sales	\$ 3,327.2	\$ 3,610.2	\$ 1,101.7	\$ 1,175.4
Cost of goods sold	2,753.7	2,956.2	901.1	961.1
Gross profit	573.5	654.0	200.6	214.3
Selling and administrative expenses	384.4	344.3	127.0	109.1
Amortization of intangibles	16.8	51.6	7.2	17.9
Impairments	678.5	—	.6	—
Net gain on disposal of assets	(31.1)	(9.1)	(14.1)	(5.5)
Other (income) expense, net	(1.5)	(9.2)	2.2	1.4
Earnings (loss) before interest and income taxes	(473.6)	276.4	77.7	91.4
Interest expense	65.0	67.2	21.0	22.0
Interest income	4.4	3.7	1.0	1.5
Earnings (loss) before income taxes	(534.2)	212.9	57.7	70.9
Income taxes	(8.6)	52.3	12.8	18.0
Net earnings (loss)	(525.6)	160.6	44.9	52.9
(Earnings) attributable to noncontrolling interest, net of tax	(.1)	(.1)	—	(.1)
Net earnings (loss) attributable to Leggett & Platt, Inc. common shareholders	<u>\$ (525.7)</u>	<u>\$ 160.5</u>	<u>\$ 44.9</u>	<u>\$ 52.8</u>
Net earnings (loss) per share attributable to Leggett & Platt, Inc. common shareholders				
Basic	\$ (3.83)	\$ 1.18	\$.33	\$.39
Diluted	\$ (3.83)	\$ 1.18	\$.33	\$.39
Weighted average shares outstanding				
Basic	137.2	136.2	137.4	136.4
Diluted	137.2	136.5	138.0	136.8

See accompanying notes to consolidated condensed financial statements.

LEGGETT & PLATT, INCORPORATED
Consolidated Condensed Statements of Comprehensive Income (Loss)
(Unaudited)

(Amounts in millions)	Nine Months Ended September 30,		Three Months Ended September 30,	
	2024	2023	2024	2023
Net earnings (loss)	\$ (525.6)	\$ 160.6	\$ 44.9	\$ 52.9
Other comprehensive income (loss), net of tax:				
Foreign currency translation adjustments	(7.9)	(3.3)	33.0	(26.2)
Cash flow hedges	(2.9)	(.5)	—	(2.2)
Defined benefit pension plans	.3	.6	(.1)	.3
Other comprehensive income (loss), net of tax	(10.5)	(3.2)	32.9	(28.1)
Comprehensive income (loss)	(536.1)	157.4	77.8	24.8
Add: comprehensive income attributable to noncontrolling interest	(.1)	(.1)	(.1)	(.2)
Comprehensive income (loss) attributable to Leggett & Platt, Inc.	\$ (536.2)	\$ 157.3	\$ 77.7	\$ 24.6

See accompanying notes to consolidated condensed financial statements.

LEGGETT & PLATT, INCORPORATED
Consolidated Condensed Statements of Cash Flows
(Unaudited)

(Amounts in millions)	Nine Months Ended September 30,	
	2024	2023
Operating Activities		
Net earnings (loss)	\$ (525.6)	\$ 160.6
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation	83.8	81.2
Amortization of intangibles and supply agreements	18.1	53.9
Long-lived asset impairment	3.2	—
Goodwill impairment	675.3	—
Increase (decrease) in provision for losses on accounts and notes receivable	8.5	(6.0)
Write-down of inventories	25.3	4.9
Net gain from disposal of assets	(31.1)	(9.1)
Deferred income tax benefit	(55.3)	(17.3)
Stock-based compensation	22.2	21.7
Other, net	(11.9)	8.9
Changes in working capital, excluding effects from acquisitions and divestitures:		
Accounts and other receivables	(13.9)	(23.3)
Inventories	40.5	66.5
Other current assets	(4.8)	(6.0)
Accounts payable	(20.8)	19.4
Accrued expenses and other current liabilities	(30.1)	(4.3)
Net Cash Provided by Operating Activities	183.4	351.1
Investing Activities		
Additions to property, plant and equipment	(59.8)	(90.4)
Proceeds from disposals of assets	40.6	13.2
Other, net	.4	(.2)
Net Cash Used for Investing Activities	(18.8)	(77.4)
Financing Activities		
Additions to long-term debt	—	.7
Payments on long-term debt	(.1)	(1.1)
Change in commercial paper and short-term debt	(110.2)	(121.3)
Dividends paid	(129.7)	(178.1)
Purchases of common stock	(4.5)	(5.5)
Other, net	(2.1)	(5.5)
Net Cash Used for Financing Activities	(246.6)	(310.8)
Effect of Exchange Rate Changes on Cash	(6.3)	(5.5)
Decrease in Cash and Cash Equivalents	(88.3)	(42.6)
Cash and Cash Equivalents—January 1,	365.5	316.5
Cash and Cash Equivalents—September 30,	\$ 277.2	\$ 273.9

See accompanying notes to consolidated condensed financial statements.

LEGGETT & PLATT, INCORPORATED
Consolidated Condensed Statements of Changes in Equity
(Unaudited)

	Three Months Ended September 30, 2024					
	Common Stock & Additional Contributed Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Noncontrolling Interest	Total Equity
Beginning balance, July 1, 2024	\$ 573.8	\$ 2,019.3	\$ (87.0)	\$ (1,838.5)	\$.7	\$ 668.3
Net earnings (loss)	—	44.9	—	—	—	44.9
Dividends declared (See Note D)	.1	(6.9)	—	—	—	(6.8)
Treasury stock purchased	—	—	—	(.2)	—	(.2)
Treasury stock issued	(2.9)	—	—	3.8	—	.9
Other comprehensive income (loss), net of tax (See Note L)	—	—	32.8	—	.1	32.9
Stock-based compensation transactions, net of tax	1.8	—	—	—	—	1.8
Ending balance, September 30, 2024	<u>\$ 572.8</u>	<u>\$ 2,057.3</u>	<u>\$ (54.2)</u>	<u>\$ (1,834.9)</u>	<u>\$.8</u>	<u>\$ 741.8</u>

	Three Months Ended September 30, 2023					
	Common Stock & Additional Contributed Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Noncontrolling Interest	Total Equity
Beginning balance, July 1, 2023	\$ 572.2	\$ 3,031.2	\$ (68.5)	\$ (1,866.9)	\$.6	\$ 1,668.6
Net earnings (loss)	—	52.8	—	—	.1	52.9
Dividends declared (See Note D)	1.4	(62.7)	—	—	—	(61.3)
Treasury stock purchased	—	—	—	(.6)	—	(.6)
Treasury stock issued	(1.4)	—	—	2.6	—	1.2
Other comprehensive income (loss), net of tax (See Note L)	—	—	(28.2)	—	.1	(28.1)
Stock-based compensation transactions, net of tax	3.2	—	—	—	—	3.2
Ending balance, September 30, 2023	<u>\$ 575.4</u>	<u>\$ 3,021.3</u>	<u>\$ (96.7)</u>	<u>\$ (1,864.9)</u>	<u>\$.8</u>	<u>\$ 1,635.9</u>

LEGGETT & PLATT, INCORPORATED
Consolidated Condensed Statements of Changes in Equity—(Continued)
(Unaudited)

	Nine Months Ended September 30, 2024					
	Common Stock & Additional Contributed Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Noncontrolling Interest	Total Equity
Beginning balance, January 1, 2024	\$ 577.8	\$ 2,661.1	\$ (43.7)	\$ (1,861.9)	\$.7	\$ 1,334.0
Net earnings (loss)	—	(525.7)	—	—	.1	(525.6)
Dividends declared (See Note D)	3.1	(78.1)	—	—	—	(75.0)
Treasury stock purchased	—	—	—	(4.5)	—	(4.5)
Treasury stock issued	(27.4)	—	—	31.5	—	4.1
Other comprehensive income (loss), net of tax (See Note L)	—	—	(10.5)	—	—	(10.5)
Stock-based compensation transactions, net of tax	19.3	—	—	—	—	19.3
Ending balance, September 30, 2024	<u>\$ 572.8</u>	<u>\$ 2,057.3</u>	<u>\$ (54.2)</u>	<u>\$ (1,834.9)</u>	<u>\$.8</u>	<u>\$ 741.8</u>

	Nine Months Ended September 30, 2023					
	Common Stock & Additional Contributed Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Noncontrolling Interest	Total Equity
Beginning balance, January 1, 2023	\$ 570.5	\$ 3,046.0	\$ (93.5)	\$ (1,882.3)	\$.7	\$ 1,641.4
Net earnings (loss)	—	160.5	—	—	.1	160.6
Dividends declared (See Note D)	4.2	(185.2)	—	—	—	(181.0)
Treasury stock purchased	—	—	—	(5.9)	—	(5.9)
Treasury stock issued	(18.7)	—	—	23.3	—	4.6
Other comprehensive income (loss), net of tax (See Note L)	—	—	(3.2)	—	—	(3.2)
Stock-based compensation transactions, net of tax	19.4	—	—	—	—	19.4
Ending balance, September 30, 2023	<u>\$ 575.4</u>	<u>\$ 3,021.3</u>	<u>\$ (96.7)</u>	<u>\$ (1,864.9)</u>	<u>\$.8</u>	<u>\$ 1,635.9</u>

See accompanying notes to consolidated condensed financial statements.

LEGGETT & PLATT, INCORPORATED
Notes to Consolidated Condensed Financial Statements
(Unaudited)

(Amounts in millions, except per share data)

A—Interim Presentation

The interim financial statements of Leggett & Platt, Incorporated (we, us, or our) included herein have not been audited by an independent registered public accounting firm. The statements include all adjustments, including normal recurring accruals, which management considers necessary for a fair statement of our financial position and operating results for the periods presented. We have prepared the statements pursuant to the rules and regulations of the Securities and Exchange Commission (SEC). Accordingly, certain information and footnote disclosures normally included in financial statements prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) have been condensed or omitted pursuant to such rules and regulations. The operating results for interim periods are not necessarily indicative of results to be expected for an entire year.

The December 31, 2023 financial position data included herein was derived from the audited consolidated financial statements, but does not include all disclosures required by GAAP.

Accounts Receivable and Accounts Payable Programs

We participate in trade receivables sales programs in combination with third-party banking institutions and certain customers. Under each of these programs, we sell our entire interest in the trade receivable for 100% of face value, less a discount. Because control of the sold receivable is transferred to the buyer at the time of sale, accounts receivable balances sold are removed from the Consolidated Condensed Balance Sheets and the related proceeds are reported as cash provided by operating activities in the Consolidated Condensed Statements of Cash Flows. We had approximately \$45.0 and \$60.0 of trade receivables that were sold and removed from our balance sheets at September 30, 2024 and December 31, 2023, respectively.

We sometimes utilize third-party programs that allow our suppliers to be paid earlier at a discount or for a fee. While these programs assist us in negotiating payment terms with our suppliers, we continue to make payments based on our customary terms. A supplier can elect to take payment from a third party earlier with a discount, and in that case, we pay the third party on the original due date of the invoice. Contracts with our suppliers are negotiated independently of supplier participation in the programs, and we cannot increase payment terms pursuant to the programs. The accounts payable associated with the third-party programs, which remain on our Consolidated Condensed Balance Sheets, were approximately \$100.0 at September 30, 2024 and \$105.0 at December 31, 2023, respectively.

The above items encompass multiple individual programs that are utilized as tools in our cash flow management, and we offer them as options to facilitate customer and vendor operating cycles. Because many of these programs operate independently, and a cessation of all these programs at the same time is not reasonably likely, we do not expect changes in these programs to have a material impact on our operating cash flows or liquidity.

New Accounting Guidance

The Financial Accounting Standards Board (FASB) regularly issues updates to the FASB Accounting Standards Codification that are communicated through issuance of an Accounting Standards Update (ASU). Below is a summary of the ASUs effective for future periods that are most relevant to our financial statements:

Not yet adopted

- ASU 2023-07 “Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures”: This ASU requires additional disclosures about reportable segments’ expenses and other items on an interim and annual basis. This guidance will be effective for annual periods beginning January 1, 2024, and interim periods beginning January 1, 2025. We are currently evaluating the impact of adopting this guidance.

LEGGETT & PLATT, INCORPORATED
Notes to Consolidated Condensed Financial Statements—(Continued)
(Unaudited)

- ASU 2023-09 "Income Taxes (Topic 740): Improvements to Income Tax Disclosures": This ASU requires disclosure of specific categories in the rate reconciliation and income taxes paid disaggregated by jurisdiction. This guidance will be effective for annual periods beginning January 1, 2025. We are currently evaluating the impact of adopting this guidance.
- ASU 2024-03 "Income Statement (Subtopic 220-40)—Reporting Comprehensive Income—Expense Disaggregation Disclosures": This ASU requires disaggregated disclosures for specific categories such as inventory purchases, employee compensation, depreciation, and amortization, as well as other qualitative descriptions.

This guidance will be effective for annual periods beginning January 1, 2027, and interim periods beginning January 1, 2028. We are currently evaluating the impact of adopting this guidance.

The FASB has issued accounting guidance, in addition to the issuances discussed above, effective for current and future periods. This guidance did not have a material impact on our current financial statements, and we do not believe it will have a material impact on our future financial statements.

B—Revenue

Revenue by Product Family

We disaggregate revenue by customer group, which is the same as our product families for each of our segments, as we believe this best depicts how the nature, amount, timing, and uncertainty of our revenue and cash flows are affected by economic factors. For information on our segment structure, see [Note C](#).

	Nine Months Ended September 30,		Three Months Ended September 30,	
	2024	2023	2024	2023
Bedding Products				
Bedding Group	\$ 1,331.5	\$ 1,516.2	\$ 445.5	\$ 483.3
Specialized Products				
Automotive Group	629.5	657.5	204.6	223.7
Aerospace Products Group	138.0	113.9	44.9	37.9
Hydraulic Cylinders Group	167.9	189.9	50.4	57.8
	935.4	961.3	299.9	319.4
Furniture, Flooring & Textile Products				
Home Furniture Group	207.5	226.8	65.6	72.4
Work Furniture Group	207.2	205.0	67.9	65.2
Flooring & Textile Products Group	645.6	700.9	222.8	235.1
	1,060.3	1,132.7	356.3	372.7
	\$ 3,327.2	\$ 3,610.2	\$ 1,101.7	\$ 1,175.4

C—Segment Information

We have three operating segments that supply a wide range of products:

- **Bedding Products:** This segment supplies a variety of components and machinery used by bedding manufacturers in the production and assembly of their finished products, as well as produces private label finished mattresses and adjustable bed bases. This segment is also vertically integrated into the production and supply of specialty foam chemicals, steel rod, and drawn steel wire to our own operations and to external customers. We also supply steel rod and wire to trade customers that operate in a broad range of markets.
- **Specialized Products:** From this segment, we supply lumbar support systems, seat suspension systems, motors and actuators, and control cables used by automotive manufacturers. We also produce and distribute tubing and tube assemblies for the aerospace industry and engineered hydraulic cylinders used in the material-handling and heavy construction industries.
- **Furniture, Flooring & Textile Products:** Operations in this segment supply a wide range of components for residential and work furniture manufacturers, as well as select lines of private label finished furniture. We also produce or distribute carpet cushion, hard surface flooring underlayment, and textile and geo components.

Our reportable segments are the same as our operating segments, which also correspond with our management organizational structure. Our Bedding Products and Furniture, Flooring & Textile Products segments have an executive vice president who has accountability to, and maintains regular contact with, our CEO, who is the chief operating decision maker (CODM). With the retirement of our Specialized Products segment executive vice president in April 2024, our CEO became acting segment manager on a temporary basis for this segment until a permanent replacement is named. The operating results and financial information reported through the segment structure are regularly reviewed and used by the CODM to evaluate segment performance, allocate overall resources, and determine management incentive compensation.

The accounting principles used in the preparation of the segment information are the same as those used for the consolidated financial statements. We evaluate performance based on Earnings Before Interest and Taxes (EBIT). Intersegment sales are made primarily at prices that approximate market-based selling prices. Centrally incurred costs are allocated to the segments based on estimates of services used by the segment. Certain of our general and administrative costs and miscellaneous corporate income and expenses are allocated to the segments based on sales or other appropriate metrics. These allocated corporate costs include depreciation and other costs and income related to assets that are not allocated or otherwise included in the segment assets.

LEGGETT & PLATT, INCORPORATED
Notes to Consolidated Condensed Financial Statements—(Continued)
(Unaudited)

A summary of segment results is shown in the following tables:

	Trade ¹ Sales	Inter- Segment Sales	Total Sales	EBIT	Depreciation and Amortization
Three Months Ended September 30, 2024					
Bedding Products ²	\$ 445.5	\$ 6.1	\$ 451.6	\$ 25.5	\$ 14.8
Specialized Products	299.9	1.5	301.4	24.8	11.0
Furniture, Flooring & Textile Products	356.3	2.1	358.4	27.4	5.4
Intersegment eliminations and other ³				—	5.2
	<u>\$ 1,101.7</u>	<u>\$ 9.7</u>	<u>\$ 1,111.4</u>	<u>\$ 77.7</u>	<u>\$ 36.4</u>
Three Months Ended September 30, 2023					
Bedding Products	\$ 483.3	\$ 7.4	\$ 490.7	\$ 31.1	\$ 26.2
Specialized Products	319.4	.3	319.7	31.2	10.7
Furniture, Flooring & Textile Products	372.7	2.8	375.5	29.5	5.5
Intersegment eliminations and other ³				(.4)	2.6
	<u>\$ 1,175.4</u>	<u>\$ 10.5</u>	<u>\$ 1,185.9</u>	<u>\$ 91.4</u>	<u>\$ 45.0</u>

	Trade ¹ Sales	Inter- Segment Sales	Total Sales	EBIT	Depreciation and Amortization
Nine Months Ended September 30, 2024					
Bedding Products ^{2,4}	\$ 1,331.5	\$ 19.0	\$ 1,350.5	\$ (550.6)	\$ 43.7
Specialized Products ⁴	935.4	3.2	938.6	39.0	31.4
Furniture, Flooring & Textile Products ⁴	1,060.3	7.6	1,067.9	41.6	16.2
Intersegment eliminations and other ³				(3.6)	10.6
	<u>\$ 3,327.2</u>	<u>\$ 29.8</u>	<u>\$ 3,357.0</u>	<u>\$ (473.6)</u>	<u>\$ 101.9</u>
Nine Months Ended September 30, 2023					
Bedding Products	\$ 1,516.2	\$ 25.5	\$ 1,541.7	\$ 87.4	\$ 77.3
Specialized Products	961.3	1.2	962.5	93.0	31.7
Furniture, Flooring & Textile Products	1,132.7	9.3	1,142.0	96.7	17.0
Intersegment eliminations and other ³				(.7)	9.1
	<u>\$ 3,610.2</u>	<u>\$ 36.0</u>	<u>\$ 3,646.2</u>	<u>\$ 276.4</u>	<u>\$ 135.1</u>

¹ See [Note B](#) for revenue by product family.

² The lower amortization expense in the three and nine months ended September 30, 2024 is due to the fourth quarter 2023 long-lived asset impairment.

³ Depreciation and Amortization: Other relates to non-operating assets (assets not included in segment assets) and is allocated to segment EBIT as discussed above.

⁴ EBIT for the nine months ended September 30, 2024 includes \$675.3 of goodwill impairments as discussed in [Note F](#).

LEGGETT & PLATT, INCORPORATED
Notes to Consolidated Condensed Financial Statements—(Continued)
(Unaudited)

Average assets for our segments are shown in the table below and reflect the basis for return measures used by management to evaluate segment performance. These segment totals include the average of both working capital (all current assets and current liabilities) plus net property, plant and equipment.

Average Assets by Segment	September 30, 2024	December 31, 2023
Bedding Products	\$ 755.8	\$ 815.2
Specialized Products	399.4	398.6
Furniture, Flooring & Textile Products	354.4	390.3
Average current liabilities included in segment numbers above	688.3	736.1
Unallocated assets ¹	1,608.6	2,403.2
Difference between average assets and period-end balance sheet	(26.4)	(108.9)
Total assets	<u>\$ 3,780.1</u>	<u>\$ 4,634.5</u>

¹ Unallocated assets consist primarily of goodwill, other intangibles, cash, and deferred tax assets. The September 30, 2024 unallocated assets reflects the \$675.3 goodwill impairment as discussed in [Note F](#).

D—Earnings (Loss) Per Share (EPS)

Basic and diluted earnings (loss) per share were calculated as follows:

	Nine Months Ended September 30,		Three Months Ended September 30,	
	2024	2023	2024	2023
Net earnings (loss).				
Net earnings (loss)	\$ (525.6)	\$ 160.6	\$ 44.9	\$ 52.9
Earnings attributable to noncontrolling interest, net of tax	(.1)	(.1)	—	(.1)
Net earnings (loss) attributable to Leggett & Platt, Inc. common shareholders	<u>\$ (525.7)</u>	<u>\$ 160.5</u>	<u>\$ 44.9</u>	<u>\$ 52.8</u>
Weighted average number of shares (in millions)				
Weighted average number of common shares used in basic EPS	137.2	136.2	137.4	136.4
Dilutive effect of stock-based compensation	—	.3	.6	.4
Weighted average number of common shares and dilutive potential common shares used in diluted EPS	<u>137.2</u>	<u>136.5</u>	<u>138.0</u>	<u>136.8</u>
Basic and diluted EPS				
Basic EPS attributable to Leggett & Platt common shareholders	<u>\$ (3.83)</u>	<u>\$ 1.18</u>	<u>\$.33</u>	<u>\$.39</u>
Diluted EPS attributable to Leggett & Platt common shareholders	<u>\$ (3.83)</u>	<u>\$ 1.18</u>	<u>\$.33</u>	<u>\$.39</u>
Other information				
Anti-dilutive shares excluded from diluted EPS computation	.5	.5	.5	.5
Cash dividends declared per share	\$.56	\$ 1.36	\$.05	\$.46

LEGGETT & PLATT, INCORPORATED
Notes to Consolidated Condensed Financial Statements—(Continued)
(Unaudited)

E—Restructuring and Related Activities

In the first quarter of 2024, we committed to a restructuring plan, primarily associated with our Bedding Products segment and, to a lesser extent, our Furniture, Flooring & Textile Products segment (the “Restructuring Plan” or “Plan”), which is expected to be substantially complete by the end of 2025. The Plan was expanded in the second quarter of 2024 to include a restructuring opportunity within the Specialized Products segment and in the third quarter of 2024 to include the general and administrative cost structure initiatives.

Over the course of the restructuring timeline, we plan to consolidate between 15 and 20 production and distribution facilities (out of 50) in the Bedding Products segment and a small number of production facilities in the Furniture, Flooring & Textile Products segment. Our total costs for this Plan are expected to be between \$65.0 and \$85.0, of which \$40.0 to \$50.0 are anticipated to be incurred in 2024 and the remainder in 2025. As of September 30, 2024, we have incurred costs of \$34.3.

The following table presents all restructuring and restructuring-related activity and impairments associated with the Plan and \$1.0 of restructuring-related costs incurred in the third quarter of 2024 due to exploring a potential sale of our Aerospace business. This business has not reached the criteria to be classified as held for sale.

	Total Amount Expected to be Incurred	Nine Months Ended September 30, 2024	Three Months Ended September 30, 2024
Net restructuring and restructuring-related	\$40.0 to \$55.0	\$ 31.1	\$ 11.7
Impairment costs associated with this plan (See Note F)	25.0 to 30.0	3.2	.6
	<u>\$65.0 to \$85.0</u>	<u>\$ 34.3</u>	<u>\$ 12.3</u>
Amount of total that represents net cash charges	<u>\$30.0 to \$40.0</u>	<u>\$ 26.6</u>	<u>\$ 11.0</u>

The table below presents all 2024 restructuring and restructuring-related activity. Restructuring and restructuring-related activity for 2023 was \$2.7 and was not associated with any formal plan.

	Income Statement Presentation	Nine Months Ended September 30, 2024	Three Months Ended September 30, 2024
Restructuring costs:			
Termination benefits, relocation, and other restructuring costs	Other (income) expense, net	\$ 16.5	\$ 4.8
Restructuring-related costs (gains):			
Inventory obsolescence and other	Cost of goods sold	4.5	.7
Professional services and other	Selling and administrative expenses	11.7	6.3
Gain on sale of equipment	Net gain on disposal of assets	(1.6)	(.1)
Total restructuring-related costs		<u>14.6</u>	<u>6.9</u>
Total net restructuring and restructuring-related costs		<u>\$ 31.1</u>	<u>\$ 11.7</u>
Amount of total that represents net cash charges		<u>\$ 26.6</u>	<u>\$ 11.0</u>

Net restructuring and restructuring-related costs by segment were as follows:

	Nine Months Ended September 30, 2024	Three Months Ended September 30, 2024
Bedding Products	\$ 24.0	\$ 7.4
Specialized Products	5.1	3.8
Furniture, Flooring & Textile Products	2.0	.5
Total net restructuring and restructuring-related costs	<u>\$ 31.1</u>	<u>\$ 11.7</u>

LEGGETT & PLATT, INCORPORATED
Notes to Consolidated Condensed Financial Statements—(Continued)
(Unaudited)

In August 2024, we recognized gains from the sale of real estate associated with the Plan of \$14.0 within the Bedding Products segment. These gains are not reflected in the tables above.

The accrued liability associated with the Plan consisted of the following:

	Balance at December 31, 2023	Add: 2024 Charges	Less: 2024 Payments	Balance at September 30, 2024
Termination benefits	\$ —	\$ 6.1	\$ 4.5	\$ 1.6
Relocation and other restructuring costs	—	10.4	10.3	.1
Total	\$ —	\$ 16.5	\$ 14.8	\$ 1.7

F—Impairment Charges

Pretax impairment charges are reported in “Impairments” in the Consolidated Statements of Operations and are summarized in the table below. There were no impairment charges in the three and nine months ended September 30, 2023.

	Nine Months Ended September 30, 2024			Three Months Ended September 30, 2024		
	Goodwill Impairment	Other Long-Lived Assets Impairments	Total Impairments	Goodwill Impairment	Other Long-Lived Assets Impairments	Total Impairments
Bedding Products	\$ 587.2	\$ 3.2	\$ 590.4	\$ —	\$.6	\$.6
Specialized Products	43.6	—	43.6	—	—	—
Furniture, Flooring & Textile Products	44.5	—	44.5	—	—	—
Total impairment charges	\$ 675.3	\$ 3.2	\$ 678.5	\$ —	\$.6	\$.6

Goodwill Impairment Testing

We test goodwill for impairment at the reporting unit level (the business groups that are one level below the operating segments) when triggering events occur, or at least annually. We perform our annual goodwill impairment testing in the second quarter. The 2023 goodwill impairment testing indicated no impairments.

The 2024 annual goodwill impairment testing performed in the second quarter resulted in a \$675.3 non-cash goodwill impairment charge related to the reporting units noted below. There were no triggering events or impairments indicated in the three months ending September 30, 2024.

Reporting Unit	Segment	Nine Months Ended September 30, 2024
Bedding	Bedding Products	\$ 587.2
Work Furniture	Furniture, Flooring & Textile Products	44.5
Hydraulic Cylinders	Specialized Products	43.6
		\$ 675.3

In general, the fair values for our reporting units decreased versus prior year due to macroeconomic pressures, including low demand, particularly in residential end markets. The fair values of our reporting units were reconciled to our consolidated market capitalization, which decreased due to the significant decline in stock price during the second quarter of 2024. Our closing stock price per share was \$26.17 on December 29, 2023, \$19.15 on March 28, 2024, and \$11.46 on June 28, 2024. The impairment was concluded in connection with the preparation of the second quarter financial statements. If actual results differ materially from estimates used in our calculations, we could incur future impairment charges.

LEGGETT & PLATT, INCORPORATED
Notes to Consolidated Condensed Financial Statements—(Continued)
(Unaudited)

The fair values of our reporting units in relation to their respective carrying values and significant assumptions used are presented in the tables below. The 2024 information excludes Hydraulic Cylinders, as this unit had no goodwill remaining after the second quarter 2024 impairment.

2024				
Fair Value over Carrying Value divided by Carrying Value	September 30, 2024 Goodwill Value	Compound Annual Growth Rate (CAGR) Range for Sales	Terminal Values Long-term Growth Rate for Debt-Free Cash Flow	Discount Rate Ranges
Less than 50% ¹	\$ 442.9	(1)% - 12%	3 %	14% - 17%
101% - 300%	371.8	3 - 7	3	14
	<u>\$ 814.7</u>	<u>(1)% - 12%</u>	<u>3 %</u>	<u>14% - 17%</u>

2023				
Fair Value over Carrying Value divided by Carrying Value	December 31, 2023 Goodwill Value	CAGR Range for Sales	Terminal Values Long-term Growth Rate for Debt-Free Cash Flow	Discount Rate Ranges
Less than 50% ¹	\$ 1,018.1	1% - 17%	3 %	10-12%
50% - 100%	99.6	<1	3	8
101% - 300%	372.1	3 - 6	3	8-10
	<u>\$ 1,489.8</u>	<u><1% - 17%</u>	<u>3 %</u>	<u>8% - 12%</u>

¹ This category includes Bedding, Aerospace, and Work Furniture for 2024 and Bedding, Aerospace, and Hydraulic Cylinders for 2023.

- The fair value of our Bedding reporting unit was less than its carrying value at our second quarter 2024 testing date, resulting in a partial goodwill impairment as discussed above. Fair value exceeded carrying value by 40% at our second quarter 2023 testing date. There was a triggering event in the fourth quarter of 2023 for this reporting unit due to certain customers' efforts to improve their financial position by moving their business to or exploring alternate suppliers. Accordingly, we performed a goodwill impairment test at that time, which indicated no goodwill impairment, but fair value in excess of carrying value had decreased to 19%. Goodwill associated with this reporting unit was \$319.8 at September 30, 2024 and \$906.5 at December 31, 2023.
- The fair value of our Aerospace reporting unit exceeded its carrying value by 21% at our second quarter 2024 testing date as compared to 44% in 2023. Goodwill associated with this reporting unit was \$67.7 at September 30, 2024 and \$67.0 at December 31, 2023.
- The fair value of our Work Furniture reporting unit was less than its carrying value at our second quarter 2024 testing date, resulting in a partial goodwill impairment, as discussed above. Fair value exceeded carrying value by 74% at our second quarter 2023 testing date. Goodwill associated with this reporting unit was \$55.4 at September 30, 2024 and \$99.6 at December 31, 2023.
- The fair value of our Hydraulic Cylinders reporting unit was less than its carrying value at our second quarter 2024 testing date, resulting in a full goodwill impairment, as discussed above. Fair value exceeded carrying value by 18% at our second quarter 2023 testing date. Goodwill associated with this reporting unit was \$44.6 at December 31, 2023.

Other long-lived assets

We review material intangibles mid-year and other long-lived assets for recoverability at year end and whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

All long-lived asset impairment charges for the three and nine months ended September 30, 2024 were related to the Restructuring Plan. For details, please see [Note E](#).

LEGGETT & PLATT, INCORPORATED
Notes to Consolidated Condensed Financial Statements—(Continued)
(Unaudited)

G—Accounts and Other Receivables

Accounts and other receivables consisted of the following:

	September 30, 2024		December 31, 2023	
	Current	Long-term	Current	Long-term
Total trade receivables	\$ 601.0	\$ —	\$ 575.4	\$ —
Allowance for doubtful accounts - trade receivables	(17.1)	—	(10.5)	—
Trade receivables, net	<u>\$ 583.9</u>	<u>\$ —</u>	<u>\$ 564.9</u>	<u>\$ —</u>
Taxes receivable, including income taxes	\$ 3.6	\$ —	\$ 3.1	\$ —
Value-added taxes (VAT) recoverable ¹	39.6	6.1	56.6	—
Other receivables	11.0	4.7	12.7	1.2
Other receivables, net	<u>\$ 54.2</u>	<u>\$ 10.8</u>	<u>\$ 72.4</u>	<u>\$ 1.2</u>

¹ This includes recoverable amounts from various countries, including Mexico, where we have experienced VAT refund delays from the Mexican government. We believe these are fully collectible, and our recent discussions with the government have resulted in an updated timeline for resolution. As a result, we have classified \$6.1 as long-term as of September 30, 2024. The aggregate of current and long-term balances of Mexico VAT recoverable was \$35.9 and \$48.2 at September 30, 2024 and December 31, 2023, respectively.

Activity related to the allowance for doubtful accounts is reflected below:

	Balance at December 31, 2023	Change in Provision	Less: Net Charge-offs/ (Recoveries) and Other	Balance at September 30, 2024
Total allowance for doubtful accounts on trade receivables	<u>\$ 10.5</u>	<u>\$ 8.5</u>	<u>\$ 1.9</u>	<u>\$ 17.1</u>

H—Inventories

The following table recaps the components of inventory for each period presented:

	September 30, 2024	December 31, 2023
Finished goods	\$ 326.4	\$ 361.3
Work in process	74.7	73.5
Raw materials and supplies	353.3	384.9
Inventories	<u>\$ 754.4</u>	<u>\$ 819.7</u>

All inventories are stated at the lower of cost or net realizable value. For the majority of our inventories, we use the first-in, first-out method, which is representative of our standard costs (includes materials, labor, and production overhead at normal production capacity). Remaining inventories are valued using an average-cost method.

Inventories are reviewed at least quarterly for slow-moving and potentially obsolete items using actual inventory turnover and, if necessary, are written down to estimated net realizable value.

I—Credit Facility Amendment

In March 2024, we amended our credit facility to change the Leverage Ratio. The prior Leverage Ratio covenant required us to maintain, as of the last day of each quarter, or when we borrow under the credit facility, a Leverage Ratio of consolidated funded indebtedness to trailing 12-month consolidated EBITDA (each as defined in the credit facility) of not greater than 3.50 to 1.00.

Under the amendment, the Leverage Ratio covenant was increased from 3.50 to 1.00 to 4.00 to 1.00 for each quarter-end beginning March 31, 2024 and ending June 30, 2025. The Leverage Ratio covenant will revert

LEGGETT & PLATT, INCORPORATED
Notes to Consolidated Condensed Financial Statements—(Continued)
(Unaudited)

to 3.50 to 1.00 for the quarter ending September 30, 2025 and thereafter until maturity. Also, the provision permitting a temporary increase in the maximum Leverage Ratio in the event of a Material Acquisition will not apply unless the acquisition occurs after June 30, 2025.

The maturity date of September 30, 2026 remains unchanged. At September 30, 2024, we were in compliance with all of its debt covenants and expect to be able to maintain compliance with the amended debt covenant requirements.

J—Stock-Based Compensation

The following table recaps the impact of stock-based compensation on the results of operations for each of the periods presented:

	Nine Months Ended September 30, 2024		Nine Months Ended September 30, 2023	
	To be settled with stock	To be settled in cash	To be settled with stock	To be settled in cash
Executive Stock Unit (ESU) Program matching contributions	\$ 2.6	\$.5	\$ 1.9	\$.5
Discounts on various stock awards	2.3	—	2.5	—
Performance Stock Unit awards	—	(.5)	2.2	.5
Restricted Stock Unit awards	10.0	—	7.0	—
Other, primarily non-employee directors restricted stock	1.4	—	1.3	—
Total stock-based compensation expense (income)	16.3	\$ —	14.9	\$ 1.0
Employee contributions for above stock plans	5.9	—	6.8	—
Total stock-based compensation	\$ 22.2	—	\$ 21.7	—
Tax benefits on stock-based compensation expense	\$ 4.0	—	\$ 3.6	—
Tax (expense)/benefits on stock-based compensation payments	(1.1)	—	.3	—
Total tax benefits associated with stock-based compensation	\$ 2.9	—	\$ 3.9	—
	Three Months Ended September 30, 2024		Three Months Ended September 30, 2023	
	To be settled with stock	To be settled in cash	To be settled with stock	To be settled in cash
Executive Stock Unit (ESU) Program matching contributions	\$ 1.0	\$.2	\$.1	\$.2
Discounts on various stock awards	.5	—	.7	—
Performance Stock Unit awards	(.2)	.2	.3	(.3)
Restricted Stock Unit awards	.8	—	.9	—
Other, primarily non-employee directors restricted stock	.3	—	.4	—
Total stock-based compensation expense (income)	2.4	\$.4	2.4	\$ (.1)
Employee contributions for above stock plans	2.0	—	2.8	—
Total stock-based compensation	\$ 4.4	—	\$ 5.2	—
Tax benefits on stock-based compensation expense	\$.6	—	\$.6	—
Tax (expense)/benefits on stock-based compensation	.1	—	—	—
Total tax benefits associated with stock-based compensation	\$.7	—	\$.6	—

LEGGETT & PLATT, INCORPORATED
Notes to Consolidated Condensed Financial Statements—(Continued)
(Unaudited)

K—Other (income) expense, net

The components of "Other (income) expense, net" were as follows:

	Nine Months Ended September 30,		Three Months Ended September 30,	
	2024	2023	2024	2023
Restructuring charges	\$ 16.5	\$ 2.7	\$ 4.8	\$ 2.5
Currency (gain) loss	(1.0)	1.5	1.6	.2
(Gain) loss from diversified investments associated with ESU Program	(7.0)	(3.1)	(3.2)	1.5
Reduction to contingent purchase price liability	(6.4)	(12.4)	—	(3.6)
Non-service pension income	(1.1)	(.3)	(.3)	(.2)
Other (income) expense	(2.5)	2.4	(.7)	1.0
	<u>\$ (1.5)</u>	<u>\$ (9.2)</u>	<u>\$ 2.2</u>	<u>\$ 1.4</u>

L—Accumulated Other Comprehensive Income (Loss)

The following tables set forth the components of and changes in each component of accumulated other comprehensive income (loss) for each of the periods presented:

	Three Months Ended September 30,			
	Foreign Currency Translation Adjustments	Cash Flow Hedges	Defined Benefit Pension Plans	Accumulated Other Comprehensive Income (Loss)
Balance, July 1, 2024	\$ (83.4)	\$ 9.6	\$ (13.2)	\$ (87.0)
Other comprehensive income (loss)	33.0	.9	(.4)	33.5
Reclassifications, pretax	—	(.7)	.3	(.4)
Income tax effect	—	(.2)	—	(.2)
Attributable to noncontrolling interest	(.1)	—	—	(.1)
Balance, September 30, 2024	<u>\$ (50.5)</u>	<u>\$ 9.6</u>	<u>\$ (13.3)</u>	<u>\$ (54.2)</u>
Balance, July 1, 2023	\$ (60.5)	\$ 10.1	\$ (18.1)	\$ (68.5)
Other comprehensive income (loss)	(26.2)	(3.2)	.2	(29.2)
Reclassifications, pretax	—	.5	.2	.7
Income tax effect	—	.5	(.1)	.4
Attributable to noncontrolling interest	(.1)	—	—	(.1)
Balance, September 30, 2023	<u>\$ (86.8)</u>	<u>\$ 7.9</u>	<u>\$ (17.8)</u>	<u>\$ (96.7)</u>

	Nine Months Ended September 30,			
	Foreign Currency Translation Adjustments	Cash Flow Hedges	Defined Benefit Pension Plans	Accumulated Other Comprehensive Income (Loss)
Balance, January 1, 2024	\$ (42.6)	\$ 12.5	\$ (13.6)	\$ (43.7)
Other comprehensive income (loss)	(7.9)	(.6)	(.4)	(8.9)
Reclassifications, pretax	—	(2.6)	.8	(1.8)
Income tax effect	—	.3	(.1)	.2
Balance, September 30, 2024	<u>\$ (50.5)</u>	<u>\$ 9.6</u>	<u>\$ (13.3)</u>	<u>\$ (54.2)</u>
Balance, January 1, 2023	\$ (83.5)	\$ 8.4	\$ (18.4)	\$ (93.5)
Other comprehensive income (loss)	(3.3)	(2.4)	(.3)	(6.0)
Reclassifications, pretax	—	1.9	1.1	3.0
Income tax effect	—	—	(.2)	(.2)
Balance, September 30, 2023	<u>\$ (86.8)</u>	<u>\$ 7.9</u>	<u>\$ (17.8)</u>	<u>\$ (96.7)</u>

LEGGETT & PLATT, INCORPORATED
Notes to Consolidated Condensed Financial Statements—(Continued)
(Unaudited)

M—Fair Value

We utilize fair value measures for both financial and non-financial assets and liabilities.

Items measured at fair value on a recurring basis

Fair value measurements are established using a three-level valuation hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into the following categories:

- Level 1: Quoted prices for identical assets or liabilities in active markets.
- Level 2: Inputs, other than quoted prices included in Level 1, that are observable for the asset or liability either directly or indirectly. Short-term investments in this category are valued using discounted cash flow techniques with all significant inputs derived from or supported by observable market data. Derivative assets and liabilities in this category are valued using models that consider various assumptions and information from market-corroborated sources. The models used are primarily industry-standard models that consider items such as quoted prices, market interest rate curves applicable to the instruments being valued as of the end of each period, discounted cash flows, volatility factors, current market and contractual prices for the underlying instruments, as well as other relevant economic measures. Substantially all of these assumptions are observable in the marketplace, can be derived from observable data, or are supported by observable levels at which transactions are executed in the marketplace.
- Level 3: Unobservable inputs that are not corroborated by market data.

The areas in which we utilize fair value measures of financial assets and liabilities are presented in the table below.

	As of September 30, 2024			
	Level 1	Level 2	Level 3	Total
Assets:				
Cash equivalents:				
Bank time deposits with original maturities of three months or less	\$ —	\$ 130.4	\$ —	\$ 130.4
Derivative assets (Note N)	—	3.0	—	3.0
Diversified investments associated with the ESU Program	55.2	—	—	55.2
Total assets	\$ 55.2	\$ 133.4	\$ —	\$ 188.6
Liabilities:				
Derivative liabilities (Note N)	\$ —	\$ 2.2	\$ —	\$ 2.2
Liabilities associated with the ESU Program	56.8	—	—	56.8
Total liabilities	\$ 56.8	\$ 2.2	\$ —	\$ 59.0
As of December 31, 2023				
	Level 1	Level 2	Level 3	Total
Assets:				
Cash equivalents:				
Bank time deposits with original maturities of three months or less	\$ —	\$ 147.5	\$ —	\$ 147.5
Derivative assets (Note N)	—	6.2	—	6.2
Diversified investments associated with the ESU Program	50.4	—	—	50.4
Total assets	\$ 50.4	\$ 153.7	\$ —	\$ 204.1
Liabilities:				
Derivative liabilities (Note N)	\$ —	\$ 3.5	\$ —	\$ 3.5
Liabilities associated with the ESU Program	52.4	—	—	52.4
Total liabilities	\$ 52.4	\$ 3.5	\$ —	\$ 55.9

LEGGETT & PLATT, INCORPORATED
Notes to Consolidated Condensed Financial Statements—(Continued)
(Unaudited)

There were no transfers between Level 1 and Level 2 for any of the periods presented.

The fair value for fixed rate debt (Level 1) was approximately \$190.0 less than carrying value of \$1,787.9 at September 30, 2024 and approximately \$175.0 less than carrying value of \$1,786.4 at December 31, 2023.

Items measured at fair value on a non-recurring basis

The primary areas in which we utilize fair value measurements of non-financial assets and liabilities are allocating purchase price to the assets and liabilities of acquired companies and evaluating long-term assets (including goodwill) for potential impairment. Determining fair values for these items requires significant judgment and includes a variety of methods and models that utilize significant Level 3 inputs.

N—Derivative Financial Instruments

The following table presents assets and liabilities representing the fair value of our most significant derivative financial instruments. The fair values of the derivatives reflect the change in the market value of the derivative from the date of the trade execution and do not consider the offsetting underlying hedged item.

Derivatives	Expiring at various dates through:	Total USD Equivalent Notional Amount	As of September 30, 2024			
			Assets		Liabilities	
			Other Current Assets	Sundry	Other Current Liabilities	Other Long-Term Liabilities
Designated as hedging instruments						
Total cash flow hedges-currency hedges	Mar 2026	\$ 272.3	\$ 2.3	\$.2	\$ 1.9	\$.3
Total fair value hedges	Dec 2024	8.6	.1	—	—	—
Not designated as hedging instruments						
Total derivatives	Sep 2025	188.3	.4	—	—	—
			\$ 2.8	\$.2	\$ 1.9	\$.3
			As of December 31, 2023			
Derivatives	Expiring at various dates through:	Total USD Equivalent Notional Amount	As of December 31, 2023			
			Assets		Liabilities	
			Other Current Assets	Sundry	Other Current Liabilities	Other Long-Term Liabilities
Designated as hedging instruments						
Total cash flow hedges-currency hedges	Jun 2025	\$ 298.2	\$ 5.3	\$.5	\$ 2.4	\$.2
Total fair value hedges	Mar 2024	21.7	.3	—	—	—
Not designated as hedging instruments						
Total derivatives	Dec 2024	87.9	.1	—	.9	—
			\$ 5.7	\$.5	\$ 3.3	\$.2

LEGGETT & PLATT, INCORPORATED
Notes to Consolidated Condensed Financial Statements—(Continued)
(Unaudited)

The following table sets forth the pretax (gains) losses for our hedging activities for the periods presented. This schedule includes reclassifications from accumulated other comprehensive income (see [Note L](#)) as well as derivative settlements recorded directly to income or expense.

Derivatives	Income Statement Caption	Amount of (Gain) Loss Recorded in Income Nine Months Ended September 30,		Amount of (Gain) Loss Recorded in Income Three Months Ended September 30,	
		2024	2023	2024	2023
Designated as hedging instruments					
Interest rate cash flow hedges	Interest expense	\$ (.3)	\$.3	\$ (.1)	\$.5
Currency cash flow hedges	Net trade sales	1.0	2.7	.3	1.1
Currency cash flow hedges	Cost of goods sold	(1.4)	(2.0)	(.3)	(.7)
Total cash flow hedges		(.7)	1.0	(.1)	.9
Fair value hedges	Other (income) expense, net	.2	1.4	(.3)	.8
Not designated as hedging instruments	Other (income) expense, net	.4	1.1	2.3	(2.4)
Total derivative instruments		\$ (.1)	\$ 3.5	\$ 1.9	\$ (.7)

O—Contingencies

We are a party to various proceedings and matters involving employment, intellectual property, environmental, taxation, vehicle-related personal injury, and other laws. When it is probable, in management's judgment, that we may incur monetary damages or other costs resulting from these proceedings or other claims, and we can reasonably estimate the amounts, we record appropriate accruals in the financial statements and make charges against earnings. For all periods presented, we have recorded no material charges against earnings. Also, when it is reasonably possible that we may incur additional loss in excess of recorded accruals, and we can reasonably estimate the additional losses or range of losses, we disclose such additional reasonably possible losses in these notes.

Accruals and Reasonably Possible Losses in Excess of Accruals

Accruals for Probable Losses

Although we deny liability in all currently threatened or pending litigation proceedings, we have recorded a litigation contingency accrual for our reasonable estimate of probable loss, in the aggregate, of \$1.5 and \$1.4 at September 30, 2024 and December 31, 2023, respectively. There were no material adjustments to the accrual, including cash payments and expense, for the three and nine-month periods ending September 30, 2024 and September 30, 2023. The accruals do not include accrued expenses related to workers' compensation, vehicle-related personal injury, product and general liability claims, taxation issues, and environmental matters, some of which may contain a portion of litigation expense. However, any litigation expense associated with these categories is not anticipated to have a material effect on our financial condition, results of operations, or cash flows.

Reasonably Possible Losses in Excess of Accruals

Although there are a number of uncertainties and potential outcomes associated with our pending or threatened litigation proceedings, we believe, based on current known facts, that additional losses, if any, are not expected to materially affect our consolidated financial position, results of operations, or cash flows. However, based upon current known facts, as of September 30, 2024, aggregate reasonably possible (but not probable, and therefore, not accrued) losses in excess of the accruals noted above are estimated to be \$14.0. If our assumptions or analyses regarding any of our contingencies are incorrect, or if facts change or future litigation arises, we could realize losses in excess of the recorded accruals (including losses in excess of the \$14.0 referenced above), which could have a material negative impact on our financial condition, results of operations, and cash flows.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

	Page No.
• Highlights	23
• Introduction	23
• Results of Operations	30
• Liquidity and Capitalization	33
• Critical Accounting Policies and Estimates	40
• Contingencies	40
• New Accounting Standards	43

HIGHLIGHTS

We had trade sales of \$1,102 million for the three months ending September 30, 2024, a decrease of 6% versus the third quarter 2023. In the first nine months of 2024, trade sales were \$3,327 million versus \$3,610 million for the same period of 2023.

Earnings (Loss) Per Share (EPS) was \$.33 for the third quarter and (\$3.83) for the nine months ending September 30, 2024, compared to \$.39 and \$1.18 in the same periods of 2023. Third quarter EPS includes \$.07 in restructuring and restructuring-related charges and a \$.08 gain from the sale of real estate related to the Restructuring Plan. Year-to-date EPS includes a \$4.61 non-cash goodwill impairment charge, \$.19 in restructuring and restructuring-related charges, \$.03 from compensation costs related to the CEO transition, \$.07 from gains from sales of idle real estate, \$.08 from gains from the sale of real estate related to the Restructuring Plan, and \$.01 from a gain on net insurance proceeds from 2023 tornado damage. Third quarter and year-to-date 2023 EPS included a \$.03 gain from a real estate sale within our Bedding segment. Year-to-date 2023 EPS also included a \$.02 gain from net insurance proceeds from the tornado damage.

Earnings (Loss) Before Interest and Taxes (EBIT) for the third quarter and nine months ending September 30, 2024 was \$78 million and (\$474) million, respectively. Third quarter includes \$12 million of restructuring and restructuring-related costs and a \$14 million gain from the sale of real estate related to the Restructuring Plan. Year-to-date EBIT includes a \$675 million non-cash goodwill impairment charge, \$34 million of restructuring and restructuring-related costs, a \$14 million gain from the sale of real estate related to the Restructuring Plan, \$13 million in gains from the sales of idle real estate, \$4 million in CEO transition compensation costs, and a \$2 million gain from net insurance proceeds from 2023 tornado damage. This is down \$14 million and \$750 million compared to the same periods in 2023. Third quarter and year-to-date 2023 EBIT included a \$5 million gain from the sale of real estate. Year-to-date 2023 EBIT also reflected a \$4 million gain from net insurance proceeds from the tornado damage.

The Restructuring Plan is progressing as planned across all three of our segments and our general and administrative cost initiatives.

Operating cash flow was \$183 million in the first nine months of 2024, a decrease of \$168 million versus the same period of 2023.

In August 2024, the Board of Directors declared a third quarter 2024 dividend of \$.05, \$.41 lower than last year's third quarter dividend.

We continue to make progress on the deleveraging of our balance sheet. We paid down \$124 million of debt in the third quarter of 2024.

INTRODUCTION

What We Do

We are a diversified manufacturer that conceives, designs, and produces a wide range of engineered components and products found in many homes, offices, and automobiles. We make components that are often hidden within, but integral to, our customers' products.

We are a leading supplier of bedding components and private label finished goods; automotive seat comfort and convenience systems; home and work furniture components; geo components; flooring underlayment; hydraulic cylinders for material handling and heavy construction industries; and aerospace tubing and fabricated assemblies.

Our Segments

Our operations are comprised of approximately 120 production facilities located in 18 countries around the world. Our reportable segments are the same as our operating segments, which also correspond with our management organizational structure. Our segments are described below.

Bedding Products: This segment supplies a variety of components and machinery used by bedding manufacturers in the production and assembly of their finished products, as well as produces private label finished mattresses and adjustable bed bases. This segment is also vertically integrated into the production and supply of specialty foam chemicals, steel rod, and drawn steel wire to our own operations and to external customers. We also supply steel rod and wire to trade customers that operate in a broad range of markets. This segment contributed 40% of our trade sales during the first nine months of 2024.

Specialized Products: From this segment, we supply lumbar support systems, seat suspension systems, motors and actuators, and control cables used by automotive manufacturers. We also produce and distribute tubing and tube assemblies for the aerospace industry and engineered hydraulic cylinders used in the material-handling and heavy construction industries. This segment contributed 28% of our trade sales in the first nine months of 2024.

Furniture, Flooring & Textile Products: Operations in this segment supply a wide range of components for residential and work furniture manufacturers, as well as select lines of private label finished furniture. We also produce or distribute carpet cushion, hard surface flooring underlayment, and textile and geo components. This segment contributed 32% of our trade sales in the first nine months of 2024.

Customers

We serve a broad suite of customers, with our largest customer representing less than 6% of our trade sales in 2023. Many are companies whose names are widely recognized. They include bedding brands and manufacturers, residential and office furniture producers, automotive OEM and Tier 1 manufacturers, and a variety of other companies.

Organic Sales

We calculate organic sales as trade sales excluding sales attributable to acquisitions and divestitures consummated within the last twelve months. Management uses the metric, and it is useful to investors, as supplemental information to analyze our underlying sales performance from period to period in our legacy businesses.

Major Factors That Impact Our Business

Goodwill Impairment

We test goodwill for impairment at the reporting unit level (the business groups that are one level below the operating segments) when triggering events occur, or at least annually. We perform our annual goodwill impairment testing in the second quarter. The 2023 goodwill impairment testing indicated no impairments.

The 2024 annual goodwill impairment testing indicated that fair value had fallen below carrying value for three reporting units, and fair value exceeded carrying value by less than 100% for one reporting unit.

A \$675 million non-cash goodwill impairment charge was recorded related to the following reporting units:

Reporting Unit	Segment	Nine Months Ended September 30, 2024	
Bedding	Bedding Products	\$	587.2
Work Furniture	Furniture, Flooring & Textile Products		44.5
Hydraulic Cylinders	Specialized Products		43.6
		\$	675.3

The fair values of our reporting units in relation to their respective carrying values and significant assumptions used are presented in the tables in [Note F](#) to the Consolidated Condensed Financial Statements, beginning on page 15.

In general, the fair values for our reporting units decreased versus prior year due to macroeconomic pressures, including low demand, particularly in residential end markets. The fair values of our reporting units were reconciled to our consolidated market capitalization, which decreased due to the significant decline in stock price during the second quarter of 2024. Our closing stock price per share was \$26.17 on December 29, 2023, \$19.15 on March 28, 2024, and \$11.46 on June 28, 2024. We concluded that an impairment existed under generally accepted accounting principles in connection with the preparation and review of our second quarter financial statements filed on August 7, 2024 as part of the quarterly report on [Form 10-Q](#). We do not expect that the impairment charge will result in any cash expenditures. If actual results differ materially from estimates used in our calculations, we could incur future impairment charges.

Units with Impairments

In addition to the decline in our stock price during the second quarter, the reporting units discussed below also had the following factors contributing to the impairments:

Bedding

Domestic bedding manufacturers are facing numerous challenges, including low demand, overcapacity, and increased pressure from finished mattress imports, resulting in financial stress across the industry. The domestic mattress market has changed dramatically in a relatively short time span. The landscape has shifted from a largely domestic OEM-produced innerspring mattress market to one where innerspring, foam, and hybrid mattresses are sold at a wide range of price points through a variety of channels and produced by a mix of fewer large domestic OEMs, domestic private label producers, and import manufacturers. These changing market dynamics and weak demand have created disruption and financial instability with some of our customers.

The Bedding reporting unit's fair value exceeded carrying value by 40% at our second quarter 2023 testing date. Late in the fourth quarter of 2023 we concluded we had a triggering event after certain of our Elite Comfort Solutions and Kayfoam customers notified us of efforts to improve their financial position by moving their business to or exploring alternative suppliers. We expected that these customer efforts would reduce our future cash flows. Accordingly, we performed a goodwill impairment test, which indicated no goodwill impairments. However, the estimated fair value of this reporting unit had decreased and fair value in excess of carrying value had dropped to 19%.

Work Furniture

Work Furniture demand for both contract and residential end-use products has remained at sustained low levels. Fair value exceeded carrying value by 74% at our second quarter 2023 testing date.

Hydraulic Cylinders

The Hydraulic Cylinders reporting unit's fair value at our second quarter 2023 testing date exceeded carrying value by 18%. Fair value approximated carrying value primarily due to an August 2022 acquisition that is experiencing operational inefficiencies.

Units with No Impairments, but Fair Value Exceeded Carrying Value by Less than 100%

Aerospace Products

The Aerospace Products reporting unit did not incur impairment charges, but fair value exceeded carrying value by less than 100% at both testing dates. The fair value of this reporting unit exceeded its carrying value by

21% at our second quarter 2024 testing date as compared to 44% in 2023. Aerospace's long-term forecasts continue to reflect demand improvements as industry recovery continues. Current demand is now similar to pre-pandemic levels.

Restructuring Plan

In the first quarter of 2024, we committed to a restructuring plan, primarily associated with our Bedding Products segment and, to a lesser extent, our Furniture, Flooring & Textile Products segment (the "Restructuring Plan" or "Plan"), which is expected to be substantially complete by the end of 2025. The Plan was expanded in the second quarter of 2024 to include a restructuring opportunity within the Specialized Products segment and in the third quarter of 2024 to include the general and administrative cost structure initiatives. Pursuant to the Plan, we expect to:

- consolidate between 15 and 20 production and distribution facilities (out of 50) in the Bedding Products segment and a small number of production facilities in the Furniture, Flooring & Textile Products segment;
- incur restructuring and restructuring-related costs between \$65 and \$85 million, of which \$40 to \$50 million are anticipated to be incurred in 2024 and the remainder in 2025. This includes \$30 to \$40 million in cash costs, the majority of which are anticipated to be incurred in 2024;
- realize annualized EBIT benefit of \$50 to \$60 million after initiatives are fully implemented in late 2025 versus our prior estimate of \$40 to \$50 million, as we now expect to realize approximately a \$10 million benefit in 2025 from general and administrative initiatives;
- receive between \$60 and \$80 million in pretax net cash proceeds from the sale of real estate associated with the Restructuring Plan; and
- experience a reduction in annual sales by approximately \$80 million.

We continue to make solid progress executing the Plan. To date, we have consolidated 13 production and distribution facilities in the Bedding Products segment and two production facilities in the Furniture, Flooring & Textile Products segment. All domestic innerspring production has been shifted into our four larger, remaining spring production facilities. We also downsized our Chinese innerspring operation and will exit our Mexican innerspring operation by year end, which will conclude all innerspring-related restructuring activity in Bedding Products. In Specialty Foam, we have closed three operations. In early fourth quarter we closed one Adjustable Bed location and shifted production to a more cost-advantaged facility. We successfully executed the restructuring activity in Home Furniture, and we expect to complete phase one of our Flooring Products restructuring by early next year. In Hydraulic Cylinders, manufacturing optimization and operational efficiency improvements are underway.

We initiated a thorough analysis of our general and administrative cost structure across our business units and corporate shared services. Our general and administrative project team is analyzing and identifying opportunities to drive efficiencies. We continue to analyze and identify potential opportunities within our business unit functions; however, we anticipate potential cost reductions will be smaller than those identified in our corporate functions.

We are also exploring a potential sale of our Aerospace business, which is not included in the Plan, and have incurred \$1 million of restructuring-related costs in the third quarter of 2024 related to this activity. This business has not reached the criteria to be classified as held for sale.

Total restructuring and restructuring-related costs, including Plan costs and costs to explore the potential sale of our Aerospace business, for the three and nine months ending September 30, 2024, were \$12 million (\$11 million cash and \$1 million non-cash) and \$34 million (\$27 million cash and \$7 million non-cash), respectively.

We realized \$6 million of EBIT benefit from the Plan in the third quarter and \$9 million year to date. We still expect to realize approximately \$10-\$15 million of EBIT benefit in 2024. In the third quarter we realized \$4 million of sales attrition and have realized \$7 million of sales attrition year to date. We now expect sales attrition in 2024 of approximately \$15 million versus our prior estimate of \$25 million.

To date and in line with 2024 expectations, we have realized \$20 million of proceeds from the sale of real estate associated with the Plan, including the sale of one facility in third quarter 2024 for net proceeds of \$17

million (pretax gain of \$14 million) and one facility in late October 2024 for net proceeds of \$3 million (estimated pretax gain of \$3 million).

Because of certain risks and uncertainties, the Plan may not achieve its intended outcomes. Our estimates of the number of facilities to be consolidated and the cash and non-cash costs and impairments associated with the Plan may change as our analysis develops and additional information is obtained. Also, we may not be able to implement the Plan in a timely manner that will positively impact our financial condition and results of operations. Moreover, we may not be able to dispose of real estate pursuant to the Plan or obtain the expected proceeds in a timely manner. The Plan may also negatively impact our relationships with employees, customers, and vendors. Finally, because restructuring activities are complex and involve time-consuming processes, substantial demands may be placed on management, which could divert attention from other business priorities or disrupt our daily operations. Any failure to achieve the intended outcomes could materially adversely affect our business, financial condition, results of operations and cash flows, and liquidity.

We continue to evaluate our businesses for further restructuring opportunities in addition to those activities included in the announced Plan. The execution of any of these opportunities may result in additional material restructuring costs, restructuring-related costs, or impairments.

Market Demand

Market demand (including product mix) is impacted by several economic factors, with housing turnover and consumer confidence being the most significant. Other important factors include disposable income levels, employment levels, and interest rates. All of these factors influence consumer spending on durable goods, and therefore affect demand for our products and components. Some of these factors also influence business spending on facilities and equipment, which impacts approximately 25%-30% of our sales. The dynamic macroeconomic environment has pressured most of our end markets and negatively affected the demand for our products. As a result, we expect 2024 overall demand to be down from 2023 levels.

Additionally, the growth of new Chinese auto market entrants and increases in Chinese auto exports, particularly to Europe, is driving further market disruption. Europe has responded by introducing new tariffs, but it is to be seen if this will slow the pace of Chinese imports. These Chinese imports have, and may continue to have, a negative impact to the demand for our automotive products. A Chinese OEM could displace one or more of our existing customers and elect an alternative domestic supplier, which could result in additional lost market share. In Europe, economic softness and consumer affordability issues have given Chinese electric vehicle (EV) manufacturers opportunities to supply lower price electric vehicles, leading to the production declines and program launch delays for our customers. In North America, consumer affordability issues and uncertainty around EV transition timelines is resulting in program launch delays and our customers replacing higher cost components with lower cost components.

Trends in Cost of Goods Sold

Our costs can vary significantly as market prices for raw materials (many of which are commodities) fluctuate. We typically have short-term commitments from our suppliers; accordingly, our raw material costs generally move with the market. We have also been impacted by fluctuations in transportation, energy, and labor costs. Our ability to recover higher costs (through selling price increases) is crucial. When we experience significant increases in costs, we typically implement price increases to recover the higher costs. Conversely, when costs decrease significantly, we generally pass those lower costs through to our customers. The timing of our price increases or decreases is important; we typically experience a lag in recovering higher costs, and we also realize a lag as costs decline.

Steel is our principal raw material. At various times in past years, we have experienced significant cost fluctuations in this commodity. In most cases, the major changes (both increases and decreases) were passed through to customers with selling price adjustments. Steel costs fluctuated up and down throughout 2023, but overall average costs deflated as U.S. steel markets faced softened demand and increased foreign competition. Steel costs decreased in the second and third quarters of 2024 following a relatively stable first quarter.

As a producer of steel rod, we are also impacted by changes in metal margins (the difference in the cost of steel scrap and the market price for steel rod). Metal margins compressed through 2023 and, as a result, we experienced lower metal margins in our Steel Rod business. Metal margins were stable in the first quarter of 2024 and modestly declined in the second and third quarters.

We have exposure to the cost of chemicals, including TDI, MDI, and polyol. The cost of these chemicals has fluctuated at times, but we have generally passed the changes through to our customers. Pricing softened through 2023 and the first quarter of 2024, modestly increased in the second quarter of 2024, and moderated again in the third quarter of 2024.

Our other raw materials include woven and nonwoven fabrics. We have experienced changes in the costs of these materials and generally have been able to pass them through to our customers.

When we raise our prices to recover higher raw material costs, this sometimes causes customers to modify their product designs and replace higher cost components with lower cost components. We must continue providing product options to our customers that enable them to improve the functionality of their products and manage their costs, while providing higher profits for our operations.

Supply Chain Shortages and Disruptions

We have experienced supply chain disruptions related to freight challenges, including higher costs.

In 2023, drought conditions lowered the water levels of the Mississippi River and Panama Canal, reducing traffic through these waterways. Also, in late 2023 and early 2024, the conflict in the Red Sea caused delays with some of our shipments, while other shipments from China to the U.S. or Europe have been re-routed. Although these issues have not had a material impact on our results of operations, additional logistical disruptions including, but not limited to, labor availability, potential strikes, port congestion, trade tensions, and natural disasters, could result in additional costs and delays in our ability to deliver products timely to certain customers.

Competition

Many of our markets are highly competitive, with the number of competitors varying by product line. In general, our competitors tend to be smaller, private companies. Many of our competitors, both domestic and foreign, compete primarily on the basis of price. Our success has stemmed from the ability to remain price competitive, while delivering innovation, better product quality, and customer service.

We continue to face pressure from foreign competitors, as some of our customers source a portion of their components and finished products offshore. In addition to lower labor rates, foreign competitors benefit (at times) from lower raw material costs. They may also benefit from currency factors and more lenient regulatory climates. We typically compete in market segments that value product differentiation. When we do compete on cost, we typically remain price competitive in most of our business units, even versus many foreign manufacturers, as a result of our efficient operations, automation, vertical integration in steel rod and wire, logistics and distribution efficiencies, and large-scale purchasing of raw materials and commodities. To stay competitive with global steel costs, both contract and non-contract innerspring pricing were adjusted in the back half of 2023 and are expected to be fully realized in 2024. We have also reacted to foreign competition in certain cases by developing new proprietary products that help our customers reduce total costs and shifting production offshore to take advantage of lower input costs.

We produce innersprings for mattresses that are sold to bedding manufacturers. We produce steel wire rod for consumption by our wire mills (primarily used by our innerspring manufacturing facilities to produce innersprings) and to sell to third parties. We also produce and sell finished mattresses. In response to petitions filed with the U.S. Department of Commerce (DOC) and the U.S. International Trade Commission (ITC) generally alleging that innersprings, steel wire rod, and mattresses were being unfairly sold in the United States by certain foreign manufacturers at less than fair value (dumping) and that certain foreign manufacturers of steel wire rod and mattresses were unfairly benefiting from subsidies, antidumping and/or countervailing duties have been imposed on the imports of such products.

In March 2020, the Company, along with other petitioners, filed petitions with the DOC and the ITC alleging that manufacturers of mattresses in seven different countries were unfairly selling their products in the United States at less than fair value and manufacturers of mattresses in China were benefiting from subsidies. These petitions resulted in antidumping and countervailing duty orders set to remain in effect for five years, through May 2026, at which time the DOC and ITC will conduct a sunset review to determine whether to extend the orders for an additional five years. Following certain appeals that were filed with the U.S. Court of International Trade (CIT), some of which remain ongoing, the CIT ruled in favor of the ITC and petitioners and sustained the

ITC's unanimous injury decision. In February 2024, one respondent filed an appeal of the CIT's decision to the U.S. Court of Appeals for the Federal Circuit, but that respondent agreed to dismiss the appeal on October 29, 2024.

In July 2023, the Company, along with other petitioners, filed petitions with the DOC and the ITC alleging that manufacturers of mattresses in twelve additional countries were unfairly selling their products in the United States at less than fair value and manufacturers of mattresses in Indonesia were unfairly benefiting from subsidies, causing harm to the U.S. industry and seeking the imposition of duties on mattresses imported from these countries. The ITC made a preliminary determination of injury in September 2023, and the DOC's preliminary determination on dumping was issued in February 2024. With respect to eight of the countries, the DOC's final dumping determinations were issued in May 2024, and the ITC's final injury determination was issued in June 2024. With respect to the five remaining countries, the DOC's final determinations were issued in July 2024, and the order evidencing the ITC's final determination with respect to the four countries which were above the de minimis threshold was issued in September 2024.

See [Item 1 Legal Proceedings](#) on page 45 for more information.

If any of the foregoing existing or future antidumping and countervailing duties are overturned on appeal or not extended beyond their current terms and dumping and/or subsidization recurs, or manufacturers in the subject countries circumvent the existing duties through transshipment in other jurisdictions or otherwise, our market share, sales, profit margins, and earnings could be adversely affected.

Reduced 2024 Amortization

We expect our full-year 2024 amortization expense to be approximately \$45 million lower as compared to 2023 as a result of the fourth quarter 2023 long-lived asset impairments in the Bedding Products segment.

Strategic Initiatives

We are currently conducting a strategic review of our diverse portfolio, assessing how each business fits into our long-term vision. We are focused on simplifying our portfolio to businesses that are the right long-term fit for Leggett & Platt. As part of this strategic review, we are currently exploring the potential sale of our Aerospace business. This business has not reached the criteria to be classified as held for sale.

RESULTS OF OPERATIONS

Discussion of Consolidated Results

Third Quarter:

Trade sales were \$1,102 million in the current quarter, a 6% decrease versus the third quarter 2023. Organic sales decreased 6%. Volume was down 4%, primarily from continued weak demand in residential end markets, the expected loss of a customer in Specialty Foam, and demand headwinds in Automotive and Hydraulic Cylinders. Raw material-related selling price decreases, net of currency benefit, reduced sales 2%.

EBIT decreased 15%, to \$78 million, primarily from unfavorable sales mix in Steel Rod and Specialty Foam, lower volume, restructuring costs, metal margin compression, and higher bad debt reserves. These decreases were partially offset by a gain on restructuring-related real estate, lower amortization, operational efficiency improvements, and restructuring benefit.

EPS decreased to \$.33 in the current quarter, versus \$.39 in the third quarter of 2023. The decline primarily reflects lower EBIT as discussed above.

Nine Months:

Trade sales were \$3,327 million in the first nine months of 2024, an 8% decrease versus the same period last year. Organic sales decreased 8%. Volume was down 5%, primarily from continued weak demand in residential end markets and the expected loss of a customer in Specialty Foam. Raw material-related selling price decreases and currency impact reduced sales 3%.

EBIT decreased 271% to (\$474) million, primarily from a \$675 million non-cash goodwill impairment charge, in addition to restructuring costs, lower volume, unfavorable sales mix in Steel Rod and Specialty Foam, metal margin compression, and higher bad debt reserves. These decreases were partially offset by lower amortization, operational efficiency improvements, gains on sales of real estate, and restructuring benefit.

EPS decreased to (\$3.83) for the first nine months of 2024, versus \$1.18 in the same period of 2023. The decline primarily reflects lower EBIT as discussed above.

Net Interest Expense and Income Taxes

Net interest expense was flat and \$3 million lower in the three and nine months ended September 30, 2024, respectively, as compared to same periods last year. Interest rates were higher on slightly higher interest-bearing cash balances. Interest rates on borrowings were also higher, but average outstanding balances were lower.

Our worldwide effective tax rate was 22% for the third quarter of 2024, compared to 25% for the same quarter last year. While the U.S. statutory federal income tax rate was 21% in both years, foreign withholding taxes and the impact of foreign earnings added 3% to our tax rate in 2024 and 2% in 2023, while changes in estimates related to tax filings reduced our tax rate by 1% in 2024 while increasing it 2% in 2023. Other less significant items reduced the tax rate by an additional 1% in 2024.

We are anticipating a tax rate of 23% for the fourth quarter of 2024, including the impact of discrete tax items that we expect to occur. We utilize prudent tax planning strategies for opportunities to optimize our tax rate, but other factors, such as our overall profitability, the mix and level of earnings among jurisdictions, the type of income earned, business acquisitions and dispositions, the impact of tax audits, and the effect of tax law changes can also influence our rate.

Discussion of Segment Results

Third Quarter:

A description of the products included in each segment, along with segment financial data, appears in [Note C](#) to the Consolidated Condensed Financial Statements on page 11. A summary of segment results is shown in the following tables.

Trade Sales (Dollar amounts in millions)	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Change in Trade Sales		% Change in Organic Sales ¹
			\$	%	
Bedding Products	\$ 445.5	\$ 483.3	\$ (37.8)	(7.8)%	(7.8)%
Specialized Products	299.9	319.4	(19.5)	(6.1)	(6.1)
Furniture, Flooring & Textile Products	356.3	372.7	(16.4)	(4.4)	(4.4)
Total	\$ 1,101.7	\$ 1,175.4	\$ (73.7)	(6.3)%	(6.3)%

EBIT (Dollar amounts in millions)	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Change in EBIT		EBIT Margins	
			\$	%	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023
Bedding Products	\$ 25.5	\$ 31.1	\$ (5.6)	(18.0)%	5.7 %	6.4 %
Specialized Products	24.8	31.2	(6.4)	(20.5)	8.3	9.8
Furniture, Flooring & Textile Products	27.4	29.5	(2.1)	(7.1)	7.7	7.9
Intersegment eliminations and other	—	(.4)	.4			
Total	\$ 77.7	\$ 91.4	\$ (13.7)	(15.0)%	7.1 %	7.8 %

Depreciation and Amortization (Dollar amounts in millions)	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023
Bedding Products	\$ 14.8	\$ 26.2
Specialized Products	11.0	10.7
Furniture, Flooring & Textile Products	5.4	5.5
Unallocated ²	5.2	2.6
Total	\$ 36.4	\$ 45.0

¹ This is a change in trade sales not attributable to acquisitions or divestitures in the last 12 months.

² Unallocated consists primarily of depreciation and amortization on non-operating assets.

Bedding Products

Trade sales decreased \$38 million, or 8%. Organic sales decreased 8%. Volume decreased 3%, primarily due to the expected loss of a customer in our Specialty Foam business and demand softness in U.S. and European bedding markets, partially offset by higher trade rod and wire sales. Raw material-related selling price decreases and currency impact reduced sales 5%.

EBIT decreased \$6 million, primarily from unfavorable sales mix in Steel Rod and Specialty Foam, restructuring charges, and metal margin compression. These decreases were partially offset by a gain on the sale of restructuring-related real estate, lower amortization expense, operational efficiency improvements in Specialty Foam, and restructuring benefit.

Specialized Products

Trade sales decreased \$20 million, or 6%. Organic sales decreased 6% and volume decreased 7%, with declines in Automotive and Hydraulic Cylinders partially offset by growth in Aerospace. Raw material-related selling price increases and currency benefit combined added 1%.

EBIT decreased \$6 million, primarily from lower volume and restructuring charges, partially offset by operational efficiency improvements and disciplined cost management.

Furniture, Flooring & Textile Products

Trade sales decreased \$16 million, or 4%. Organic sales decreased 4%. Volume decreased 2%, primarily from declines in Home Furniture, Geo Components, and Fabric Converting. Raw material-related selling price decreases, net of currency benefit, reduced sales 2%.

EBIT decreased \$2 million, primarily from lower volume and restructuring charges, partially offset by disciplined cost management.

Nine Months:

A description of the products included in each segment, along with segment financial data, appears in [Note C](#) to the Consolidated Condensed Financial Statements on page 11. A summary of segment results is shown in the following tables.

Trade Sales (Dollar amounts in millions)	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023	Change in Sales		% Change in Organic Sales ¹
			\$	%	
Bedding Products	\$ 1,331.5	\$ 1,516.2	\$ (184.7)	(12.2)%	(12.2)%
Specialized Products	935.4	961.3	(25.9)	(2.7)	(2.7)
Furniture, Flooring & Textile Products	1,060.3	1,132.7	(72.4)	(6.4)	(6.4)
Total	\$ 3,327.2	\$ 3,610.2	\$ (283.0)	(7.8)%	(7.8)%

EBIT (Dollar amounts in millions)	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023	Change in EBIT		EBIT Margins	
			\$	%	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Bedding Products	\$ (550.6)	\$ 87.4	\$ (638.0)	(730.0)%	(41.4)%	5.8 %
Specialized Products	39.0	93.0	(54.0)	(58.1)	4.2	9.7
Furniture, Flooring & Textile Products	41.6	96.7	(55.1)	(57.0)	3.9	8.5
Intersegment eliminations and other	(3.6)	(.7)	(2.9)			
Total	\$ (473.6)	\$ 276.4	\$ (750.0)	(271.3)%	(14.2)%	7.7 %

Depreciation and Amortization (Dollar amounts in millions)	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Bedding Products	\$ 43.7	\$ 77.3
Specialized Products	31.4	31.7
Furniture, Flooring & Textile Products	16.2	17.0
Unallocated ²	10.6	9.1
Total	\$ 101.9	\$ 135.1

¹ This is a change in trade sales not attributable to acquisitions or divestitures in the last 12 months.

² Unallocated consists primarily of depreciation and amortization on non-operating assets.

Bedding Products

Trade sales decreased \$185 million, or 12%. Organic sales decreased 12%. Volume decreased 6%, primarily due to demand softness in U.S. and European bedding markets and the expected loss of a customer in Specialty Foam, partially offset by higher trade rod sales. Raw material-related selling price decreases reduced sales 6%.

EBIT decreased \$638 million, primarily from a \$587 million non-cash goodwill impairment charge, in addition to restructuring costs, unfavorable sales mix in Steel Rod and Specialty Foam, raw material-related pricing adjustments, metal margin compression, lower volume, increased inventory write-downs/reserves, and higher bad debt reserves. These decreases were partially offset by lower amortization expense due to the fourth quarter 2023 long-lived asset impairment, gains on sales of real estate, operational efficiency improvements in Specialty Foam, and restructuring benefit.

Specialized Products

Trade sales decreased \$26 million, or 3%. Organic sales decreased 3%. Volume decreased 3% with declines in Automotive and Hydraulic Cylinders partially offset by growth in Aerospace. Currency impact was offset by raw material-related price increases.

EBIT decreased \$54 million, primarily from a \$44 million non-cash goodwill impairment charge in Hydraulic Cylinders, lower volume, less benefit from a reduction to a contingent purchase price liability associated with a prior year acquisition, and restructuring costs, partially offset by operational efficiency improvements and disciplined cost management.

Furniture, Flooring & Textile Products

Trade sales decreased \$72 million, or 6%. Organic sales decreased 6%. Volume decreased 4% from declines across the segment. Raw material-related selling price decreases, net of currency benefit, reduced sales 2%.

EBIT decreased \$55 million, primarily from a \$44 million non-cash goodwill impairment charge in Work Furniture, lower volume, and restructuring costs. These decreases were partially offset by pricing discipline.

LIQUIDITY AND CAPITALIZATION

Liquidity

Sources of Cash

Cash on Hand

At September 30, 2024, we had cash and cash equivalents of \$277 million primarily invested in interest-bearing bank accounts and in bank time deposits with original maturities of three months or less. Substantially all of these funds are held in the international accounts of our foreign operations.

If we were to immediately bring back all our foreign cash to the U.S. in the form of dividends, we would pay foreign withholding taxes of approximately \$17 million. Due to capital requirements in various jurisdictions, approximately \$34 million of this cash was inaccessible for repatriation at September 30, 2024. Inaccessible cash balances can fluctuate from quarter to quarter based on the amount of foreign distributable profits available and the variability of our foreign cash balances.

Cash from Operations

The primary source of funds for our short-term cash requirements is our cash generated from operating activities. Earnings and changes in working capital levels are the two factors that generally have the greatest impact on our cash from operations. Cash from operations for the nine months ended September 30, 2024 was \$183 million, down \$168 million from the same period last year, primarily from lower earnings and less working capital improvements versus last year.

We closely monitor our working capital levels and ended the quarter with adjusted working capital at 14.5% of annualized trade sales. The table below explains this non-GAAP calculation. We eliminate cash, current debt maturities, and the current portion of operating lease liabilities from working capital to monitor our operating efficiency and performance related to trade receivables, inventories, and accounts payable. We believe this provides a more useful measurement to investors since cash and current maturities can fluctuate significantly from period to period. As discussed in [Cash on Hand](#) above, substantially all of these funds are held by international operations and may not be immediately available to reduce debt on a dollar-for-dollar basis.

(Dollar amounts in millions)	September 30, 2024	December 31, 2023
Current assets	\$ 1,734.5	\$ 1,881.4
Current liabilities ¹	1,171.7	1,262.6
Working capital	562.8	618.8
Less: Cash and cash equivalents included in current assets	277.2	365.5
Add: Current debt maturities and current portion of operating lease liabilities included in current liabilities	354.8	365.3
Adjusted working capital	\$ 640.4	\$ 618.6
Annualized trade sales ²	\$ 4,406.8	\$ 4,460.4
Working capital as a percent of annualized trade sales	12.8 %	13.9 %
Adjusted working capital as a percent of annualized trade sales	14.5 %	13.9 %

¹ Current liabilities include dividends payable, which were \$6.7 million and \$61.3 million at September 30, 2024 and December 31, 2023, respectively.

² Annualized trade sales is the respective quarter's trade sales multiplied by 4 (third quarter 2024 and fourth quarter 2023 trade sales were \$1,101.7 million and \$1,115.1 million, respectively). We believe measuring our working capital against this sales metric is more useful, since efficient management of working capital includes adjusting those net asset levels to reflect current business volume.

Primary Components of our Working Capital

	Amount (in millions)			Days		
	September 30, 2024	December 31, 2023	September 30, 2023	Three Months Ended September 30, 2024	Twelve Months Ended December 31, 2023	Three Months Ended September 30, 2023
Trade Receivables	\$ 583.9	\$ 564.9	\$ 626.9	DSO ¹ 49	45	49
Inventories	\$ 754.4	\$ 819.7	\$ 834.9	DIO ² 77	81	80
Accounts Payable	\$ 516.0	\$ 536.2	\$ 534.1	DPO ³ 53	50	51

¹ Days sales outstanding

a. Quarterly: end of period trade receivables ÷ (quarterly net trade sales ÷ number of days in the period)

b. Annually: ((beginning of year trade receivables + end of period trade receivables) ÷ 2) ÷ (net trade sales ÷ number of days in the period)

² Days inventory on hand

a. Quarterly: end of period inventory ÷ (quarterly cost of goods sold ÷ number of days in the period)

b. Annually: ((beginning of year inventory + end of period inventory) ÷ 2) ÷ (cost of goods sold ÷ number of days in the period)

³ Days payables outstanding

a. Quarterly: end of period accounts payable ÷ (quarterly cost of goods sold ÷ number of days in the period)

b. Annually: ((beginning of year accounts payable + end of period accounts payable) ÷ 2) ÷ (cost of goods sold ÷ number of days in the period)

We continue to monitor all elements of working capital in order to optimize cash flow.

Trade Receivables - Our trade receivables and DSO increased at September 30, 2024 compared to December 31, 2023 primarily due to sales late in the quarter, timing of collections, and volume increases in our Steel Rod business, partially offset by lower pricing due to deflation. Trade receivables decreased and DSO remained flat compared to September 30, 2023 from demand softness, lower pricing due to deflation, and restructuring plan impacts. These were partially offset by volume increases in our Steel Rod and Aerospace businesses.

We recorded bad debt expense of \$9 million during the first nine months of 2024. Weak demand and changing market dynamics have created disruption and financial instability for some of our customers, particularly in the Bedding Products segment. A few of these customers began to exhibit slow payment and past-due trends during 2024. As a result, we increased our reserves for these customers and implemented payment plans where needed. We believe we have established appropriate reserves.

We monitor our receivable portfolio closely and make reserve decisions based upon individual customer credit risk reviews, customer payment trends (percentage of current and past due), historical loss experience, and general macroeconomic and industry trends that could impact the expected collectability of all customers or pools of customers with similar risk. We obtain credit applications, credit reports, bank and trade references, and periodic financial statements from our customers to establish credit limits and terms as appropriate. In cases where a customer's payment performance or financial condition begins to deteriorate or in the event of a customer bankruptcy, we tighten our credit limits and terms and make appropriate reserves based upon the facts and circumstances for each individual customer, as well as pools of similar customers.

Inventories - Our inventories and DIO decreased at September 30, 2024 compared to both December 31, 2023 and September 30, 2023 due to demand softness, efforts to reduce inventories, deflation, and Restructuring Plan impacts.

We continuously monitor our slower-moving and potentially obsolete inventory through reports on inventory quantities compared to usage within the previous 12 months. We also utilize cycle counting programs and complete physical counts of our inventory. When potential inventory obsolescence is indicated by these controls, we will take charges for write-downs to maintain an adequate level of reserves. Inventory write-downs for the first nine months of 2024 were \$25 million versus \$5 million in 2023, primarily due to write-downs on selected products and Restructuring Plan impacts primarily within the Bedding Products segment.

Accounts Payable - Our accounts payable decreased and DPO increased compared to December 31, 2023 and September 30, 2023 primarily due to demand softness and timing of payments. Our payment terms did not change meaningfully since last year, and we have continued to focus on optimizing payment terms with our vendors. We continue to look for ways to establish and maintain favorable payment terms through purchasing synergies and also utilize third-party services that offer flexibility to our vendors, which, in turn, helps us manage our DPO as discussed below.

Accounts Receivable and Accounts Payable Programs - We participate in trade receivables sales programs in combination with certain customers and third-party banking institutions. Under each of these programs, we sell our entire interest in the trade receivable for 100% of face value, less a discount. Because control of the sold receivable is transferred to the buyer at the time of sale, accounts receivable balances sold are removed from the Consolidated Condensed Balance Sheets and the related proceeds are reported as cash provided by operating activities in the Consolidated Condensed Statements of Cash Flows. We had approximately \$45 and \$60 million of trade receivables that were sold and removed from our balance sheets at September 30, 2024 and December 31, 2023, respectively. These sales reduced our quarterly DSO by roughly four and five days at September 30, 2024 and December 31, 2023, respectively. Activities in these programs decreased year-to-date operating cash flow by approximately \$15 million for the nine months ended September 30, 2024.

For accounts payable, we have historically looked for ways to optimize payment terms through utilizing third-party programs that allow our suppliers to be paid earlier at a discount or for a fee. While these programs assist us in negotiating payment terms with our suppliers, we continue to make payments based on our customary terms. Contracts with our suppliers are negotiated independently of supplier

participation in the programs, and we cannot increase payment terms pursuant to the programs. The primary program allows a supplier to elect to take payment from a third party earlier with a discount, and in that case, we pay the third party on the original due date of the invoice. As such, there is no direct impact on our DPO, accounts payable, operating cash flows, or liquidity. The accounts payable settled through the third-party programs, which remain on our Consolidated Condensed Balance Sheets, were approximately \$100 million at September 30, 2024 and \$105 million at December 31, 2023.

The above items encompass multiple individual programs that are utilized as tools in our cash flow management, and we offer them as options to facilitate customer and vendor operating cycles. Because many of these programs operate independently, and a cessation of all these programs at the same time is not reasonably likely, we do not expect changes in these programs to have a material impact on our operating cash flows or liquidity.

Mexico Value-Added Taxes (VAT) Recoverable - We are subject to VAT in various jurisdictions. Where we are entitled to a refund of the VAT we have paid, we are required to make a claim for refund from the government authorities. We establish VAT receivables for these claims, but have been experiencing refund delays in Mexico. We believe these are fully collectible. The aggregate of current and long-term balances of Mexico VAT recoverable was \$36 million and \$48 million at September 30, 2024 and December 31, 2023, respectively. Our recent discussions with the government have resulted in an updated timeline for resolution. As a result, we have classified \$6 million as long-term as of September 30, 2024.

Commercial Paper Program

Another source of funds for our short-term cash requirements is our \$1.2 billion commercial paper program. As of September 30, 2024, we had \$84 million commercial paper outstanding. For more information regarding the borrowing capacity under our commercial paper program, see [Commercial Paper Program](#) on page 38.

Credit Facility

Our credit facility is a multi-currency facility providing us the ability, from time to time, to borrow, repay, and re-borrow up to \$1.2 billion until the maturity date, at which time our ability to borrow under the facility will terminate. The credit facility matures in September 2026. Currently, there are no borrowings under the credit facility. For more information on our credit facility, see [Credit Facility](#) on page 39.

Capital Markets

We also believe that we have the ability to raise debt in the capital markets which acts as a source of funding of long-term cash requirements. Currently, we have \$1.9 billion of total debt outstanding. The maturities of the long-term debt range from 2024 through 2051. Our next scheduled maturity of outstanding debt is our \$300 million 3.8% Senior Notes due in November 2024, which we expect to retire predominantly with commercial paper. For more information, please see [Long-Term Debt \(including Current Maturities\)](#), on page 39.

Uses of Cash

The Board and our management team thoroughly evaluated our capital allocation priorities and, after much consideration, determined to reduce our quarterly dividend. We expect to reallocate a large portion of cash spent on dividends to deleverage our balance sheet and enhance our financial position in the near term as weak demand, primarily in our residential end markets, continues to pressure earnings. In the longer term, we expect to use cash to grow our business both organically and through strategic acquisitions, while also returning cash to shareholders via a combination of dividends and share buybacks.

Capital Expenditures

We are making investments to support expansion in businesses and product lines where sales are profitably growing, for efficiency improvement and maintenance, and for system enhancements. We expect capital expenditures of \$100 million in 2024 of which we have spent \$60 million as of September 30, 2024. For the periods covered, our employee incentive plans emphasized returns on capital, including capital expenditures and working capital. This emphasis focuses our management on asset utilization and helps ensure that we are investing additional capital dollars where attractive return potential exists.

Acquisitions

We seek strategic acquisitions that complement our current products and capabilities.

We did not acquire any businesses in the first nine months of 2024. For the full year 2024, we currently expect acquisition activity to be minimal.

Dividends

In August 2024, we declared a quarterly dividend of \$.05 per share, a \$.41 or 89% decrease versus third quarter of 2023. The decision to reduce the dividend was made following a thorough evaluation by the Board and our management team. This action will free up capital to accelerate the deleveraging of our balance sheet and solidify our long-held financial strength.

Stock Repurchases

During the third quarter of 2024, there were no material share repurchases and we issued .1 million shares through employee benefit plans. For the first nine months of 2024, the Company repurchased .2 million shares of our stock (at an average price of \$20.85) and issued 1.1 million shares through employee benefit plans.

We have been authorized by the Board to repurchase up to 10 million shares each calendar year, but we have established no specific repurchase commitment or timetable. The amount of future repurchases is dependent upon price of the stock, the amount of discretionary cash flow generated by the Company, alternative uses for the cash (including debt reduction, organic growth opportunities, and acquisitions) and other factors. We expect stock repurchases to be minimal for the remainder of 2024.

Short-Term and Long-Term Cash Requirements

In addition to the expected uses of cash discussed above, we have various material short-term (12 months or less) and long-term (more than 12 months) cash requirements. There have been no material changes in the third quarter 2024 to our short-term or long-term cash requirements as previously reported in our cash requirements table on page 52 of our [Form 10-K](#) filed February 27, 2024. We expect to have adequate liquidity to meet our short-term and long-term cash requirements.

Capitalization

Capitalization Table

This table presents key debt and capitalization statistics for the periods presented:

(Dollar amounts in millions)	September 30, 2024	December 31, 2023
Total debt excluding commercial paper	\$ 1,795.3	\$ 1,801.6
Less: Short-term debt and current maturities of long-term debt	301.1	308.0
Scheduled maturities of long-term debt	1,494.2	1,493.6
Average interest rates ¹	3.8 %	3.8 %
Average maturities in years ¹	9.9	10.5
Commercial paper ²	84.0	186.0
Average interest rate on period-end balance outstanding	5.3 %	5.6 %
Average interest rate during the period (2024-three months; 2023-twelve months)	5.8 %	5.2 %
Total long-term debt	1,578.2	1,679.6
Deferred income taxes and other liabilities	288.4	358.3
Total equity	741.8	1,334.0
Total capitalization	\$ 2,608.4	\$ 3,371.9
Unused committed credit:		
Long-term	\$ 1,116.0	\$ 1,014.0
Short-term	—	—
Total unused committed credit ²	\$ 1,116.0	\$ 1,014.0
Cash and cash equivalents	\$ 277.2	\$ 365.5

¹ These rates include current maturities, but exclude commercial paper to reflect the averages of outstanding debt with scheduled maturities.

² The unused committed credit amount is based on our revolving credit facility and commercial paper program which, at year end 2023 and at the end of the third quarter of 2024, had a total authorized program amount of \$1.2 billion. However, our borrowing capacity is limited by covenants to our credit facility. Reference is made to the discussion under [Commercial Paper Program](#) below and [Credit Facility](#) on page 39 for more details about our borrowing capacity at September 30, 2024.

Commercial Paper Program

Amounts outstanding related to our commercial paper program were:

(Amounts in millions)	September 30, 2024	December 31, 2023
Total authorized program	\$ 1,200.0	\$ 1,200.0
Commercial paper outstanding (classified as long-term debt)	84.0	186.0
Letters of credit issued under the credit agreement	—	—
Amount limited by restrictive covenants of credit facility ¹	645.1	682.1
Total program available	\$ 470.9	\$ 331.9

¹ Our borrowing capacity is limited by covenants to our credit facility. Reference is made to the discussion under [Credit Facility](#) on page 39 for more details about our borrowing capacity at September 30, 2024.

The average and maximum amounts of commercial paper outstanding during the third quarter of 2024 were \$229 million and \$266 million, respectively. We expect to increase our outstanding balance in the fourth

quarter 2024 by predominately utilizing commercial paper to retire our \$300 million 3.8% Senior Notes which mature on November 15, 2024. At quarter end, we had no letters of credit outstanding under the credit facility, but we had issued \$52 million of stand-by letters of credit under other bank agreements to take advantage of better pricing.

Over the long-term, and subject to our credit ratings, market conditions, capital needs, and alternative capital market opportunities, we expect to maintain the indebtedness under the commercial paper program by continuously repaying and reissuing the commercial paper notes. We view the notes as a source of long-term funds and have classified the borrowings under the commercial paper program as long-term borrowings on our balance sheet. We have the intent to roll over such obligations on a long-term basis and have the ability to refinance these borrowings on a long-term basis as evidenced by our \$1.2 billion revolving credit facility maturing in 2026 discussed below. Recently, our credit ratings have lowered and could be lowered further. Lower credit ratings could adversely affect our borrowing capacity and our financial arrangements, including access to the commercial paper market, our lending agreements, and supply chain financing arrangements. If we are unable to meet our short-term borrowing needs in the commercial paper market, we may rely more heavily on bank debt to fund short-term working capital needs at higher interest costs.

Credit Facility

Our multi-currency credit facility matures in September 2026. It provides us the ability, from time to time, subject to certain restrictive covenants and customary conditions, to borrow, repay, and re-borrow up to \$1.2 billion.

To provide additional borrowing capacity and financial flexibility, we amended our credit agreement in March 2024 to increase the Leverage Ratio from 3.50 to 1.00 to 4.00 to 1.00. After the amendment, our credit facility contains restrictive covenants which include (a) an amended Leverage Ratio requiring us to maintain, as of the last day of each fiscal quarter, or when we borrow under the credit facility (i) Consolidated Funded Indebtedness minus the lesser of: (A) Unrestricted Cash, or (B) \$750 million to (ii) Consolidated EBITDA for the four consecutive trailing quarters of not greater than 4.00 to 1.00 as of March 31, 2024 through June 30, 2025, and not greater than 3.50 to 1.00 beginning September 30, 2025 through maturity; provided however, subject to certain limitations, if we make a Material Acquisition in any fiscal quarter after June 30, 2025, at our election, the maximum Leverage Ratio shall be 4.00 to 1.00 for the fiscal quarter during which such Material Acquisition is consummated and the next three consecutive fiscal quarters; (b) a limitation of the amount of total secured obligations to 15% of our total consolidated assets; and (c) a limitation on our ability to sell, lease, transfer, or dispose of all, or substantially all, of our assets and the assets of our subsidiaries, taken as a whole (other than accounts receivable sold in a Permitted Securitization Transaction, products sold in the ordinary course of business and our ability to sell, lease, transfer, or dispose of any of our assets or the assets of one of our subsidiaries to us or one of our subsidiaries, as applicable) at any given point in time. We were in compliance with all of our debt covenants at the end of third quarter 2024 and we expect to maintain compliance in the future. For more information about long-term debt, please see [Note I](#) on page 95 of the Notes to Consolidated Financial Statements in our Form 10-K filed February 27, 2024.

Our credit facility serves as back-up for our commercial paper program. At September 30, 2024, we had \$84 million commercial paper outstanding and had no borrowing under the credit facility. As our trailing 12-month Consolidated EBITDA, Unrestricted Cash, and debt levels change, our borrowing capacity increases or decreases. Based on our trailing 12-month Consolidated EBITDA, Unrestricted Cash, and debt levels at September 30, 2024, our borrowing capacity under the credit facility was \$471 million. However, this may not be indicative of the actual borrowing capacity moving forward, which may be materially different depending on our Consolidated EBITDA, Unrestricted Cash, debt levels, and leverage ratio requirements at that time.

Long-Term Debt (including Current Maturities)

We have total debt of \$1.9 billion. The maturities of the long-term debt range from 2024 through 2051. Our next scheduled maturity of outstanding debt is our \$300 million 3.8% Senior Notes due in November 2024, which we expect to retire predominantly with commercial paper. We expect lower interest expense as we deleverage, but at current interest rates and commercial paper balances, interest costs would increase by approximately \$4 million on an annualized basis, or if we are required to refinance commercial paper under our credit facility our interest costs would increase by approximately \$7 million on an annualized basis related to the

retirement. For more details on long-term debt, please refer to Footnote I to our Consolidated Financial Statements on page 95 in our [Form 10-K](#) filed February 27, 2024.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

We prepare our consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. To do so, we must make estimates and judgments that affect the reported amounts of assets, liabilities, revenues, expenses, and disclosures. If we used different estimates or judgments, our financial statements could change. Some of these changes could be significant. Our estimates are frequently based upon historical experience and are considered by management, at the time they are made, to be reasonable and appropriate. Estimates are adjusted for actual events as they occur.

Critical accounting estimates are those that are: (a) subject to uncertainty and change and (b) of material impact to our financial statements. There were no newly identified critical accounting policies or estimates in the first nine months of 2024, and there have been no material changes to our critical accounting policies and estimates as previously disclosed beginning on page 54 in our [Form 10-K](#) filed February 27, 2024.

CONTINGENCIES

Litigation

Litigation Contingencies

We are exposed to litigation contingencies that, if realized, could have a material negative impact on our financial condition, results of operations, and cash flows.

Although we deny liability in all currently threatened or pending litigation proceedings, we have recorded an immaterial aggregate litigation contingency accrual at September 30, 2024 (which does not include accrued expenses related to workers' compensation, vehicle-related personal injury, product and general liability claims, taxation issues, and environmental matters). Based on current known facts, aggregate reasonably possible (but not probable, and therefore, not accrued) losses in excess of accruals for litigation contingencies are estimated to be \$14 million. If our assumptions or analyses regarding any of our contingencies are incorrect, or if facts change or future litigation arises, we could realize losses in excess of the recorded accruals (including losses in excess of the \$14 million referenced above), which could have a material negative impact on our financial condition, results of operations, and cash flows. Also, we could be subject to future litigation of various types (including, but not limited to, litigation related to employment, intellectual property, environmental, taxation, vehicle-related personal injury, climate change, and others) that could negatively impact our financial condition, results of operations, and cash flows. For more information regarding our litigation contingencies, see [Item 1 Legal Proceedings](#) on page 45 and [Note O Contingencies](#) on page 22 of the Notes to Consolidated Condensed Financial Statements.

Climate Change

Transition Risks

Change in Laws, Policies, and Regulations. Many scientists, legislators, and others attribute global warming to increased levels of greenhouse gas (GHG) emissions, including carbon dioxide, which has led to significant legislative and regulatory efforts to limit such emissions. At September 30, 2024, we had approximately 120 production facilities in 18 countries. We also maintain a fleet of over-the-road tractor trailers that emit GHG. Our manufacturing facilities are primarily located in North America, Europe, and Asia. There are certain transition risks (meaning risks related to the process of reducing our carbon footprint) that could materially affect our business, capital expenditures, compliance costs, results of operations, financial condition, competitive position, and reputation. One of these transition risks is the change in treaties, laws, policies, and regulations that could impose significant operational and compliance burdens. For example, some of our operations are subject to certain governmental actions like the EU "European Green Deal" (which provides for a 55% reduction in net GHG emissions by 2030 (compared to 1990 levels), and no net emissions of GHG by 2050), and the "Paris Agreement" (which is an international treaty on climate change designed to lower GHG emissions).

Other laws that could materially increase our compliance costs are the California Climate Corporate Data Accountability Act and Climate-Related Financial Risk Act, as well as the EU Corporate Sustainability Reporting Directive, the EU Carbon Border Adjustment Mechanism, and the EU regulation on Deforestation-free Products. In addition, with respect to our Automotive Group, the EU is moving forward with an effective ban on the sale of new gas-powered automobiles (with the exception of CO₂-neutral automobiles) in the EU from 2035 (with interim requirements by 2030), aiming to accelerate the conversion to zero-GHG emission automobiles as part of a broad package to combat global warming. Also, President Biden signed executive orders setting the goal of having zero-emission vehicles account for half of all new U.S. passenger car and light truck sales by 2030 and committing the Federal government to procuring only zero-emission vehicles by 2035. Finally, some states, including California and New York, are also implementing similar provisions. Our automotive products can be sold to manufacturers of either gas-powered or electric-powered vehicles. However, if our customers (who may be subject to any of these or other similarly proposed or newly enacted laws and regulations) incur additional costs to comply with such laws and regulations, which in turn, impact their ability to operate at similar levels in certain jurisdictions, the demand for our products could be adversely affected. Also, overall, there continues to be a lack of consistent climate legislation in the jurisdictions in which we operate, which creates economic and regulatory uncertainty. If these laws or regulations (including the SEC's recently adopted climate-related disclosure rules, if upheld) impose significant operational restrictions and compliance requirements on us, they could increase costs associated with our operations, including costs for raw materials and transportation. Non-compliance with climate change treaties, legislative, and regulatory requirements could also negatively impact our reputation. To date, however, we have not experienced a material impact from climate change legislative and regulatory efforts.

Market Transition. We are engaged in the manufacture of various automotive components, including mechanical and pneumatic lumbar support and massage systems for seating, seat suspension systems, motors and actuators, and cables. For several decades, automotive manufacturers have sought lightweight components designed to increase fuel efficiency in the automobiles they manufacture. Replacing traditional steel components with high-strength steel, magnesium, aluminum alloys, carbon fiber, polymer composites, or post-consumer grade recycled nylon and plastics can directly reduce the weight of a vehicle's body and chassis and therefore reduce a vehicle's fuel consumption. This increased fuel efficiency also indirectly reduces GHG emissions. Because of our technological competitiveness, this long-standing market transition has not had, and is not expected to have, a material negative impact on our share of the markets in which we compete. However, if we are unable to continue to react to changes in technology, successfully develop, engineer, and bring to market new and innovative products, or successfully respond to evolving business trends, including continuing to produce comparatively lightweight components, our share in these automotive markets could be negatively impacted.

Physical Climate Change Risks

Direct Physical Effects. The acute and chronic physical effects of climate change, such as severe weather-related events, natural disasters, and/or significant changes in climate patterns, could have an increasingly adverse impact on our business and customers. As mentioned above, at September 30, 2024, we had approximately 120 manufacturing facilities in 18 countries, primarily located in North America, Europe, and Asia. We serve thousands of customers worldwide. In 2023, our largest customer represented less than 6% of our sales, and our customers were located in approximately 100 countries. Although our diverse geographical manufacturing footprint and our broad geographical customer base mitigate the potential physical risks of any local or regional climate change weather-related event having a material effect on our operations and results, the increased frequency and severity of such weather-related events could pose a risk to our operations and results.

To continue improving our climate-related risk assessment processes, we use technology-based tools to monitor our property portfolio's exposure to certain natural catastrophic events. We integrated climate-related risk into our enterprise risk management process, providing an opportunity to improve our internal processes for identifying, assessing, and managing climate-related risks. In April 2023, we experienced tornado damage to a shared Home Furniture and Bedding facility in Mississippi. This event did not have a material impact on our physical properties as a whole, or our overall ability to manufacture and distribute our products to customers in a timely fashion, and it did not have a material effect on our business, financial condition, or results of operations. However, in the future, depending on whether severe weather-related events increase in frequency and severity, such events could result in potential damage to our physical assets, local infrastructure,

transportation systems, water delivery systems, our customers' or suppliers' operations, as well as prolonged disruptions in our manufacturing operations (including, but not limited to, our steel rod mill), all of which could harm our business, results of operations, and financial condition.

Indirect Physical Effects. The physical effects of climate change could continue to have an adverse impact on our supply chain. In recent years, we experienced (due, in part, to severe weather-related impacts) supply shortages in chemicals, which restricted foam supply. The restriction of foam supply constrained overall mattress production in the bedding industry and reduced our production levels. The cost of chemicals and foam also increased due to the shortages. Severe weather impacts could also reduce supply of other products in our supply chain that could result in higher prices for our products and the resources needed to produce them. If we are unable to secure an adequate and timely supply of raw materials or products in our supply chain, or the cost of these raw materials or products materially increases, it could have a negative impact on our business, results of operations, and financial condition.

In 2023, drought conditions lowered the water levels of the Mississippi River and Panama Canal, reducing traffic through these waterways. Although these issues have not had a material impact on our results of operations, additional logistical disruptions including, but not limited to, natural disasters, could result in additional costs and delays in our ability to deliver products timely to certain customers.

In addition, although the cost has not been, and is not expected to be, material to our business, results of operations, and financial condition, severe weather-related incidents have resulted and may, in the future, result in increased costs of our property insurance.

GHG Reduction Strategy

To date, we have not experienced material climate-related compliance costs. However, evaluating opportunities to reduce our carbon footprint, setting goals for carbon reduction, and measuring performance in achieving those goals are part of our sustainability and corporate governance strategy moving forward. We have completed our 2023 GHG emissions inventory. To ensure our information is complete and accurate, we engaged a third-party limited assurance provider to review our 2023 data. Our emissions inventory includes Scope 1 and Scope 2 carbon dioxide equivalent emissions. We considered the principles and guidance of the GHG Protocol Corporate Accounting and Reporting Standard and GHG Protocol Scope 2 Guidance in preparing our 2023 GHG emissions inventory. As of 2023, our total GHG emissions were 25% less than our combined Scope 1 and 2 GHG emissions inventory compared to our baseline year of 2019, which generally correlates with our decrease in production and volume over the same time period.

Our baseline measurement will inform a long-term GHG reduction strategy, including setting reduction targets and other key performance areas. Our key initiatives as we move through 2024, 2025, and into 2026 include: developing our emissions reduction pathways to reduce GHG emissions, undertaking our first Scope 3 emissions inventory, assessing where emission reduction opportunities lie within our value chain, and preparing for and complying with new reporting requirements. As we evaluate our GHG emissions, we recognize the importance of understanding the impact of our emissions across our value chain. We expect to compile a full emissions inventory, including Scope 3, to inform the setting of a science-aligned carbon reduction target. We currently do not have an estimate of the capital expenditures or operating costs that may be required to implement our GHG reduction strategy. While implementing our GHG reduction strategy is expected to require capital investment and increase operational costs, the ultimate impact and associated cost cannot be predicted at this time. For more information regarding our GHG reduction strategy, see our Sustainability Report at www.leggett.com. Our Sustainability Report does not constitute part of this Quarterly Report on Form 10-Q.

Cybersecurity Risks

We rely on information systems to obtain, process, analyze, and manage data, as well as to facilitate the manufacture and distribution of inventory to and from our facilities. We receive, process, and ship orders, manage the billing of and collections from our customers, and manage the accounting for and payment to our vendors. We also manage our production processes with certain industrial control systems. Consequently, we are subject to cybersecurity risk.

Although we have purchased broad form cyber insurance coverage and strive to provide a balanced level of cybersecurity protections, cybersecurity risk has increased due to remote access, remote work conditions, and increased sophistication of cybersecurity adversaries, as well as the increased frequency of cybersecurity attacks. As such, information technology failures or cybersecurity breaches could still create system disruptions

or unauthorized disclosure or alterations of confidential information and disruptions to the systems of our third-party suppliers and providers. We cannot be certain that the attacker's capabilities will not compromise our technology protecting information systems or bypass our detection capabilities, including those resulting from ransomware attached to our industrial control systems. If these systems are interrupted or damaged by any incident or fail for any extended period of time, then our results of operations could be adversely affected. We may incur remediation costs, increased cybersecurity protection costs, lost revenues resulting from unauthorized use of proprietary information, litigation and legal costs, increased insurance premiums, reputational damage, damage to our competitiveness, and negative impact on our stock price and long-term shareholder value. We may also be required to devote significant management resources and expend significant additional resources to address problems created by any such interruption, damage, or failure.

For more information regarding cybersecurity risks, refer to [Information Technology and Cybersecurity Risk Factors](#) on page 53.

Goodwill and Long-Lived Asset Impairment Testing

A significant portion of our assets consists of goodwill and other long-lived assets, the carrying value of which may be reduced if we determine that those assets are impaired. At September 30, 2024, goodwill and other intangible assets represented \$1.0 billion, or 26% of our total assets. In addition, net property, plant and equipment, operating lease right-of-use assets, and sundry assets totaled \$1.1 billion, or 29% of total assets.

As discussed in Major Factors that Impact our Business on page 24, we recorded a \$675 million non-cash impairment of goodwill in the second quarter of 2024.

In evaluating the potential for impairment of goodwill and other long-lived assets, we make assumptions regarding future operating performance, business trends, and market and economic performance, as well as our future sales and operating margins, growth rates, and discount rates. We are continuing to monitor all factors impacting these reporting units. If actual results or the long-term outlook of any of our reporting units materially differ from the assumptions and estimates used in the goodwill and other long-lived assets valuation calculations, we could incur future impairment charges. These non-cash charges could have a material negative impact on our earnings.

NEW ACCOUNTING STANDARDS

The FASB has issued accounting guidance effective for the current and future periods. See [Note A Interim Presentation](#) to the Consolidated Condensed Financial Statements on page 9 for a more complete discussion.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rates

Substantially all of our debt is denominated in United States dollars. The fair value of fixed rate debt was approximately \$190.0 million less than carrying value of \$1,787.9 million at September 30, 2024 and approximately \$175.0 million less than carrying value of \$1,786.4 million at December 31, 2023. The fair value of fixed rate debt was based on quoted market prices in an active market. The fair value of variable rate debt is not significantly different from its recorded amount.

Investment in Foreign Subsidiaries

We view our investment in foreign subsidiaries as a long-term commitment. This investment may take the form of either permanent capital or notes. Our net investment (i.e., total assets less total liabilities subject to translation exposure) in foreign operations with functional currencies other than the U.S. dollar was \$1,056.0 million at September 30, 2024 compared to \$1,202.1 million at December 31, 2023.

Derivative Financial Instruments

We are subject to market and financial risks related to interest rates and foreign currency. In the normal course of business, we utilize derivative instruments (individually or in combinations) to reduce or eliminate these risks. We seek to use derivative contracts that qualify for hedge accounting treatment; however, some instruments may not qualify for hedge accounting treatment. It is our policy not to speculate using derivative instruments. Information regarding cash flow hedges and fair value hedges is provided in Note A Summary of Significant Accounting Policies in the Notes to Consolidated Financial Statements in our [Form 10-K](#) filed February 27, 2024 and [Note N Derivative Financial Instruments](#) beginning on page 21 of the Notes to Consolidated Condensed Financial Statements and is incorporated by reference into this section.

MARKET AND INDUSTRY DATA

Unless indicated otherwise, the information concerning our industries contained herein is based on our general knowledge of and expectations concerning the industries. Our market share is based on estimates using our internal data, data from various industry analyses, internal research, and adjustments and assumptions that we believe to be reasonable. We have not independently verified data from industry analyses and cannot guarantee their accuracy or completeness.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

The “Quantitative and Qualitative Disclosures About Market Risk” section under [Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations](#) is incorporated herein by reference.

Item 4. Controls and Procedures.

EFFECTIVENESS OF COMPANY'S DISCLOSURE CONTROLS AND PROCEDURES

An evaluation as of September 30, 2024 was carried out by the Company’s management, with the participation of the Company’s Chief Executive Officer and Chief Financial Officer, of the effectiveness of the Company’s disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the Exchange Act)). Based upon this evaluation, the Chief Executive Officer and Chief Financial Officer have concluded the Company’s disclosure controls and procedures were effective, as of September 30, 2024, to provide assurance that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified by the Securities and Exchange Commission’s (SEC) rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company’s management, including its Chief Executive Officer and Chief Financial Officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

CHANGES IN THE COMPANY'S INTERNAL CONTROL OVER FINANCIAL REPORTING

There were no changes during the quarter ended September 30, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

The information in [Note O Contingencies](#) beginning on page 22 of our Notes to Consolidated Condensed Financial Statements is incorporated into this section by reference. Reference is made to Item 3. Legal Proceedings and Note S Contingencies in the Notes to Consolidated Financial Statements in our [Form 10-K](#) filed February 27, 2024, Item 1. Legal Proceedings and Note M Contingencies in the Notes to the Consolidated Condensed Financial Statements in our [Form 10-Q](#) filed May 8, 2024, and Item 1. Legal Proceedings and Note O Contingencies in the Notes to the Consolidated Condensed Financial Statements in our [Form 10-Q](#) filed August 7, 2024.

MATTRESS ANTIDUMPING MATTERS

Petition Regarding China, Cambodia, Indonesia, Malaysia, Serbia, Thailand, Turkey, and Vietnam. On March 31, 2020, the Company, along with six other domestic mattress producers, Brooklyn Bedding LLC, Corsicana Mattress Company, Elite Comfort Solutions (a Leggett subsidiary), FXI, Inc., Innocor, Inc., and Kolcraft Enterprises, Inc., and two labor unions, the International Brotherhood of Teamsters and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO (collectively, 2020 Petitioners), filed petitions with the U.S. Department of Commerce (DOC) and the U.S. International Trade Commission (ITC) alleging that manufacturers of mattresses in Cambodia, Indonesia, Malaysia, Serbia, Thailand, Turkey, and Vietnam were unfairly selling their products in the United States at less than fair value and manufacturers of mattresses in China were unfairly benefiting from subsidies, causing harm to the U.S. industry and seeking the imposition of duties on mattresses imported from these countries.

These petitions resulted in antidumping and countervailing duty orders imposing duties ranging from 2.22% to 763.28% on mattresses imported from China, Cambodia, Indonesia, Malaysia, Serbia, Thailand, Turkey, and Vietnam for five years, through May 2026, at which time the DOC and ITC will conduct a sunset review to determine whether to extend the order for an additional five years.

Following certain appeals that were filed with the U.S. Court of International Trade (CIT), some of which remain ongoing, the CIT ruled in favor of the ITC and 2020 Petitioners and sustained the ITC's unanimous injury decision. On February 15, 2024, one respondent filed an appeal of the CIT's decision to the U.S. Court of Appeals for the Federal Circuit, but agreed to dismiss the appeal on October 29, 2024.

Petition Regarding Indonesia, Bosnia and Herzegovina, Bulgaria, Burma, India, Italy, Kosovo, Mexico, the Philippines, Poland, Slovenia, Spain, and Taiwan. On July 28, 2023, the Company, along with nine other domestic mattress producers, Brooklyn Bedding LLC, Carpenter Company, Corsicana Mattress Company, Future Foam, Inc., FXI, Inc., Kolcraft Enterprises Inc., Serta Simmons Bedding, LLC, Southerland Inc., and Tempur Sealy International, and two labor unions, the International Brotherhood of Teamsters and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO (collectively, 2023 Petitioners), filed petitions with the DOC and the ITC alleging that manufacturers of mattresses in Bosnia and Herzegovina, Bulgaria, Burma, India, Italy, Kosovo, Mexico, the Philippines, Poland, Slovenia, Spain, and Taiwan were unfairly selling their products in the United States at less than fair value and manufacturers of mattresses in Indonesia were unfairly benefiting from subsidies, causing harm to the U.S. industry and seeking the imposition of duties on mattresses imported from these countries. The ITC made a preliminary determination of injury on September 11, 2023. On December 26, 2023, the DOC made a negative preliminary determination regarding Indonesian subsidies. The DOC's preliminary determination on dumping was issued February 26, 2024 and imposed duties on finished mattresses. With respect to Bosnia and Herzegovina, Bulgaria, Burma, Italy, Philippines, Poland, Slovenia, and Taiwan, the DOC's final determinations were issued on May 9, 2024, and imposed duties ranging from 106.27% to 744.81% on finished mattresses. The ITC's final determination with respect to those countries was issued on June 11, 2024. With respect to Indonesia, India, Kosovo, Mexico, and Spain, the DOC's final determinations were issued July 16, 2024, and (excluding Indonesia) imposed duties ranging from 4.61% to 344.70%. Regarding Indonesia, the DOC found that the subsidies were below the de minimis threshold. The order evidencing the ITC's final determination as to India, Kosovo, Mexico, and Spain was issued in September 2024.

Item 1A. Risk Factors.

Our 2023 Annual Report on [Form 10-K](#) filed February 27, 2024 includes a detailed discussion of our risk factors in Item 1A Risk Factors which is incorporated herein by reference. The information presented below updates and should be read in conjunction with the risk factors and information disclosed in that Form 10-K.

Investing in our securities involves risk. Set forth below and elsewhere in this report are risk factors that could cause actual results to differ materially from the results contemplated by the forward-looking statements contained in this report. We may amend or supplement these Risk Factors from time to time by other reports we file with the Securities and Exchange Commission.

OPERATIONAL RISK FACTORS

Our Restructuring Plan may not achieve its intended outcomes, and we may incur restructuring costs, restructuring-related costs, and impairments in addition to those anticipated to be incurred in connection with our announced Restructuring Plan.

In the first quarter of 2024, we committed to a restructuring plan, primarily associated with our Bedding Products segment and, to a lesser extent, our Furniture, Flooring & Textile Products segment (the “Restructuring Plan” or “Plan”), which is expected to be substantially complete by the end of 2025. The Plan was expanded in the second quarter of 2024 to include a restructuring opportunity within the Specialized Products segment and in the third quarter of 2024 to include the general and administrative cost structure initiatives. Pursuant to the Plan, we expect to:

- consolidate between 15 and 20 production and distribution facilities (out of 50) in the Bedding Products segment and a small number of production facilities in the Furniture, Flooring & Textile Products segment;
- incur restructuring and restructuring-related costs between \$65 and \$85 million, of which \$40 to \$50 million are anticipated to be incurred in 2024 and the remainder in 2025. This includes \$30 to \$40 million in cash costs, the majority of which are anticipated to be incurred in 2024;
- realize annualized EBIT benefit of \$50 to \$60 million after initiatives are fully implemented in late 2025 versus our prior estimate of \$40 to \$50 million, as we now expect to realize approximately a \$10 million benefit in 2025 from general and administrative initiatives;
- receive between \$60 and \$80 million in pretax net cash proceeds from the sale of real estate associated with the Restructuring Plan; and
- experience a reduction in annual sales by approximately \$80 million.

We continue to make solid progress executing the Plan. To date, we have consolidated 13 production and distribution facilities in the Bedding Products segment and two production facilities in the Furniture, Flooring & Textile Products segment. All domestic innerspring production has been shifted into our four larger, remaining spring production facilities. We also downsized our Chinese innerspring operation and will exit our Mexican innerspring operation by year end, which will conclude all innerspring-related restructuring activity in Bedding Products. In Specialty Foam, we have closed three operations. In early fourth quarter we closed one Adjustable Bed location and shifted production to a more cost-advantaged facility. We successfully executed the restructuring activity in Home Furniture, and we expect to complete phase one of our Flooring Products restructuring by early next year. In Hydraulic Cylinders, manufacturing optimization and operational efficiency improvements are underway.

We initiated a thorough analysis of our general and administrative cost structure across our business units and corporate shared services. Our general and administrative project team is analyzing and identifying opportunities to drive efficiencies. We continue to analyze and identify potential opportunities within our business unit functions; however, we anticipate potential cost reductions will be smaller than those identified in our corporate functions.

We are also exploring a potential sale of our Aerospace business, which is not included in the Plan, and have incurred \$1 million of restructuring-related costs in the third quarter of 2024 related to this activity. This business has not reached the criteria to be classified as held for sale.

Total restructuring and restructuring-related costs, including Plan costs and costs to explore the potential sale of our Aerospace business, for the three and nine months ending September 30, 2024, were \$12 million

(\$11 million cash and \$1 million non-cash) and \$34 million (\$27 million cash and \$7 million non-cash), respectively.

We realized \$6 million of EBIT benefit from the Plan in the third quarter and \$9 million year to date. We still expect to realize approximately \$10-\$15 million of EBIT benefit in 2024. In the third quarter we realized \$4 million of sales attrition and have realized \$7 million of sales attrition year to date. We now expect sales attrition in 2024 of approximately \$15 million versus our prior estimate of \$25 million.

To date and in line with 2024 expectations, we have realized \$20 million of proceeds from the sale of real estate associated with the Plan, including the sale of one facility in third quarter 2024 for net proceeds of \$17 million (pretax gain of \$14 million) and one facility in late October 2024 for net proceeds of \$3 million (estimated pretax gain of \$3 million).

Because of certain risks and uncertainties, the Plan may not achieve its intended outcomes. Our estimates of the number of facilities to be consolidated and the cash and non-cash costs and impairments associated with the Plan may change as our analysis develops and additional information is obtained. Also, we may not be able to implement the Plan in a timely manner that will positively impact our financial condition and results of operations. Moreover, we may not be able to dispose of real estate pursuant to the Plan or obtain the expected proceeds in a timely manner. The Plan may also negatively impact our relationships with employees, customers, and vendors. Finally, because restructuring activities are complex and involve time-consuming processes, substantial demands may be placed on management, which could divert attention from other business priorities or disrupt our daily operations. Any failure to achieve the intended outcomes could materially adversely affect our business, financial condition, results of operations and cash flows, and liquidity.

We continue to evaluate our businesses for further restructuring opportunities in addition to those activities included in the announced Plan. The execution of any of these opportunities may result in additional material restructuring costs, restructuring-related costs, or impairments.

The physical effects of climate change could adversely affect our business, results of operations, and financial condition.

Direct Physical Effects

The acute and chronic physical effects of climate change, such as severe weather-related events, natural disasters, and/or significant changes in climate patterns, could have an increasingly adverse impact on our business and customers. At September 30, 2024, we had approximately 120 manufacturing facilities in 18 countries, primarily located in North America, Europe, and Asia. We serve thousands of customers worldwide. In 2023, our largest customer represented less than 6% of our sales, and our customers were located in approximately 100 countries. Although our diverse geographical manufacturing footprint and our broad geographical customer base mitigate the potential physical risks of any local or regional climate change weather-related event having a material effect on our operations and results, the increased frequency and severity of such weather-related events could pose a risk to our operations and results.

To continue improving our climate-related risk assessment processes, we use technology-based tools to monitor our property portfolio's exposure to certain natural catastrophic events. We integrated climate-related risk into our enterprise risk management process, providing an opportunity to improve our internal processes for identifying, assessing, and managing climate-related risks. In April 2023, we experienced tornado damage to a shared Home Furniture and Bedding facility in Mississippi. This event did not have a material impact on our physical properties as a whole, or our overall ability to manufacture and distribute our products to customers in a timely fashion, and it did not have a material effect on our business, financial condition, or results of operations. However, in the future, depending on whether severe weather-related events increase in frequency and severity, such events could result in potential damage to our physical assets, local infrastructure, transportation systems, water delivery systems, our customers' or suppliers' operations, as well as prolonged disruptions in our manufacturing operations (including, but not limited to, our steel rod mill), all of which could harm our business, results of operations, and financial condition.

Indirect Physical Effects

The physical effects of climate change could continue to have an adverse impact on our supply chain. In recent years, we experienced (due, in part, to severe weather-related impacts) supply shortages in chemicals, which restricted foam supply. The restriction of foam supply constrained overall mattress production in the bedding industry and reduced our production levels. The cost of chemicals and foam also increased due to the

shortages. Severe weather impacts could also reduce supply of other products in our supply chain that could result in higher prices for our products and the resources needed to produce them. If we are unable to secure an adequate and timely supply of raw materials or products in our supply chain, or the cost of these raw materials or products materially increases, it could have a negative impact on our business, results of operations, and financial condition.

In 2023, drought conditions lowered the water levels of the Mississippi River and Panama Canal, reducing traffic through these waterways. Although these issues have not had a material impact on our results of operations, additional logistical disruptions including, but not limited to, natural disasters, could result in additional costs and delays in our ability to deliver products timely to certain customers.

In addition, although the cost has not been, and is not expected to be, material to our business, results of operations, and financial condition, severe weather-related incidents have resulted and may, in the future, result in increased costs of our property insurance.

Global economic, political, legal, and business factors could adversely impact our business, results of operations, financial condition, and cash flows.

We operate in global markets. Approximately 39% of our sales in 2023 were generated outside the United States. In addition, as of December 31, 2023, we had 50 manufacturing facilities outside the United States, and approximately 31% of our tangible long-lived assets were located outside the United States. Our reliance on international sales and international manufacturing facilities exposes us to a number of risks, including price and currency controls; government embargoes or trade restrictions, including import and export tariffs; extraterritorial effects of U.S. laws such as the Foreign Corrupt Practices Act; expropriation of assets; war, civil uprisings, acts of terror, and riots; political instability; nationalization of private enterprises; hyperinflationary conditions; the necessity of obtaining governmental approval for new and continuing products and operations, currency conversion, or repatriation of assets; legal systems of decrees, laws, taxes, regulations, interpretations, and court decisions that are not always fully developed and that may be retroactively or arbitrarily applied; cost and availability of international labor, materials, and shipping channels; and customer loyalty to local companies.

Additionally, the growth of new Chinese auto market entrants and increases in Chinese auto exports, particularly to Europe, is driving further market disruption. Europe has responded by introducing new tariffs, but it is to be seen if this will slow the pace of Chinese imports. These Chinese imports have, and may continue to have, a negative impact to the demand for our automotive products. A Chinese OEM could displace one or more of our existing customers and elect an alternative domestic supplier, which could result in additional lost market share. In Europe, economic softness and consumer affordability issues have given Chinese electric vehicle (EV) manufacturers opportunities to supply lower price electric vehicles, leading to the production declines and program launch delays for our customers. In North America, consumer affordability issues and uncertainty around EV transition timelines is resulting in program launch delays and our customers replacing higher cost components with lower cost components.

These factors could result in, or could continue to result in, among other things, supply chain or production disruptions, lower consumer demand, compressed profit margins, and foreign exchange rate changes, any of which could materially negatively impact our business, results of operations, financial condition, and cash flows.

FINANCIAL RISK FACTORS

There can be no assurance that we will continue to pay cash dividends on our common stock.

We recently lowered our quarterly cash dividend from \$.46 per share to \$.05 per share. Financial conditions or our pursuit of strategic alternative uses of cash could lead to a further reduction, suspension, or termination of the payment of cash dividends at any time. Dividends on shares of common stock are declared at the discretion of the Board of Directors. Any decision would consider general and economic conditions, our financial condition and operating results, our available cash and current and anticipated cash needs, our ability to generate sufficient earnings and cash flows, capital requirements, strategic alternatives, our decision to reduce leverage, our compliance with our leverage ratio under our credit agreement, contractual, legal, and tax implications, and other factors. There can be no assurance that we will continue to pay cash dividends on our common stock.

Our borrowing costs and access to liquidity may be impacted by lower credit ratings.

Independent rating agencies evaluate our credit profile on an ongoing basis and have assigned ratings for our long-term and short-term debt. Recently, our credit ratings have been lowered and could be lowered further. These recent downgrades have resulted in slightly higher credit spreads, and could impact marketability. Lower credit ratings could adversely affect our borrowing capacity and our financial arrangements, including access to the commercial paper market, our lending agreements, and supply chain financing arrangements. If we are unable to meet our short-term borrowing needs in the commercial paper market, we may rely more heavily on bank debt to fund short-term working capital needs at higher interest costs. Any future downgrades of our credit ratings could also further increase our cost of debt and negatively impact our weighted average cost of capital.

Macroeconomic uncertainties have had, and could further have, an adverse impact on the collection of receivables in accordance with their terms due to customer bankruptcy, financial difficulties, or insolvency.

Some of our customers have been adversely affected by macroeconomic uncertainties and have suffered financial difficulty. Macroeconomic uncertainties may include, but are not limited to, rising interest rates, inflation, weak demand, changing market dynamics, increased geopolitical tensions, and political economic policy changes. As a result, our customers may be unable to pay their debts to us, they may reject their contractual obligations to us under bankruptcy laws or otherwise, or we may have to negotiate significant discounts and/or extend financing terms with these parties.

We monitor our receivable portfolio closely and make reserve decisions based upon individual customer credit risk reviews, customer payment trends (percentage of current and past due), historical loss experience, and general macroeconomic and industry trends that could impact the expected collectability of all customers or pools of customers with similar risk. We recorded bad debt expense of \$9 million during the first nine months of 2024. Weak demand and changing market dynamics have created disruption and financial instability for some of our customers, particularly in the Bedding Products segment. A few of these customers began to exhibit slow payment and past-due trends during 2024. As a result, we increased our reserves for these customers and implemented payment plans where needed. We believe we have established appropriate reserves. As of September 30, 2024, our allowance for doubtful accounts for trade receivables was \$17 million. If we are unable to collect receivables on a timely basis, larger provisions for bad debt may be required and may result in a negative impact on our earnings, liquidity, cash flow, and financial condition.

Our goodwill and other long-lived assets have been, and could further be, subject to impairment which could negatively impact our earnings.

A significant portion of our assets consists of goodwill and other long-lived assets, the carrying value of which may be reduced if we determine that those assets are impaired. At September 30, 2024, goodwill and other intangible assets represented \$1.0 billion, or 26% of our total assets. In addition, net property, plant and equipment, operating lease right-of-use assets, and sundry assets totaled \$1.1 billion, or 29% of total assets.

We test goodwill for impairment at the reporting unit level (the business groups that are one level below the operating segments) when triggering events occur, or at least annually. We perform our annual goodwill impairment testing in the second quarter. The 2023 goodwill impairment testing indicated no impairments.

The 2024 annual goodwill impairment testing indicated that fair value had fallen below carrying value for three reporting units, and fair value exceeded carrying value by less than 100% for one reporting unit.

A \$675 million non-cash goodwill impairment charge was recorded related to the following reporting units:

Reporting Unit	Segment	Nine Months Ended September 30, 2024	
Bedding	Bedding Products	\$	587.2
Work Furniture	Furniture, Flooring & Textile Products		44.5
Hydraulic Cylinders	Specialized Products		43.6
		\$	675.3

The fair values of our reporting units in relation to their respective carrying values and significant assumptions used are presented in the tables in [Note F](#) to the Consolidated Condensed Financial Statements, beginning on page 15.

In general, the fair values for our reporting units decreased versus prior year due to macroeconomic pressures, including low demand, particularly in residential end markets. The fair values of our reporting units were reconciled to our consolidated market capitalization, which decreased due to the significant decline in stock price during the second quarter of 2024. Our closing stock price per share was \$26.17 on December 29, 2023, \$19.15 on March 28, 2024, and \$11.46 on June 28, 2024. We concluded that an impairment existed under generally accepted accounting principles in connection with the preparation and review of our second quarter financial statements filed on August 7, 2024 as part of the quarterly report on Form 10-Q. We do not expect that the impairment charge will result in any cash expenditures.

Units with Impairments

In addition to the decline in our stock price during the second quarter, the reporting units discussed below also had the following factors contributing to the impairments:

Bedding

Domestic bedding manufacturers are facing numerous challenges, including low demand, overcapacity, and increased pressure from finished mattress imports, resulting in financial stress across the industry. The domestic mattress market has changed dramatically in a relatively short time span. The landscape has shifted from a largely domestic OEM-produced innerspring mattress market to one where innerspring, foam, and hybrid mattresses are sold at a wide range of price points through a variety of channels and produced by a mix of fewer large domestic OEMs, domestic private label producers, and import manufacturers. These changing market dynamics and weak demand have created disruption and financial instability with some of our customers.

The Bedding reporting unit's fair value exceeded carrying value by 40% at our second quarter 2023 testing date. Late in the fourth quarter of 2023 we concluded we had a triggering event after certain of our Elite Comfort Solutions and Kayfoam customers notified us of efforts to improve their financial position by moving their business to or exploring alternative suppliers. We expected that these customer efforts would reduce our future cash flows. Accordingly, we performed a goodwill impairment test, which indicated no goodwill impairments. However, the estimated fair value of this reporting unit had decreased and fair value in excess of carrying value had dropped to 19%.

Work Furniture

Work Furniture demand for both contract and residential end-use products has remained at sustained low levels. Fair value exceeded carrying value by 74% at our second quarter 2023 testing date.

Hydraulic Cylinders

The Hydraulic Cylinders reporting unit's fair value at our second quarter 2023 testing date exceeded carrying value by 18%. Fair value approximated carrying value primarily due to an August 2022 acquisition that is experiencing operational inefficiencies.

Units with No Impairments, but Fair Value Exceeded Carrying Value by Less than 100%

Aerospace Products

The Aerospace Products reporting unit did not incur impairment charges, but fair value exceeded carrying value by less than 100% at both testing dates. The fair value of this reporting unit exceeded its carrying value by 21% at our second quarter 2024 testing date as compared to 44% in 2023. Aerospace's long-term forecasts continue to reflect demand improvements as industry recovery continues. Current demand is now similar to pre-pandemic levels.

In evaluating the potential for impairment of goodwill and other long-lived assets, we make assumptions regarding future operating performance, business trends, and market and economic performance, as well as our future sales and operating margins, growth rates, and discount rates. We are continuing to monitor all factors impacting these reporting units. If actual results or the long-term outlook of any of our reporting units materially differ from the assumptions and estimates used in the goodwill and other long-lived assets valuation

calculations, we could incur future impairment charges. These non-cash charges could have a material negative impact on our earnings.

If we do not comply with the restrictive covenants in our credit facility, we may not be able to borrow in the commercial paper market or under our credit facility and our outstanding debt instruments may default, all of which would adversely impact our liquidity.

Our credit facility is a multi-currency facility maturing in September 2026, providing us the ability, from time to time, to borrow, repay, and re-borrow up to \$1.2 billion, subject to certain restrictive covenants and customary conditions. The credit facility serves as back-up for our commercial paper borrowing.

To provide additional borrowing capacity and financial flexibility, we amended our credit agreement in March 2024 to increase the Leverage Ratio from 3.50 to 1.00 to 4.00 to 1.00. After the amendment, our credit facility contains restrictive covenants which include (a) an amended Leverage Ratio requiring us to maintain, as of the last day of each fiscal quarter, or when we borrow under the credit facility (i) Consolidated Funded Indebtedness minus the lesser of: (A) Unrestricted Cash, or (B) \$750 million to (ii) Consolidated EBITDA for the four consecutive trailing quarters of not greater than 4.00 to 1.00 as of March 31, 2024 through June 30, 2025, and not greater than 3.50 to 1.00 beginning September 30, 2025 through maturity; provided however, subject to certain limitations, if we make a Material Acquisition in any fiscal quarter after June 30, 2025, at our election, the maximum Leverage Ratio shall be 4.00 to 1.00 for the fiscal quarter during which such Material Acquisition is consummated and the next three consecutive fiscal quarters; (b) a limitation of the amount of total secured obligations to 15% of our total consolidated assets; and (c) a limitation on our ability to sell, lease, transfer, or dispose of all, or substantially all, of our assets and the assets of our subsidiaries, taken as a whole (other than accounts receivable sold in a Permitted Securitization Transaction, products sold in the ordinary course of business and our ability to sell, lease, transfer, or dispose of any of our assets or the assets of one of our subsidiaries to us or one of our subsidiaries, as applicable) at any given point in time.

If our earnings are reduced, the covenants in the credit facility will continue to reduce our borrowing capacity, both under the credit facility or through commercial paper issuances. Depending on the degree of earnings reduction, our liquidity could be materially negatively impacted. This covenant may also restrict our current and future operations, including (i) our flexibility to plan for, or react to, changes in our businesses and industries; and (ii) our ability to use our cash flows, or obtain additional financing, for future working capital, capital expenditures, acquisitions, or other general corporate purposes. If we are not in compliance with the restrictive covenants in our credit facility, and are not able to negotiate more lenient terms, we may not be able to access the commercial paper market or borrow under the credit facility.

Also, if we fail to comply with the covenants specified in the credit facility, we may trigger an event of default, in which case the lenders would have the right to: (i) terminate their commitment to provide loans under the credit facility; and (ii) declare all borrowings outstanding, together with accrued and unpaid interest and fees, to be immediately due and payable. Additionally, our senior notes contain cross-default provisions which could make outstanding amounts under the senior notes immediately payable in the event of an acceleration of amounts due under the credit facility following a material uncured default. If debt under the credit facility or senior notes were to be accelerated, we may not have sufficient cash to repay this debt, which would have an immediate material adverse effect on our business, results of operations, and financial condition.

We may not be able to realize deferred tax assets on our balance sheet depending upon the amount and source of future taxable income.

Our ability to realize deferred tax assets on our balance sheet is dependent upon the amount and source of future taxable income. As of September 30, 2024, we had \$151 million of deferred tax assets (\$167 million less a \$16 million valuation allowance). After netting of deferred tax liabilities, the net amount presented within Sundry assets on our Consolidated Condensed Balance Sheets is \$22 million. It is possible the amount and source of our taxable income could materially change in the future. Particularly, our mix of earnings by taxing jurisdiction may materially change in that we may have more or less taxable income generated in North America, Europe, or Asia as compared to prior years. This change may impact our underlying assumptions on which valuation allowances are established and negatively affect future period earnings and balance sheets. As a result, we may not be able to realize deferred tax assets on our balance sheet.

MARKET RISK FACTORS

Unfair competition could adversely affect our market share, sales, profit margins, and earnings.

We produce innersprings for mattresses that are sold to bedding manufacturers. We produce steel wire rod for consumption by our wire mills (primarily to produce innersprings) and to sell to third parties. We also produce and sell finished mattresses.

In response to petitions filed with the U.S. Department of Commerce (DOC) and the International Trade Commission (ITC) generally alleging that innersprings, steel wire rod, and mattresses were being unfairly sold in the United States by certain foreign manufacturers at less than fair value (dumping) and that certain foreign manufacturers of steel wire rod and mattresses were unfairly benefiting from subsidies, certain antidumping and/or countervailing duties have been imposed on the imports of such products. Some antidumping and countervailing duties orders are subject to ongoing appeal. Some orders are set to expire in the upcoming months, at which time the DOC and ITC will conduct a sunset review to determine whether to extend the orders for an additional five years. If any of the antidumping and countervailing duties are overturned on appeal, or not extended beyond their current terms and dumping and/or subsidization recurs, or manufacturers in the subject countries circumvent the existing duties through transshipment in other jurisdictions or otherwise, our market share, sales, profit margins, and earnings could be adversely affected.

For more information on antidumping and/or countervailing duties regarding innersprings, steel wire rod and mattresses, please refer to the [Competition](#) section on page 28 in the Management's Discussion and Analysis of Financial Conditions and Results of Operations of this Form 10-Q, and [Item 1 Legal Proceedings](#) on page 45 of this Form 10-Q.

We are exposed to foreign currency exchange rate risk which may negatively impact our competitiveness, profit margins, and earnings.

International sales have represented a significant percentage of our total sales, which exposes us to currency exchange rate fluctuations. In 2023, 39% of our sales were generated by international operations, primarily in Europe, China, Canada, and Mexico. We expect that a significant amount of our sales will continue to come from outside the United States in the future. As of December 31, 2023, 50 of our manufacturing facilities were located outside the United States. We are also exposed to currency exchange rate fluctuations by our purchase of raw materials and component parts from suppliers in multiple countries. We experience currency-related gains and losses where sales or purchases are denominated in currencies other than the functional currency. We also have balance sheet, cash flow, and net investment risk associated with foreign currency exchange rates. If the applicable foreign currency exchange rates devalue the currency we receive for the sale of our products, or the currency we use to purchase raw materials or component parts from our suppliers, it may have a material adverse effect on our competitiveness, profit margins, and earnings.

For more information regarding currency exchange rate risk, please refer to [Note N](#) on page 21 of the Notes to Consolidated Condensed Financial Statements.

Higher interest rates have affected, and could continue to affect, our interest expense and make it more costly to refinance our long-term debt.

We have borrowed money by issuing commercial paper with maturities of less than 270 days. We also have issued long-term senior notes with fixed interest rates. As of September 30, 2024, we had \$1.9 billion of debt outstanding. Our next scheduled maturity of outstanding debt is our \$300 million 3.8% Senior Notes due in November 2024, which we expect to retire predominantly with commercial paper. Credit spreads on commercial paper have widened to some extent, which has contributed to an increase in interest expense. Further increases in interest rates, or the need to refinance outstanding commercial paper through our credit facility, could continue to negatively impact our interest expense, and make it more costly to refinance our outstanding senior notes.

INFORMATION TECHNOLOGY AND CYBERSECURITY RISK FACTORS

Information technology failures, cybersecurity incidents, or new technology disruptions could have a material adverse effect on our operations.

We have approximately 120 production facilities in 18 countries, primarily located in North America, Europe, and Asia. We rely on information systems to obtain, process, analyze, and manage data, as well as to facilitate the manufacture and distribution of inventory to and from our facilities. We receive, process, and ship orders, manage the billing of and collections from our customers, and manage the accounting for and payment to our vendors. We also manage our production processes with certain industrial control systems. Consequently, we are subject to cybersecurity risk. We also have risk associated with the network connectivity and systems for consolidated reporting. Technology failures or security breaches of a new or existing infrastructure, including our industrial control systems, could impede normal operations, create system disruptions, or create unauthorized disclosure or alteration of confidential information.

Our cybersecurity program is based on industry-recognized frameworks and takes a multifaceted approach to protecting our network, systems, and data, including personal information. We deploy a wide range of protective security technologies and tools, including, but not limited to, encryption, firewalls, endpoint detection and response, security information and event management, 24/7 security operations center, multi-factor authentication, and threat intelligence feeds.

From time to time, we have experienced immaterial cybersecurity threats and incidents. When these threats and incidents occur, we have taken appropriate remediation steps and, through investigation (as more fully described below), determined that the threats or incidents did not have a material effect on our business, results of operations, or financial results. Although we are not aware of any material cybersecurity incidents, because of past immaterial cybersecurity threats and what we have learned in responding to those threats, we have improved cybersecurity efforts, including expansion of resources. Between 2023 and 2024, we expect to spend roughly \$15 million in maintaining and enhancing our cybersecurity protection efforts.

Cybersecurity alerts are monitored by our security operations center. When a cybersecurity alert meets certain categorized thresholds, as determined by our Cybersecurity Incident Response Plan, we follow an escalation review process which can result in our Chief Information Security Officer (CISO) forwarding the alert to the crisis response team consisting of our CEO, CFO, Chief Human Resources Officer, Chief Information Officer, and General Counsel. Our CISO and the Crisis Response Team, pursuant to guidance from our CISO, assess and manage our response to cybersecurity threats and incidents. Our CISO follows a risk-based escalation process to notify our General Counsel of certain cybersecurity threats and incidents, and our General Counsel analyzes our obligation to report any incident publicly. If the General Counsel determines disclosure is warranted, she reports this conclusion to the CISO, the Crisis Response Team, and the Company's Public Disclosure Committee for consideration and disclosure. In addition, our CISO (or CFO when warranted) reports cybersecurity activity to the Board of Directors quarterly, with procedures in place for interim reporting, if necessary. Our full Board has oversight of our cybersecurity process.

Although we have purchased broad form cyber insurance coverage and strive to provide a balanced level of cybersecurity protections, cybersecurity risk has increased due to remote access, remote work conditions, and increased sophistication of cybersecurity adversaries, as well as the increased frequency of cybersecurity attacks. As such, information technology failures or cybersecurity breaches could still create system disruptions or unauthorized disclosure or alterations of confidential information and disruptions to the systems of our third-party suppliers and providers. We cannot be certain that the attacker's capabilities will not compromise our technology protecting information systems or bypass our detection capabilities, including those resulting from ransomware attached to our industrial control systems. If these systems are interrupted or damaged by any incident or fail for any extended period of time, then our results of operations could be adversely affected. We may incur remediation costs, increased cybersecurity protection costs, lost revenues resulting from unauthorized use of proprietary information, litigation and legal costs, increased insurance premiums, reputational damage, damage to our competitiveness, and negative impact on our stock price and long-term shareholder value. We may also be required to devote significant management resources and expend significant additional resources to address problems created by any such interruption, damage, or failure.

In addition, our ability to effectively compete may be impacted by our ability to anticipate and respond effectively to the opportunity and threat presented by new technology disruption and developments, including artificial intelligence.

Finally, burdens associated with regulatory compliance, including regulations adopted by the SEC regarding cybersecurity disclosure, may increase our costs.

The unauthorized use of artificial intelligence could expose sensitive Company information, infringe intellectual property rights, violate privacy laws, and harm our reputation.

Our business uses artificial intelligence (AI) technologies, including those offered by third parties, on a limited basis, generally to mitigate cybersecurity risks. While we prohibit the use of unauthorized AI technologies, our employees may use AI in an unauthorized manner, which could expose our sensitive data to disclosure, violate third-party intellectual property rights, violate privacy laws, produce inaccurate responses that could lead to errors in our business activities, and ultimately harm our reputation. Our ability to mitigate these risks will depend on our continued effective maintenance, training, monitoring, and enforcement of appropriate policies governing the use of AI technologies, and the results of any such use, by us. The legal and regulatory landscape relating to AI and the use of AI is uncertain and rapidly evolving, requiring us to stay apprised of such developments. These evolving laws and regulations could require changes in our implementation of AI technology and increase our compliance costs and the risk of non-compliance. If any of these risks are realized, it could adversely impact our results of operations, cash flow, financial condition, and stock price.

REGULATORY RISK FACTORS

Privacy and data protection regulations are complex and could harm our business, reputation, financial condition, and operating results.

Governments around the world have adopted legislative and regulatory rules concerning the collection and use of personal data. As a multinational company with employee personal data and business contact information from individuals in many countries, we are subject to many different data protection laws, including federal and state-specific laws in the U.S., and the laws of other jurisdictions in which we operate, such as those in Europe, China, India, and Brazil. For example, the European Union (EU) General Data Protection Regulation (GDPR), Switzerland new Federal Act on Data Protection (nFADP), and United Kingdom (UK) GDPR apply to our operations that collect or process personal data of EU, Swiss, and UK individuals, respectively. If our operations are found to violate these broad-ranging European laws, we may incur substantial fines, face reputational harm, and be required to change our business practices, any of which could have an adverse effect on our business.

As a U.S. company, the ability to manage aspects of our operation and workforce centrally and the ability to make decisions based on complete and accurate global data are important and require the ability to transfer and access personal data. The adequacy of the laws of the data-importing country are of increasing importance under various international laws. The validity of data transfer mechanisms remains subject to legal, regulatory, and political developments in many countries and could have an adverse impact on our ability to process and transfer personal data. This may inhibit our ability to transfer our employee personal data from our other operations, such as in Europe, China, and Brazil, to our headquarters in the U.S. or elsewhere, making it much more difficult to effectively manage our global human capital. These evolving privacy and data protection requirements create uncertainty and added compliance obligations that could harm our business, reputation, financial condition, and operating results.

Environmental regulatory compliance costs, additional potential related liabilities and climate change transition risks, including new treaties, laws, and regulations, could negatively impact our business, capital expenditures, compliance costs, results of operations, financial condition, competitive position, and reputation.

Increased focus by the U.S. and other governmental authorities on climate change and other environmental matters has led to enhanced regulation in these areas, which is expected to result in increased compliance costs and could subject us to potential liabilities. The extent of these costs and risks is difficult to predict and will depend, in large part, on the extent of final regulations and the ways in which those regulations are enforced.

We have approximately 120 manufacturing facilities in 18 countries, primarily located in North America, Europe, and Asia. Most of our facilities are engaged in manufacturing processes that produce GHG emissions, including carbon dioxide. We also maintain a fleet of over-the-road tractor trailers that emit GHG emissions when providing freight services to many of our U.S.-based manufacturing locations. There are certain transition

risks (meaning risks related to the process of reducing our carbon footprint) that could materially affect our business, capital expenditures, compliance costs, results of operations, financial condition, competitive position, and reputation. One of these transition risks is the change in treaties, laws, policies, and regulations that could impose significant operational and compliance burdens. For example, some of our operations are subject to certain governmental actions like the EU “European Green Deal” (which provides for a 55% reduction in net GHG emissions by 2030 (compared to 1990 levels), and no net emissions of GHG by 2050), and the “Paris Agreement” (which is an international treaty on climate change designed to lower GHG emissions).

Other laws that could materially increase our compliance costs are the California Climate Corporate Data Accountability Act and Climate-Related Financial Risk Act, as well as the EU Corporate Sustainability Reporting Directive, the EU Carbon Border Adjustment Mechanism, and the EU regulation on Deforestation-free Products. In addition, with respect to our Automotive Group, the EU is moving forward with an effective ban on the sale of new gas-powered automobiles (with the exception of CO₂-neutral automobiles) in the EU from 2035 (with interim requirements by 2030), aiming to accelerate the conversion to zero-GHG emission automobiles as part of a broad package to combat global warming. Also, President Biden signed executive orders setting the goal of having zero-emission vehicles account for half of all new U.S. passenger car and light truck sales by 2030 and committing the Federal government to procuring only zero-emission vehicles by 2035. Finally, some states, including California and New York, are also implementing similar provisions. Our automotive products can be sold to manufacturers of either gas-powered or electric-powered vehicles. However, if our customers (who may be subject to any of these or other similarly proposed or newly enacted laws and regulations) incur additional costs to comply with such laws and regulations, which in turn, impact their ability to operate at similar levels in certain jurisdictions, the demand for our products could be adversely affected.

In addition, overall, there continues to be a lack of consistent climate legislation in the jurisdictions in which we operate, which creates economic and regulatory uncertainty. If these laws or regulations (including the SEC's recently adopted climate-related disclosure rules, if upheld) impose significant operational restrictions and compliance requirements on us, they could increase costs associated with our operations, including costs for raw materials and transportation. Non-compliance with climate change treaties or legislative and regulatory requirements could also lead to significant fines and penalties and negatively impact our reputation. To date, we have not experienced a material impact from climate change legislative and regulatory efforts. Further, we currently do not have an estimate of the capital expenditures or operating and administrative costs that may be required to implement our GHG reduction strategy or comply with regulatory requirements, but these items are expected to require capital investment and increase costs. The ultimate impact and associated cost of these legislative and regulatory developments and implementing our GHG reduction strategy cannot be predicted at this time.

Changes in tax laws or challenges to our tax positions pursuant to ongoing tax audits could negatively impact our earnings and cash flows.

We are subject to the tax laws and reporting rules of the U.S. (federal, state, and local) and several foreign jurisdictions. Current economic and political conditions make these tax rules (and governmental interpretation of these rules) in any jurisdiction, including the U.S., subject to significant change and uncertainty. There are proposals by the Organization for Economic Cooperation and Development, the European Union, and other tax jurisdictions, some of which were already adopted in various countries, to reform tax laws or change interpretations of existing tax rules. These proposals generally center around global base erosion and profit shifting (BEPS) concepts, and as they are adopted, could continue to impact how our earnings and transactions are taxed as a multinational corporation. Whether, or in what form, these proposals will become law in various countries around the world, or how such laws might be interpreted, could impact our assumptions related to the taxation of certain foreign earnings and have an adverse effect on our earnings and cash flows.

We are subject to audit by taxing authorities in the countries where we operate and are currently in various stages of examination in several of these jurisdictions. We have established liabilities as we believe are appropriate, with such amounts representing what we believe is a reasonable provision for taxes that we ultimately might be required to pay. However, these liabilities could be increased over time as more information becomes known relative to the resolution of these audits, as either certain governmental tax positions may be sustained, or we may agree to certain tax adjustments. We could incur additional tax expense if we have adjustments higher than the liabilities recorded.

We are subject to value-added taxes (VAT) in various foreign jurisdictions. Where we are entitled to a refund of the VAT we have paid, we are required to make a claim for refund from the government authorities.

We establish VAT receivables for these claims, but have been experiencing refund delays in Mexico. As of September 30, 2024, we had outstanding VAT refund claims with the Mexican government of \$36 million. Although we believe the amounts we have claimed are fully collectable, continued government actions in Mexico, including audits of the amounts we have requested, could either further delay the receipt of our refunds, or cause us to settle for a lesser amount than the VAT receivable we have recorded. These actions could adversely impact our future cash flows and/or pretax earnings.

LITIGATION RISK FACTORS

We are exposed to litigation contingencies that, if realized, could have a material negative impact on our financial condition, results of operations, and cash flows.

Although we deny liability in all currently threatened or pending litigation proceedings, we have recorded an immaterial aggregate litigation contingency accrual at September 30, 2024. Based on current facts and circumstances, aggregate reasonably possible (but not probable) losses in excess of the recorded accruals for litigation contingencies are estimated to be \$14 million. If our assumptions or analyses regarding any of our contingencies are incorrect, if facts and circumstances change, or if future litigation arises, we could realize losses in excess of the recorded accruals (and in excess of the \$14 million referenced above) which could have a material negative impact on our financial condition, results of operations, and cash flows. For more information regarding our legal contingencies, please see [Item 1 Legal Proceedings](#) on page 45 and [Note O Contingencies](#) on page 22 of the Notes to Consolidated Condensed Financial Statements.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

ISSUER PURCHASES OF EQUITY SECURITIES

The table below is a listing of our purchases of the Company's common stock by calendar month for the periods presented.

Period	Total Number of Shares Purchased ¹	Average Price Paid per Share ¹	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs ²	Maximum Number of Shares that may yet be Purchased Under the Plans or Programs ²
July 2024	—	\$ —	—	10,000,000
August 2024	—	\$ —	—	10,000,000
September 2024	—	\$ —	—	10,000,000
Total	—	\$ —	—	

¹ This column does not include shares withheld for taxes on stock unit conversions, which totaled 15,653 shares in the third quarter of 2024. The average price paid per share for these shares was \$12.01.

² On August 7, 2024, the Board authorized the Company to repurchase up to 10 million shares each calendar year. This standing authorization was first announced on [Form 10-Q](#) for the quarter ended June 30, 2024, filed August 7, 2024, and will remain in force until repealed by the Board of Directors. This standing Board authorization replaced the prior Board authorization adopted in 2022, which provided the same repurchase authority to the Company with only minor administrative differences. We substantively have had the same share repurchase authority since 2004, and this authority includes the 2024 calendar year. No specific repurchase schedule has been established. The authority does not obligate the Company to purchase a minimum number of shares.

Item 5. Other Information.

DIRECTOR AND OFFICER TRADING ARRANGEMENTS

During the three months ended September 30, 2024, no director or officer (as defined in Rule 16a-1(f) under the Securities Exchange Act of 1934, as amended) of the Company adopted, modified, or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K.

CHANGES TO COMPANY'S PROCEDURE FOR IDENTIFYING AND EVALUATING DIRECTOR CANDIDATES

On November 5, 2024, the Board of Directors (the “Board”) approved changes to the Company’s Procedure for Identifying and Evaluating Director Candidates (the “Procedure”) which applies, in part, to director nominees recommended by shareholders. The Procedure was amended to clarify that the Nominating, Governance and Sustainability Committee (the “Committee”) of the Board may consider the “applicability to the Company’s business and industry” when evaluating the potential director nominee’s “accomplishments in his or her field.” The complete Procedure can be found at www.leggett.com/governance, under Leggett & Platt Governance, Director Nomination Procedure. The Leggett website does not constitute part of this Form 10-Q filing.

CERTIFICATE OF ELIMINATION

On November 5, 2024, the Board adopted a Certificate of Elimination of Certificate of Designation of Series A Junior Participating Preferred Stock (the “Certificate of Elimination”) which was filed with the Missouri Secretary of State on November 6, 2024 and had the effect of eliminating from the Company’s Restated Articles of Incorporation all references to the Series A Junior Participating Preferred Stock associated with the Company’s prior shareholder rights plan which expired by its terms in 2009. The Company’s Restated Articles of Incorporation and Certificate of Elimination are attached as [Exhibit 3.1.1](#) and [Exhibit 3.1.2](#), respectively, and are incorporated herein by reference.

CHANGES TO BYLAWS

On November 5, 2024, the Board amended the Company’s Bylaws, effective immediately, to eliminate an outdated reference to Section 162(m) of the Internal Revenue Code (the “Code”). The Bylaws contained a provision that allowed the Company to exclude a “proxy access” shareholder nominee for election as a director in its proxy materials for any annual meeting of shareholders, or if the proxy statement has already been filed, to exclude the nomination of (or a vote with respect to) a shareholder nominee for director, if such nominee was not an “outside director” for the purposes of Section 162(m) of the Code. The Board removed this exclusion in light of amendments to Section 162(m) which rendered it inapplicable to the Company for this purpose. A marked version of the amended Bylaw provisions, and a clean version of the Company’s Bylaws, as amended effective November 5, 2024, is attached hereto as [Exhibit 3.2.1](#) and [Exhibit 3.2.2](#), respectively, and are incorporated herein by reference.

Item 6. Exhibits.**EXHIBIT INDEX**

Exhibit No.	Description
3.1.1*	Restated Articles of Incorporation of the Company as of May 13, 1987, with Amendments dated May 12, 1993 and May 20, 1999.
3.1.2*	Certificate of Elimination of Certificate of Designation of Series A Junior Participating Preferred Stock dated November 5, 2024.
3.2.1*	Bylaw Provisions of the Company, amended through November 5, 2024, marked to show changes from prior Bylaw Provisions, as amended through February 22, 2023.
3.2.2*	Bylaws of the Company, as amended through November 5, 2024
10.1	Deferred Compensation Program, effective October 30, 2024, filed November 1, 2024, as Exhibit 10.1 to the Company's Form 8-K, is incorporated herein by reference.
31.1*	Certification of Karl G. Glassman, pursuant to Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, dated November 7, 2024
31.2*	Certification of Benjamin M. Burns, pursuant to Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, dated November 7, 2024
32.1**	Certification of Karl G. Glassman pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, dated November 7, 2024
32.2**	Certification of Benjamin M. Burns, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, dated November 7, 2024
101.INS***	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH*,***	Inline XBRL Taxonomy Extension Schema
101.CAL*,***	Inline XBRL Taxonomy Extension Calculation Linkbase
101.DEF*,***	Inline XBRL Taxonomy Extension Definition Linkbase
101.LAB*,***	Inline XBRL Taxonomy Extension Label Linkbase
101.PRE*,***	Inline XBRL Taxonomy Extension Presentation Linkbase
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Denotes filed herewith.

** Denotes furnished herewith.

*** Filed as Exhibit 101 to this report are the following formatted in inline XBRL (eXtensible Business Reporting Language): (i) Consolidated Condensed Balance Sheets at September 30, 2024 and December 31, 2023; (ii) Consolidated Condensed Statements of Operations for the three and nine months ended September 30, 2024 and September 30, 2023; (iii) Consolidated Condensed Statements of Comprehensive Income (Loss) for the three and nine months ended September 30, 2024 and September 30, 2023; (iv) Consolidated Condensed Statements of Cash Flows for the nine months ended September 30, 2024 and September 30, 2023; (v) Consolidated Condensed Statements of Changes in Equity for the three and nine months ended September 30, 2024 and September 30, 2023; and (vi) Notes to Consolidated Condensed Financial Statements.

**RESTATED ARTICLES OF INCORPORATION
OF
LEGGETT & PLATT, INCORPORATED**

— oOo —

TO: Honorable Roy D. Blunt
Secretary of State
State of Missouri
Jefferson City, MO 65101

Pursuant to the provisions of The General and Business Corporation Law of Missouri, the undersigned Corporation adopts Restated Articles of Incorporation in the following manner:

I.

The name of the Corporation is Leggett & Platt, Incorporated. The name under which it was originally organized was Leggett & Platt Spring Bed and Manufacturing Company.

II.

A meeting of the Board of Directors of the Corporation was duly called and held on the 13th day of May, 1987, pursuant to notice duly given in accordance with the Bylaws of the Corporation and the Statutes of the State of Missouri.

III.

At such meeting a proposal was duly made by resolution and seconded that the Corporation adopt Restated Articles of Incorporation which correctly set forth without change the corresponding provisions of the Corporation's Articles of Incorporation as theretofore amended, and that such Restated Articles of Incorporation attached hereto shall supersede this Corporation's original Articles of Incorporation and all amendments thereto and all prior restatements thereof.

IV.

The Restated Articles of Incorporation attached hereto correctly set forth without change the corresponding provisions of the Articles of Incorporation as heretofore amended and restated, and said Restated Articles of Incorporation supersede the original Articles of Incorporation and all amendments thereto and all prior restatements thereof.

IN WITNESS WHEREOF, the undersigned, Felix E. Wright, President of Leggett & Platt, Incorporated, has executed this instrument and Robert A. Jefferies, Jr., Secretary of Leggett & Platt, Incorporated, has affixed its corporate seal hereto and attested said seal on the 13th day of May, 1987.

(CORPORATE SEAL)

LEGGETT & PLATT, INCORPORATED

ATTEST:

/s/ ROBERT A. JEFFERIES, JR.

/s/ FELIX E. WRIGHT

Robert A. Jefferies, Jr.

Felix E. Wright

Secretary

President

STATE OF MISSOURI)

)ss.

COUNTY OF NEWTON)

I, Nora L. Tebbets, a notary public, do hereby certify that on this 13th day of May, 1987, personally appeared before me Felix E. Wright, who being by me first duly sworn, declared that he is the President of Leggett & Platt, Incorporated, that he signed the foregoing document as President of the Corporation, and that the statements therein contained are true.

/s/
NORA L. TEBBETS

Notary Public

My Commission Expires: October 7, 1998

RESTATED ARTICLES OF INCORPORATION

LEGGETT & PLATT, INCORPORATED

— oOo —

ARTICLE I

The name of this corporation shall be “LEGGETT & PLATT, INCORPORATED.”

ARTICLE II

The corporation has heretofore complied with the requirements of law as to initial minimum capital, without which it could not have commenced business.

ARTICLE III

The aggregate number of shares which the corporation shall have the authority to issue is One Hundred Million (100,000,000) shares of Common Stock of One Dollar (\$1.00) par value and One Hundred Million (100,000,000) shares of Preferred Stock without par value.

1. Common Stock. The following is a statement of the designations, preferences, limitations and relative rights in respect of the shares of the Common Stock.

(a) *Dividends.* Subject to the prior and superior rights of the Preferred Stock as set forth below and in any Directors’ Resolution (hereinafter defined), dividends may be paid on the Common Stock as and when declared by the Board of Directors of the corporation out of any funds of the corporation legally available for the payment thereof.

The corporation shall not issue fractional shares or script in satisfaction of any stock dividend, but in lieu thereof shall pay in cash an amount equal to such fraction multiplied by the current per share market value of the class of stock on which the stock dividend is issued, as determined by the Board of Directors.

(b) *Dissolution.* Subject to the prior and superior rights of the Preferred Stock as set forth below and in any Directors’ Resolution (hereinafter defined), in the event of any liquidation, dissolution or winding up of the affairs of the corporation, whether voluntary or involuntary, the holders of Common Stock shall be entitled to share ratably in the distribution of the assets of the corporation. Neither the consolidation nor merger of the corporation into or with any other corporation or corporations, nor merger of any other corporation into the corporation, nor a reorganization of the corporation, nor the purchase or redemption of all or part of the outstanding shares of any class or classes of the stock of the corporation, nor a sale or transfer of the property and business of the corporation as, or substantially as, an entity, shall be deemed a liquidation, dissolution or winding up of the affairs of the corporation within the meaning of any of the provisions of this paragraph.

(c) *Voting.* Except as otherwise required by law, each share of Common Stock shall have equal voting rights, each holder of such stock of the corporation entitled to vote shall have one vote, in person or by proxy, for each share thereof held, and all shares of the corporation, including shares of Preferred Stock, shall be voted as a single class except where specifically required by law to vote separately.

2. Preferred Stock. The Board of Directors is hereby authorized from time to time to provide by resolution for the issuance of shares of Preferred Stock in one or more classes and one or more series within any class not exceeding the aggregate number of shares of Preferred Stock authorized by these Restated Articles of Incorporation, as amended from time to time; and to determine with respect to each such class or series the voting power, if any (which voting powers if granted may be full or limited), designations, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions appertaining thereto, including without limiting the generality of the foregoing, the voting rights appertaining to shares of Preferred Stock of any

class or series, the rate of dividend to which holders of Preferred Stock of any class or series may be entitled (which may be cumulative or noncumulative), the rights of holders of Preferred Stock of any class or series in the event of liquidation, dissolution or winding up of the affairs of the corporation, and the rights (if any) of holders of Preferred Stock of any class or series to convert or exchange such shares of Preferred Stock of such class or series for shares of any other class or series of capital stock of this corporation or any other corporation (including the determination of the price or prices or the rate or rates applicable to such right to convert or exchange and the adjustment thereof, the time or times during which the rights to convert or exchange shall be applicable and the time or times during which a particular price or rate shall be applicable).

Before the corporation shall issue any shares of Preferred Stock of any class or series, a certificate setting forth a copy of the resolution or resolutions of the Board of Directors, fixing the voting power, designations, preferences, the relative, participating, optional or other rights, if any, and the qualifications, limitations and restrictions, if any, appertaining to the shares of Preferred Stock of such class or series, and the number of shares of Preferred Stock of such class or series, authorized by the Board of Directors to be issued shall be made and filed in accordance with applicable law.

3. Pre-emptive Rights. No holder of any stock of the corporation shall be entitled as a matter of right to purchase or subscribe for any part of any stock of the corporation, authorized by this Article III, or of any additional stock of any class to be issued by reason of any increase of the authorized stock of the corporation, or of any bonds, certificates of indebtedness, debentures or other securities convertible into stock of the corporation, but any stock authorized by this Article III or any such additional authorized issue of new stock or of securities convertible into stock may be issued and disposed of by the Board of Directors to such persons, firms, corporations or associations for such consideration and upon such terms and in such manner as the Board of Directors may in their discretion determine without offering any thereof on the same terms or on any terms to the stockholders then of record or to any class of stockholders.

4. Shareholders' Rights to Have Shares Redeemed in Certain Circumstances. The following is a statement of the shareholders' rights to have shares of Common Stock redeemed by the corporation in certain circumstances.

(a) In the event that any person (Acquiring Person) (i) who is the beneficial owner, directly or indirectly, of more than fifty per cent of the shares of Common Stock outstanding becomes the beneficial owner, directly or indirectly, of any additional shares of Common Stock pursuant to a tender offer opposed by the Board of Directors of the corporation or (ii) becomes the beneficial owner, directly or indirectly, of more than fifty per cent of the shares of the Common Stock outstanding and any of such shares of Common Stock were acquired pursuant to a tender offer opposed by the Board of Directors of the Corporation, each holder of shares of Common Stock, other than the Acquiring Person or a transferee of the Acquiring Person, shall have the right until and including the forty-fifth day following the date the notice to holders of shares of Common Stock referred to in subsection (c) herein is mailed to have the shares of Common Stock held by such holder redeemed by the corporation at the Redemption Price determined as provided in subsection (d) herein, and each holder of securities convertible into shares of Common Stock or of options, warrants, or rights exercisable to acquire shares of Common Stock prior to such forty-fifth day, other than the Acquiring Person or a transferee of the Acquiring Person, shall have the right simultaneously with the conversion of such securities or exercise of such options, warrants, or rights to have the shares of Common Stock to be received thereupon by such holder redeemed by the corporation at the Redemption Price.

(b) For purposes of this Section 4:

(1) A tender offer opposed by the Board of Directors of the corporation shall mean a tender offer that the Board of Directors, acting pursuant to a resolution approved by a majority of the Company's directors, recommends be rejected by the shareholders of the corporation if such recommendation is made by public announcement or written notice to the shareholders of the corporation at any time on or before the expiration of such tender offer, including all extensions and amendments thereof, and is not withdrawn by public announcement or written notice to shareholders on or before such expiration.

(2) The term “person” shall include an individual, a corporation, partnership, trust or other entity. When two or more persons act as a partnership, limited partnership, syndicate, or other group for the purpose of acquiring shares of Common Stock of the corporation, such partnership, syndicate or group shall be deemed a “person.”

(3) For the purposes of determining whether a person is an Acquiring Person, such person shall be deemed to beneficially own (i) all shares of Common Stock with respect to which such person has the capability to control or influence the voting power in respect thereof and (ii) all shares of Common Stock which such person has the immediate or future right to acquire, directly or indirectly, pursuant to agreements, through the exercise of options, warrants or rights or through the conversion of convertible securities or otherwise; and all shares of Common Stock which such person has the right to acquire in such manner shall be deemed to be outstanding shares, but shares of Common Stock which any other person has the right to acquire in such manner shall not be deemed to be outstanding shares.

(4) The term “tender offer,” as used herein, shall mean a tender offer within the meaning of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder.

(5) Subject to the provisions of subsection (b) (2) herein, “outstanding shares” shall mean shares of Common Stock which at the time in question have been issued by the corporation and not reacquired and held or retired by it or held by any subsidiary of the corporation.

(c) (1) Not later than twenty days following the date on which the corporation receives reasonable notice that any person has become an Acquiring Person (the “Record Date”), the corporation shall give written notice (the “Shareholder Notice”) by first class mail, postage prepaid, at the addresses shown on the records of the corporation, to each holder of record as of the Record Date of:

(i) shares of Common Stock;

(ii) securities that are convertible into shares of Common Stock immediately or within forty-five days following the Record Date; and

(iii) options, warrants or rights that are exercisable to acquire shares of Common Stock immediately or within forty-five days following the Record Date;

and shall advise all such holders of the right to have shares of Common Stock redeemed and the procedure for such redemption. In the event that the corporation fails to give the Shareholder Notice as required by subsection (c), any holder entitled to receive such Shareholder Notice may within sixty days thereafter serve written demand upon the corporation to give such Shareholder Notice. If within twenty days after receipt of written demand the corporation fails to give the required Shareholder Notice, such holder may at the expense and on behalf of the corporation take such reasonable action as may be appropriate to cause Shareholder Notice to be given under this subsection (c).

(2) In the event shares of Common Stock are subject to redemption in accordance with this Section 4, the Board of Directors of the corporation shall designate a Redemption Agent, which shall be a corporation or association (i) organized and doing business under the laws of the United States or any State, (ii) subject to supervision or examination by Federal or State authority, (iii) having combined capital and surplus of at least \$5,000,000 and (iv) having the power to exercise corporate trust powers.

(3) For a period of forty-five days from the date of the mailing of the Shareholder Notice to persons entitled thereto pursuant to this subsection (c), persons entitled to have shares of Common Stock redeemed pursuant to this Section 4 may, at their option, deposit certificates representing all or less than all shares of Common Stock held of record by them with the Redemption Agent together with written notice that the holder elects to have such shares redeemed pursuant to this Section 4. The Company shall redeem all shares delivered for redemption allowable under Missouri law, on a pro rata basis (except that no fractional shares shall be redeemed), and the shares so redeemed shall no longer be considered outstanding as of the close of business on the day certificates evidencing such shares are deposited in

proper form with the Redemption Agent. Any shares not permitted to be redeemed under Missouri law shall be immediately returned to the depositing shareholder and shall remain issued and outstanding.

(4) The corporation shall deposit in trust with the Redemption Agent, as soon as possible, cash sufficient to pay the aggregate Redemption Price of all of the shares of Common Stock redeemed.

(5) As soon as practicable after receipt by the Redemption Agent of cash deposited by the corporation pursuant to subsection (4) immediately above, the Redemption Agent shall issue its checks payable to the order of the persons entitled to receive the Redemption Price of the shares of Common Stock redeemed. If the amount of cash so received by the Redemption Agent at any one time is not sufficient to pay the aggregate Redemption Price to which all such persons are entitled, the Redemption Agent shall pay each such person a pro rata part of the amount to which he is entitled.

(6) In the event the entire Redemption Price has not been paid for all shares received by the Redemption Agent within thirty (30) days following the last day shareholders are entitled to deposit shares for redemption as provided in subsection (c) (3) hereof, then each shareholder who has not received the full Redemption Price for any of such shares shall be entitled to receive interest on the unpaid portion of the Redemption Price due him at the rate of 18% per annum or the highest rate of interest allowed by applicable law, whichever is less, from the expiration of said thirty (30) day period until the Redemption Price is paid in full. All funds paid by the Redemption Agent shall be allocated first to accrued and unpaid interest and then to the Redemption Price.

(d) (1) The Redemption Price shall be the higher of (i) the highest price paid by the Acquiring Person, including any commissions paid to brokers or dealers for solicitation or other services, for any shares of Common Stock pursuant to a tender offer that was made at any time by such Acquiring Person and was opposed by the Board of Directors of the corporation; or (ii) the highest market price per Common Share on the Record Date. For purposes of subpart (i) of this subsection (d) (1), if the consideration paid in any such acquisition of shares consisted, in whole or part, of consideration other than cash, the Board of Directors of the corporation shall take such action, as in its judgment it deems appropriate, to establish the cash value of such consideration, but such valuation shall not be less than the cash value, if any, ascribed to such consideration by the Acquiring Person. For purposes of this subpart (ii) of subsection (d) (1), the price on the Record Date shall be the highest sale price per Common Share traded on the New York Stock Exchange or other national securities exchange on the Record Date or, if Common Shares are not then traded on a national securities exchange, the mean of the highest bid and highest asked prices per Common Share quoted in the National Association of Securities Dealers Automated Quotation System on the Record Date.

(2) The determinations to be made pursuant to this Section 4 shall be made by the Board of Directors not later than the date of the Shareholder Notice referred to in subsection (c) hereof. In making such determination, the Board of Directors may engage such persons, including investment banking firms and the independent accountants who have reported on the most recent financial statements of the corporation, and utilize employees and agents of the corporation who will, in the judgment of the Board of Directors, be of assistance to the Board of Directors.

(3) The determinations to be made pursuant to this Section 4, when made by the Board of Directors acting in good faith on the basis of such information and assistance as was then reasonably available for such purpose, shall be conclusive and binding upon the corporation and its shareholders, including any person referred to in subsection (c) hereof.

(e) This Section 4 of this Article III may be amended or repealed only by the affirmative vote of the holders of at least eighty-five (85%) of the outstanding shares of Common Stock of the corporation: provided, however, that no amendment or repeal adopted after the Shareholder Notice under subsection (c) hereof shall affect any such shares thereafter deposited with the Redemption Agent in connection with such Shareholder Notice for redemption pursuant to this Section 4.

5. Shareholder Voting Requirements for Approval of Mergers, Consolidations, and Certain Dispositions of Assets of the Company. The affirmative vote of the holders of at least two-thirds of the outstanding shares of the corporation entitled to vote shall be required for the approval of (i) any merger or consolidation of the corporation with or into any other corporation or entity; (ii) any sale, lease or exchange or other disposition (other than by mortgage, deed of trust or pledge), of all, or substantially all, property and assets, with or without the goodwill, of the corporation, if not made in the usual and regular course of its business; or (iii) any plan or agreement relating to any transaction or agreement set forth in (i) or (ii) of this Section 5.

This Section 5 of this Article III shall be amended or repealed only by the affirmative vote of the holders of at least two-thirds of the outstanding shares entitled to vote on such amendment or repeal.

6. Miscellaneous. The corporation shall be entitled to treat the person in whose name any share, right or option is registered as the owner thereof for all purposes and shall not be bound to recognize any equitable or other claim to or interest in such share, right or option on the part of any other person, whether or not the corporation shall have notice thereof, save as may be expressly provided by the laws of the State of Missouri.

A director shall be fully protected in relying in good faith upon the books of account of the corporation or statements prepared by any of its officials as to the value and amount of the assets, liabilities and/or net profits of the corporation, or any other facts pertinent to the existence and amount of surplus or other funds from which dividends might properly be declared and paid.

Without action by the stockholders, the shares of stock may be issued by the corporation from time to time for such consideration (not less than the par value thereof if such stock has a par value) as may be fixed from time to time by the Board of Directors thereof, and any and all such shares so issued, the full consideration for which has been paid or delivered, shall be deemed fully paid stock and not liable to any further call or assessment thereon, and the holder of such shares shall not be liable for any further call or assessment thereon, or for any other payment thereon.

6. Shareholder Voting Requirements, Fairness of Certain Proposed Business Combinations.

(a) Except as expressly provided in Section 6(b) hereof, no Business Combination shall be consummated without first being approved by the affirmative vote of 95% of the then outstanding Voting Stock voting together as a single class. The affirmative vote required by this Section 6(a) is in addition to any other affirmative vote required by law, these Restated Articles of Incorporation, the By-Laws of the corporation or otherwise.

(b) Section 6(a) hereof shall not apply to a Business Combination if all of the conditions precedent specified in either Section 6(b)(1) or Section 6(b)(2) are met prior to the consummation of such Business Combination.

(1) The Business Combination shall have been duly approved by a majority of all of the Continuing Directors.

(2) All of conditions 6(b)(2)(i) through 6(b)(2)(v) shall have been met.

(i) The amount of (X) cash or (Y) non-cash consideration to be received per share by holders of Voting Stock (or each class of Voting Stock separately, if applicable) in such proposed Business Combination shall be at least equal to the highest amount determined under 6(b)(2)(i)(A), (B) and (C) below:

(A) the highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid by the Interested Shareholder for any share of such Voting Stock acquired by it (X) within the two-year period immediately prior to the first public announcement of the proposed Business Combination (the "Announcement Date") or (Y) in the transaction in which the Interested Shareholder became an Interested Shareholder, whichever is higher;

(B) the Fair Market Value per share of such Voting Stock on the Announcement Date or on the date on which the Interested Shareholder became

an Interested Shareholder (such latter date is referred to in this Section 6 as the “Determination Date”), whichever is higher, multiplied by the greater of one (1.0) or the ratio of (X) the highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers’ fees) paid by the Interested Shareholder for any shares of such Voting Stock acquired by it within the two-year period immediately prior to the Announcement Date or in the transaction in which the Interested Shareholder became an Interested Shareholder, whichever is higher, to (Y) the Fair Market Value per share of such Voting Stock on the first date in such two-year period immediately prior to the Announcement Date on which the Interested Shareholder acquired any such Voting Stock, or, in the event the Interested Shareholder did not acquire any such Voting Stock within such two-year period, the Fair Market Value per share of such Voting Stock on the most recent date on which the Interested Shareholder acquired any such Voting Stock; and

(C) the primary earnings per share of the Common Stock for the four full consecutive fiscal quarters of the corporation immediately preceding the Announcement Date multiplied by the price/earnings ratio of the Interested Shareholder. For purposes of this Section 6(b)(2)(i)(C) the “price/earnings ratio” shall be the ratio of (X) the per share Fair Market Value of all outstanding common stock of the Interested Shareholder on the Announcement Date to (Y) the primary earnings per share attributable to such common stock for the four full consecutive quarters of the Interested Shareholder immediately preceding the Announcement Date. If more than one Person constitutes the Interested Shareholder, the price/earnings ratio of the Person having the highest price/earnings ratio shall be used for the computation required by this Section 6(b)(2)(i)(C). The Fair Market Value of non-cash consideration shall be determined as of the date of the consummation of the Business Combination.

(ii) The consideration to be received by holders of a particular class of outstanding Voting Stock pursuant to the proposed Business Combination shall be cash unless the Interested Shareholder acquired all Voting Stock beneficially owned by such Interested Shareholder for non-cash consideration. In such case, the consideration to be paid in the proposed Business Combination shall be in the same form previously paid by the Interested Shareholder for such Voting Stock.

(iii) After such Interested Shareholder has become an Interested Shareholder and prior to the consummation of such Business Combination:

(A) there shall have been no failure to declare and pay at the regular date therefor any dividends (whether or not cumulative) on any outstanding preferred stock of the corporation, except as approved by a majority of all of the Continuing Directors;

(B) there shall have been no reduction in the rate or frequency of dividends paid on any class of common stock of the corporation as compared to the practice of the corporation immediately preceding the Determination Date (except as necessary to reflect any subdivision of any class of such common stock or to the extent necessary to comply with the provisions of any applicable law) or except as approved by a majority of all of the Continuing Directors;

(C) there shall have been an increase in such rate of dividends as is necessary to reflect any reclassification (including any reverse stock split), recapitalization, reorganization or any similar transaction which has the effect of reducing the number of outstanding shares of any class of common stock of

the corporation, unless the failure to increase such annual rate is approved by a majority of all of the Continuing Directors; and

(D) such Interested Shareholder shall not have become the beneficial owner of any additional shares of Voting Stock except to the extent necessary to fulfill contractual obligations incurred in the transaction which resulted in such Interested Shareholder becoming an Interested Shareholder so long as the terms of such transaction are not amended or modified subsequent to the Determination Date.

(iv) After the Determination Date, the Interested Shareholder shall not have received the benefit, directly or indirectly (except proportionately as a shareholder), of any loans, advances, guarantees, pledges or other financial assistance, or any tax credits or other tax advantages provided by the corporation, whether in anticipation of such Business Combination or otherwise.

(v) A proxy or information statement describing the proposed Business Combination containing the views of all of the Continuing Directors and any investment advisor selected by a majority of all of the Continuing Directors and complying with the requirements of the Securities Exchange Act of 1934 and the rules and regulations thereunder (or any subsequent provisions replacing such Act, rules or regulations) shall be mailed to shareholders of the corporation at least 30 days prior to the consummation of such Business Combination (whether or not such proxy or information statement is required to be mailed pursuant to such Act or subsequent provisions).

(3) Notwithstanding this Section 6(b), any Business Combination meeting the conditions precedent specified in Sections 6(b)(1) or 6(b)(2) shall, nevertheless, proceed only upon receiving any affirmative vote required by law, these Restated Articles of Incorporation, the By-Laws of the corporation, or otherwise.

(c) Definitions for the purposes of this Section 6:

(1) “*Affiliate.*” An “Affiliate” of, or a Person “affiliated” with, a specific Person, means a Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Person specified.

(2) “*Announcement Date.*” See Section 6(b)(2)(i)(A).

(3) “*Associate.*” The term “Associate” means:

(i) any corporation or organization (other than this corporation or a Subsidiary of this corporation) of which a Person is an officer or partner or is, directly or indirectly, the beneficial owner of ten percent (10%) or more of any class of equity securities; or

(ii) any trust or other estate in which a Person has a substantial beneficial interest or as to which a Person serves as trustee or in a similar fiduciary capacity; or

(iii) any relative or spouse of a Person, or any relative of such spouse, who has the same home as such Person; or

(iv) any investment company registered under the Investment Company Act of 1940 for which a Person or any Affiliate of such Person serves as investment advisor.

(4) “*Beneficial Owner.*” A Person shall be a “Beneficial Owner” of any Voting Stock:

(i) which a Person or any of its Affiliates or Associates directly or indirectly, pursuant to any agreement, arrangement or understanding, has or shares the power to vote or direct the voting of or to dispose of or direct the disposition of; or

(ii) which such Person or any of its Affiliates or Associates has the right to acquire (whether such right is exercisable immediately or only after the passage of time), pursuant to any agreement, arrangement or understanding or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise; or

(iii) which are beneficially owned, directly or indirectly, by any other Person with which such Person or any of its Affiliates or Associates has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of any shares of Voting Stock.

(5) “*Business Combination.*” Each of the following shall be deemed a “Business Combination”:

(i) any merger or consolidation of the corporation or of any Subsidiary of the corporation with any Interested Shareholder or any Affiliate of an Interested Shareholder; or

(ii) any sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions) to or with any Interested Shareholder or any Affiliate or any Interested Shareholder of any assets of the corporation or any subsidiary of the corporation having an aggregate Fair Market Value of \$5,000,000 or more; or

(iii) any issuance or transfer by the corporation or any Subsidiary of the corporation (in one transaction or a series of transactions) of any securities of the corporation or any Subsidiary of the corporation to any Interested Shareholder or any Affiliate of any Interested Shareholder in exchange for cash, securities or other property (or a combination thereof) having an aggregate Fair Market Value of \$5,000,000 or more; or

(iv) the adoption of any plan or proposal for the liquidation or dissolution of the corporation at any time during which there exists an Interested Shareholder; or

(v) any reclassification of securities (including any reverse stock split), or recapitalization of the corporation, or any merger or consolidation of the corporation with any of its Subsidiaries or any other transaction (whether or not with or into or otherwise involving an Interested Shareholder) which has the effect, directly or indirectly, of increasing the proportionate share of the outstanding shares of any class of Voting Stock which are beneficially owned by any Interested Shareholder or any Affiliate of any Interested Shareholder.

(6) “*Continuing Director.*” The term “Continuing Director” shall include any member of the Board of Directors of the corporation who was serving as a director of the corporation on May 9, 1984 and the Successors of any such member. For purposes of this Section 6(c)(6), a Successor shall mean any director of the corporation elected subsequent to May 9, 1984 whose nomination or election was approved by the affirmative vote of a majority of all of the Continuing Directors and previously qualified Successors serving at the time of such vote. If at any time the number of Continuing Directors shall be less than four (4) or one-third (1/3) of the number of Continuing Directors serving on the Determination Date, whichever is greater, it shall be deemed that no Continuing Directors exist; provided, however, this sentence shall not apply to Section 6(b)(2)(v).

(7) “*Determination Date.*” See Section 6(b)(2)(i)(B).

(8) “*Fair Market Value.*” “Fair Market Value” shall mean:

(i) in the case of equity or debt securities, the closing sale price on the date in question of such securities on the Composite Tape for New York Stock Exchange-Listed Stocks, or, if

such securities are not quoted on the Composite Tape, on the New York Stock Exchange, or, if such securities are not listed on such exchange, on the principal United States securities exchange registered under the Securities Exchange Act of 1934 on which such securities are listed, or, if such securities are not listed on any such exchange, the highest closing bid quotation with respect to such securities on the date in question on the National Association of Securities Dealers, Inc. Automated Quotation System or any system then in use, or, if no such quotations are available, the fair market value on the date in question of such securities as determined by a majority of all of the Continuing Directors or if no Continuing Directors are then serving by a majority of all of the Board of Directors in good faith; and

(ii) in the case of property other than equity or debt securities, the fair market value of such property on the date in question as determined in good faith by a majority of all of the Continuing Directors or if no Continuing Directors are then serving by a majority of all of the Board of Directors in good faith.

(9) “*Interested Shareholder.*” An “Interested Shareholder” is any Person which is the Beneficial Owner of ten percent (10%) or more of any class of Voting Stock. The term “Interested Shareholder” shall never include the corporation or any Subsidiary of the corporation. The term “Interested Shareholder” shall also never include any fiduciary or trustee for the employees of the corporation or its Subsidiaries acting pursuant to any benefit plan or arrangement established by the corporation.

(10) “*Person.*” The term “Person” shall mean any individual, partnership, corporation, group or other entity. When two or more Persons act as a partnership, limited partnership, syndicate, association or other group for the purpose of acquiring, holding or disposing of shares of stock, such partnership, syndicate, association or group shall be deemed a “Person.”

(11) “*Subsidiary.*” The term “Subsidiary” shall mean any corporation or other entity of which the Person in question owns at least 50% of any class of equity securities, directly or indirectly.

(12) “*Voting Stock.*” “Voting Stock” shall mean the Common Stock and any other class of capital stock of the corporation which shall from time to time be outstanding which is entitled to vote generally in the election of directors.

(d) Nothing contained in this Section 6 shall be construed to relieve any Interested Shareholder from any fiduciary obligation imposed by law.

(e) Notwithstanding any other provisions of these Restated Articles of Incorporation or the By-Laws of the corporation (and notwithstanding the fact that a lesser percentage may be specified by law, these Restated Articles of Incorporation, or the By-Laws of the corporation), the affirmative vote of the holders of ninety-five percent (95%) or more of the shares of Voting Stock, voting together as a single class, shall be required to amend, repeal, or adopt any provisions inconsistent with, this Section 6; *provided, however*, that at any time there does not exist an Interested Shareholder, this Section 6 may be amended or repealed (or provisions may be adopted inconsistent with this Section 6) upon the affirmative vote of sixty percent (60%) or more of the outstanding shares of Voting Stock, voting together as a single class.

ARTICLE IV

This corporation reserves the right to amend, alter, change or repeal any provision contained in these Articles of Incorporation in the manner now or hereafter prescribed by law and all rights conferred on officers, directors and shareholders herein are granted subject to this reservation.

ARTICLE V

The property and business of the corporation shall be controlled and managed by a board of directors. The number of directors shall be fixed by, or in the manner provided in, the bylaws; provided, however, the number of directors shall be not less than three (3).

ARTICLE VI

The duration of the corporation is perpetual.

ARTICLE VII

The purposes for which this corporation is organized are as follows:

To design and manufacture products of every description fabricated from various grades of ferrous and non-ferrous metals and their alloys and to buy, sell and otherwise deal therein;

To manufacture, buy, sell, procure, distribute, market, exchange, import, export and in any other manner deal in or deal with (as principal, agent or otherwise) various spring, coil, wire, metal and other products of various grades of ferrous and non-ferrous metals and their alloys, as well as materials, parts, instruments, devices and other tools, parts, components and supplies;

To manufacture, purchase, or otherwise acquire, invest in, own, mortgage, pledge, lease, sell, assign and transfer or otherwise dispose of, trade, deal in and deal with goods, wares and merchandise and personal property of every class and description within or without the State of Missouri;

To acquire by purchase, lease or otherwise erect, maintain, operate, lease, mortgage and otherwise deal in and deal with real estate, buildings, warehouses, storehouses, manufacturing plants, factories, machine shops and any other structures and equipment necessary, useful or desirable for the conduct of the business of this corporation;

To acquire the goodwill, rights and property and to undertake the whole or any part of the assets and liabilities of any person, firm, association or corporation; to pay for the same in cash, the stock of this corporation, bonds, or otherwise; to hold or in any manner to dispose of the whole or any part of the property so purchased; to conduct in any lawful manner the whole or any part of any business so acquired and to exercise all the powers necessary or convenient in and about the conduct and management of such business;

To enter into partnership or into any arrangement for sharing of profits, union of interests, cooperation, joint adventure, reciprocal concession or otherwise, with any person or corporation carrying on or engaged in or about to carry on or engage in or any business or transaction which the corporation is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit the corporation; and, without banking or discount privileges, to lend money to and/or guarantee the contracts of and payment of the principal of and interest on any notes, debentures, bonds or other evidences of indebtedness of any such person, corporation or entity, or otherwise assist any such person or corporation, and to take or otherwise acquire shares and securities of any such corporation, and to sell, hold, reissue, with or without guaranty, or otherwise deal with the same;

To purchase or otherwise acquire, apply for, register, hold, use, sell or in any manner dispose of and to grant licenses or other rights in and in any manner deal with patents, inventions, improvements, processes, formulas, trademarks, trade names, rights and licenses secured under letters patent, copyrights or otherwise;

To enter into, make and perform contracts of every kind for any lawful purpose with any person, firm, association or corporation, town, city, county, body politic, state, territory, government or colony or dependency thereof;

To borrow or raise moneys for any of the purposes of the corporation and, from time to time without limit as to amount, to draw, make, accept, endorse, execute and issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable or non-negotiable instruments and evidences of indebtedness, and to secure the payment of any thereof and of the interest thereon by

mortgage upon or pledge, conveyance or assignment in trust of the whole or any part of the property of the corporation, whether at the time owned or thereafter acquired, and to sell, pledge or otherwise dispose of such bonds or other obligations of the corporation for its corporate purposes;

To purchase, hold, sell and transfer the shares of its own capital stock, provided it shall not use its funds or property for the purchase of its own shares of capital stock when such use would cause any impairment of its capital except as otherwise permitted by law, and provided further that shares of its own capital stock belonging to it shall not be voted upon directly or indirectly;

To render general and special services and advice and to do all things as may be necessary or convenient in carrying out any or all of the foregoing purposes;

The objects and purposes specified herein shall be regarded as independent objects and purposes and, except where otherwise expressed, shall be in no way limited nor restricted by reference to or inference from the terms of any other clause or paragraph of these Articles of Incorporation;

The foregoing shall be construed both as objects and powers, and the enumeration thereof shall not be held to limit or restrict in any manner the general powers conferred on this corporation by the laws of the State of Missouri.

ARTICLE VIII

1. *Right to Indemnification.* Each person who was or is a director or officer of the Corporation shall be indemnified by the Corporation as a matter of right to the fullest extent permitted or authorized by applicable law and as otherwise provided in this Article VIII. The term "applicable law" means (i) Section 351.355 of The Missouri General and Business Corporation Law (other than subsection 6 thereof and any other subsection comparable in purpose to subsection 6) as in effect on May 7, 1986 and as thereafter amended (but in the case of any such amendment, only to the extent such amendment permits the Corporation to provide broader indemnification rights than The Missouri General and Business Corporation Law permitted the Corporation to provide immediately prior to such amendment) and (ii) any other statutory indemnification provision adopted after May 7, 1986.

2. *Right to Advance of Expenses.* Expenses incurred by any person who was or is a director or officer of the Corporation in defending any threatened, pending or on-going action, suit or proceeding (whether civil, criminal, administrative or investigative, including those by or in the right of the Corporation) shall be promptly advanced by the Corporation when so requested by such person at any time and from time to time, but only if the requesting person delivers to the Corporation an undertaking to repay to the Corporation all amounts so advanced if it should ultimately be determined that the requesting person is not entitled to be indemnified by the Corporation under applicable law, this Article VIII, and any by-law of the Corporation, agreement, vote of shareholders or disinterested directors or otherwise.

3. *Rights not Exclusive.* The indemnification and other rights provided by this Article shall not be deemed exclusive of any other rights to which a director or officer may be entitled under any by-law, agreement, vote of shareholders or disinterested directors or otherwise, both as to action in such person's official capacity and as to action in any other capacity while holding the office of director or officer, and the Corporation is hereby specifically authorized to provide such indemnification and other rights by any by-law, agreement, vote of shareholders or disinterested directors or otherwise.

4. *Insurance.* The Corporation may purchase and maintain insurance on behalf of any person who was or is a director, officer, employee or agent of the Corporation, or was or is serving at the request of the Corporation as a director, officer, employee or agent of another Corporation, partnership, joint venture, trust or other enterprise against any liability asserted against or incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify such person against such liability under this Article VIII, the Corporation's by-laws, agreement, vote of shareholders or disinterested directors or otherwise.

5. *Enforceability; Amendment.* Each person who was or is a director or officer of the Corporation and the heirs, executors, administrators and estate of such person, is a third party beneficiary of this Article VIII and shall be entitled to enforce against the Corporation all indemnification and other rights granted to such person by applicable law and as otherwise provided in this Article VIII.

This Article VIII may be hereafter amended or repealed; provided, however, that no amendment or repeal shall reduce, terminate or otherwise adversely affect the right of a person who was or is a director or officer to obtain indemnification or an advance of expenses with respect to an action, suit or proceeding that pertains to or arises out of actions or omissions that occur prior to the later of (a) the effective date of such amendment or repeal; (b) the expiration date of such person's then current term of office with, or service for, the Corporation (provided such person has a stated term of office or service and completes such term); or (c) the effective date such person resigns his office or terminates his service (provided such person has a stated term of office or service but resigns prior to the expiration of such term).

ARTICLE IX

1. In furtherance and not in limitation of the powers conferred by the laws of the State of Missouri, the Board of Directors is expressly authorized:

To make, alter, amend and repeal the By-Laws;

To set apart out of any of the funds of the corporation available for dividends a reserve or reserves for any proper purpose and to alter or abolish any such reserve;

To authorize and cause to be executed mortgages and liens upon the property and franchises of this corporation;

To designate, by resolution passed by a majority of the whole Board, an executive committee, to consist of two or more directors, which committee, to the extent provided in such resolution or in the By-Laws of the corporation, shall have and may exercise any or all of the powers of the Board of Directors in the management of the business and affairs of this corporation and have power to authorize the seal of this corporation to be affixed to all papers which may require it;

Provided to the extent that any of the foregoing powers conflict with any applicable statute of the State of Missouri, now or hereafter in effect, such statute, to the extent of such conflict, shall be controlling.

To the extent permitted by the laws of the State of Missouri, this corporation may in its By-Laws confer powers additional to the foregoing upon the directors, in addition to the powers and authorities expressly conferred upon them by law.

2. (a) Notwithstanding any other provisions of these Restated Articles of Incorporation or the By-Laws of the Corporation (and notwithstanding the fact that a lesser percentage may be specified by law, these Restated Articles of Incorporation, or the By-Laws of the Corporation), no Protected By-Law shall be amended or repealed and no provision of the Corporation's By-Laws or these Restated Articles of Incorporation inconsistent with any Protected By-Law, shall be adopted at any time there exists a Substantial Shareholder without first obtaining the approval of either (1) 80% or more of the then outstanding Voting Stock voting together as a single class or (2) a majority of all of the Continuing Directors.

(b) Definitions for purposes of this Section 2.

(1) "Affiliate." Affiliate shall have the same meaning as set forth in Section 6(c)(1) of Article III of these Restated Articles of Incorporation.

(2) "Associate." Associate shall have the same meaning as set forth in Section 6(c)(3) of Article III of these Restated Articles of Incorporation.

(3) “Beneficial Owner.” A Person shall be deemed the “Beneficial Owner” of and shall be deemed to “beneficially own” any Voting Stock:

(i) which such Person or any of such Person’s Affiliates or Associates beneficially owns, directly or indirectly; *provided, however,* that a Person shall not be deemed to beneficially own any Voting Stock to the extent that the Person’s beneficial ownership is attributable solely to the Person’s shared authority to direct the disposition of Voting Stock beneficially owned by any mutual fund registered as an investment company under the Investment Company Act of 1940 in such Person’s capacity as an investment advisor registered with the Securities and Exchange Commission;

(ii) which such Person or any of such Person’s Affiliates or Associates has (A) the right to acquire (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding, or upon the exercise of conversion rights, exchange rights, rights, warrants or options, or otherwise; *provided, however,* that a Person shall not be deemed the Beneficial Owner of, or to beneficially own, Voting Stock tendered pursuant to a tender or exchange offer made by or on behalf of such Person or any of such Person’s Affiliates or Associates until said tendered Voting Stock is accepted for purchase; or (B) the right to vote pursuant to any agreement, arrangement or understanding; *provided, however,* that a Person shall not be deemed the Beneficial Owner of, or to beneficially own, any Voting Stock if the agreement, arrangement or understanding to vote such security, (1) arises solely from a revocable proxy given to such Person in response to a public proxy or consent solicitation made pursuant to, and in accordance with, the applicable rules and regulations of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and (2) is not also then reportable on Schedule 13D pursuant to Section 13(d) of the Exchange Act (or any comparable or successor report); or

(iii) which are beneficially owned, directly or indirectly, by any other Person with which such Person or any of such Person’s Affiliates or Associates has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of any Voting Stock of the Corporation.

(4) “Continuing Director.” The term “Continuing Director” shall include any member of the Board of Directors of the Corporation who was serving as a director of the Corporation at the close of business on May 7, 1986, and the Successors of any such member. For purposes of this Section 2(b)(4), a Successor shall mean any director of the Corporation elected subsequent to May 7, 1986 whose nomination or election was approved by the affirmative vote of a majority of all of the Continuing Directors and previously qualified Successors serving at the time of such vote. If at any time the number of Continuing Directors shall be less than four (4) or one-third (1/3) of the number of Continuing Directors serving on the Determination Date, whichever is greater, it shall be deemed that no Continuing Directors exist.

(5) “Determination Date.” The day on which a Substantial Shareholder first becomes a Substantial Shareholder.

(6) “Person.” Person shall have the same meaning as set forth in Section 6(c)(10) of Article III of these Restated Articles of Incorporation.

(7) “Protected By-Law.” A “Protected By-Law” shall be any By-Law of the Corporation designated as such by resolution duly adopted by the Corporation’s directors.

(8) “Subsidiary.” Subsidiary shall have the same meaning as set forth in Section 6(c)(11) of Article III of these Restated Articles of Incorporation.

(9) "Substantial Shareholder." A Substantial Shareholder is any Person which is the Beneficial Owner of twenty percent (20%) or more of any class of Voting Stock. The term Substantial Shareholder shall never include the Corporation or any subsidiary of the Corporation, any fiduciary or trustee for the employees of the Corporation or its subsidiaries acting pursuant to any benefit plan or arrangement established by the Corporation or any subsidiary of the Corporation, or any such plan.

(10) "Voting Stock." Voting Stock shall have the same meaning as set forth in Section 6(c)(12) of Article III of these Restated Articles of Incorporation.

(c) Notwithstanding any other provisions of these Restated Articles of Incorporation or the By-Laws of the Corporation (and notwithstanding the fact that a lesser percentage may be specified by law, these Restated Articles of Incorporation, or the By-Laws of the Corporation), the affirmative vote of eighty percent (80%) or more of the shares of Voting Stock voting together as a single class, shall be required to amend, repeal, or adopt any provisions inconsistent with, this Section 2; *provided, however*, that at any time there does not exist a Substantial Shareholder, this Section 2 may be amended or repealed (or provisions may be adopted inconsistent with this Section 2) upon the affirmative vote of sixty percent (60%) or more of the outstanding shares of Voting Stock, voting together as a single class.

ARTICLE X

No contract or other transaction between the corporation and any other corporation and no other act of the corporation shall, in the absence of fraud, be invalidated or in any way affected by the fact that any of the directors of the corporation are pecuniarily or otherwise interested in such contract, transaction or other act, or are directors or officers of such other corporation. The foregoing provision shall not be construed so as to relieve any director of this corporation of any liability unless his interest in such contract, transaction or other act shall have been disclosed or shall have been known to the Board of Directors. Any director of the corporation, individually, or any firm or association of which any such director may be a member, may be a party to, or may be pecuniarily or otherwise interested in, any contract or transaction of the corporation, provided that the fact that he individually or such firm or association is so interested shall be disclosed or shall have been known to the Board of Directors; and any director of the corporation who is a director or officer of such other corporation or who is so interested may be counted in determining the existence of a quorum at any meeting of the Board of Directors which shall authorize any such contract or transaction, and may vote thereat to authorize any such contract or transaction with like force and effect as if he were not such director or officer of such other corporation or not so interested, every director of the corporation being hereby relieved from any disability which might otherwise prevent him from carrying out transactions with or contracting with the corporation for the benefit of himself or any firm, corporation, association, trust or organization in which or with which he may be in anywise interested or connected.

ARTICLE XI

The registered office of this corporation is 18th Road, Carthage, Missouri; and the name and address of the present registered agent of this corporation is R.A. Jefferies, Jr., 18th Road, Carthage, Missouri 64836.

ARTICLE XII

The names and places of residence of the incorporators of this corporation are as follows:

Name	Place of Residence
William McMillan	Carthage, Missouri
Wm. K. Caffee	Carthage, Missouri
J.P. Newell	Carthage, Missouri
Kate M. Johns	Carthage, Missouri
W.E. Hall	Carthage, Missouri
R.E. Lister	Carthage, Missouri
W.W. Bailey	Carthage, Missouri
Robert Ornduff	Carthage, Missouri
J.P. Leggett	Carthage, Missouri
G.D. Leggett	Carthage, Missouri
C.B. Platt	Carthage, Missouri
M. B. Parke	Carthage, Missouri
E. O'Keefe	Carthage, Missouri
M.J. McClurg	Carthage, Missouri
Wm. E. Brinkerhoff	Carthage, Missouri
B.A. Mevey	Carthage, Missouri

**AMENDMENT OF RESTATED ARTICLES OF INCORPORATION
OF
LEGGETT & PLATT, INCORPORATED**

**TO: Honorable Judith Moriarty
Secretary of State
State of Missouri
Jefferson City, MO 65101**

Pursuant to the provisions of the General and Business Corporation Law of Missouri, the undersigned Corporation certifies the following:

I.

The name of the corporation is Leggett & Platt, Incorporated. The name under which it was originally organized was Leggett & Platt Spring Bed and Manufacturing Company.

II.

One amendment to the Corporation's Restated Articles of Incorporation, as amended, was adopted by the Corporation's shareholders on May 12, 1993.

III.

The amendment is as follows:

The introductory paragraph of Article III is amended to read in its entirety as follows:

“The aggregate number of shares which the corporation shall have the authority to issue is Three Hundred Million (300,000,000) shares of Common Stock of One Cent (\$.01) par value and One Hundred Million (100,000,000) shares of Preferred Stock without par value.”

IV.

The only class of the Corporation's securities entitled to vote on this amendment was the Corporation's Common Stock, \$1.00 par value. Of the 38,254,181 shares of Common Stock, \$1.00 par value, issued and outstanding, 38,254,181 shares were entitled to vote on the amendment. No outstanding shares of any class of securities were entitled to vote as a class on the amendment.

V.

The number of shares of Common Stock, \$1.00 par value, voted for and against the amendment was as follows:

No. of Shares Voted For	No. of Shares Voted Against	No. of Shares Abstained
24,367,853	5,975,126	238,454

IN WITNESS WHEREOF, the undersigned, Thomas D. Sherman, Vice President of Leggett & Platt, Incorporated, has executed this instrument and John A. Lyckman, Assistant Secretary of Leggett & Platt, Incorporated, has affixed its corporate seal hereto and attested said seal on the 12th day of May, 1993.

(CORPORATE SEAL)

LEGGETT & PLATT, INCORPORATED

ATTEST:

/s/ John A. Lyckman

/s/ Thomas D. Sherman

John A. Lyckman

Thomas D. Sherman

Assistant Secretary

Vice President

STATE OF MISSOURI)

)ss.

COUNTY OF NEWTON)

I, Cindy A. Adams, a notary public, do hereby certify that on this 12th day of May, 1993, personally appeared before me Thomas D. Sherman, who being by me first duly sworn, declared that he is the Vice President of Leggett & Platt, Incorporated, that he signed the foregoing document as Vice President of the Corporation, and that the statements therein contained are true.

/s/ Cindy A. Adams

Cindy A. Adams, Notary Public

My Commission Expires: June 13, 1993

**AMENDMENT OF RESTATED ARTICLES OF INCORPORATION
OF
LEGGETT & PLATT, INCORPORATED**

**TO: Honorable Rebecca McDowell Cook
Secretary of State
State of Missouri
Corporation Division
PO Box 778
Jefferson City, MO 65102**

Pursuant to the provisions of The General and Business Corporation Law of Missouri, the undersigned Corporation certifies the following:

I.

The present name of the Corporation is Leggett & Platt, Incorporated. The name under which it was originally organized was Leggett & Platt Spring Bed and Manufacturing Company.

II.

An amendment to the Corporation's Restated Articles of Incorporation was adopted by the shareholders on May 12, 1999.

III.

The amendment is as follows:

The introductory paragraph of Article III is amended to read in its entirety as follows:

"The aggregate number of shares which the corporation shall have the authority to issue is Six Hundred Million (600,000,000) shares of Common Stock of One Cent (\$.01) par value and One Hundred Million (100,000,000) shares of Preferred Stock without par value."

IV.

The only class of the Corporation's securities entitled to vote on this amendment was the Corporation's Common Stock, \$.01 par value. Of the 197,803,977 shares of Common Stock, \$.01 par value, issued and outstanding, 173,772,729 shares were entitled to vote on the amendment. No outstanding shares in any class of securities were entitled to vote as a class on the amendment.

The number of shares of Common Stock, \$.01 par value, voted for and against the amendment was as follows:

No. of Shares Voted For	No. of Shares Voted Against	No. of Shares Abstained
145,869,529	27,449,683	453,517

IN WITNESS WHEREOF, the undersigned, Ernest C. Jett, Vice President of Leggett & Platt, Incorporated, has executed this instruments and Shonna L. Koch, Assistant Secretary of Leggett & Platt, Incorporated, has affixed its corporate seal hereto and attested said seal on the 20th day of May, 1999.

(CORPORATE SEAL)

LEGGETT & PLATT, INCORPORATED

ATTEST:

/s/ Shonna L. Koch

Shonna L. Koch, Assistant Secretary

/s/ Ernest C. Jett

Ernest C. Jett, Vice President

State of MISSOURI)

)ss.

County of JASPER)

I, Valerie L. Day, a Notary Public, do hereby certify that on this 20th day of May, 1999, personally appeared before me Ernest C. Jett who, being by me first duly sworn, declared that he is the Vice President of Leggett & Platt, Incorporated, that he signed the foregoing documents as Vice President of the Corporation, and that the statements therein contained are true.

(Notarial Seal)

/s/ Valerie L. Day

Notary Public

My Commission Expires: 6/27/2000

**CERTIFICATE OF ELIMINATION OF CERTIFICATE OF DESIGNATION
OF SERIES A JUNIOR PARTICIPATING PREFERRED STOCK
OF
LEGGETT & PLATT, INCORPORATED**

**Pursuant to Section 351.180 of
The General and Business Corporation Law of Missouri**

Leggett & Platt, Incorporated, a corporation organized and existing under the General and Business Corporation Law of Missouri (hereinafter called the "Corporation"), hereby certifies:

FIRST: That the following resolutions were adopted by the Board of Directors of the Corporation at a meeting, duly called, on November 5, 2024.

WHEREAS, that there are currently no issued and outstanding shares of the Corporation's Series A Junior Participating Preferred Stock, no par value ("Series A Preferred"), which was created by the Corporation upon the filing with the Secretary of State of the State of Missouri of a Certificate of Designation, Preferences and Rights of Series A Junior Participating Preferred Stock of the Corporation on February 16, 1989, as amended on February 11, 1999 (the "Certificate").

WHEREAS, the Board of Directors has deemed it advisable and in the best interest of the Corporation to withdraw the Certificate.

RESOLVED, that none of the 1,000,000 shares of the Series A Preferred are outstanding and that no further shares of Series A Preferred will be issued pursuant to the Certificate.

RESOLVED FURTHER, that upon the effective date of the Certificate of Elimination of Certificate of Designation to be executed in connection herewith, all references to the Series A Preferred contained in such Certificate shall be deemed to be eliminated from the Corporation's Restated Articles of Incorporation, as amended (the "Articles of Incorporation"), provided, that such elimination of references shall not operate to reduce the number of authorized shares of the class of the Corporation's Preferred Stock without par value under Article Three of the Articles of Incorporation which, as of the date hereof, remains One Hundred Million (100,000,000) shares.

RESOLVED FURTHER, that in connection with the transactions contemplated in the preceding resolutions, the officers of the Corporation (the "Officers") be, and each of them hereby is, authorized, in the name and on behalf of the Corporation,

to certify any more formal or detailed resolutions as such Officers may deem necessary, appropriate or desirable to effectuate the intent of the foregoing resolutions and that such Officers be, and each of them hereby is, authorized and directed to annex such resolutions to these resolutions, and thereupon such resolutions shall be deemed adopted as and for the resolutions of the Board as if set forth herein at length.

RESOLVED FURTHER, that in connection with the transactions contemplated in the preceding resolutions, the Officers be, and each of them hereby is, authorized, in the name and on behalf of the Corporation, to make any filings, including the filing of the aforementioned Certificate of Elimination of Certificate of Designation, with governmental agencies necessary, appropriate or desirable in order to carry out fully the intent and accomplish the purposes of the foregoing resolutions, and such filings shall be conclusive evidence that the same are authorized hereby; and that any and all such filings heretofore or hereafter made by any such Officer within the terms of these resolutions be, and they hereby are, adopted, affirmed, approved and ratified in all respects as the official filing of the Corporation.

RESOLVED FURTHER, that all actions previously taken by any director, officer, employee or agent of the Corporation or the Board in connection with or related to the matters set forth in or reasonably contemplated or implied by the foregoing resolutions be, and each of them hereby is, adopted, ratified, confirmed and approved in all respects as the acts and deeds of the Corporation.

SECOND: That the Certificate was originally filed in the office of the Secretary of State of the State of Missouri on February 16, 1989 and was amended on February 11, 1999. None of the authorized shares of Series A Preferred are outstanding and none will be issued pursuant to the Certificate.

THIRD: That in accordance with Section 351.180 of the General and Business Corporation Law of the State of Missouri, the Articles of Incorporation are hereby amended to eliminate all reference to the Series A Preferred.

IN WITNESS WHEREOF, this Certificate of Elimination of Certificate of Designation has been executed by the Corporation by its President and attested by its Secretary this 5th day of November, 2024.

LEGGETT & PLATT, INCORPORATED

/s/ Karl G. Glassman
Name: Karl G. Glassman
Title: President

ATTEST:

/s/ S. Scott Luton
Name: S. Scott Luton
Title: Secretary

**ARTICLE 2 OF THE BYLAWS OF LEGGETT & PLATT, INCORPORATED, AS
AMENDED THROUGH NOVEMBER 5, 2024, MARKED TO SHOW CHANGES FROM
THE PRIOR BYLAW PROVISIONS, AS AMENDED THROUGH FEBRUARY 22, 2023**

ARTICLE 2. DIRECTORS

Section 2.2 Advance Notice of Nominations.

* * * * *

(e) Subject to the terms and conditions set forth in these Bylaws, the Corporation shall include in its proxy statement for annual meetings of shareholders after the 2017 annual meeting the name, together with the Required Information (as defined below), of qualifying persons nominated for election (the "Shareholder Nominee") to the Board of Directors by a shareholder or group of shareholders that satisfy the requirements of this Section 2.2(e), including without limitation qualifying as an Eligible Shareholder (as defined below) and that expressly elects at the time of providing the written notice required by this Section 2.2(e) (a "Proxy Access Notice") to have its nominee included in the Corporation's proxy materials pursuant to this Section 2.2(e).

* * * * *

(10) The Corporation shall not be required to include, pursuant to this Section 2.2(e), a Shareholder Nominee in its proxy materials for any annual meeting of shareholders, or, if the proxy statement already has been filed, to allow the nomination of (or vote with respect to) a Shareholder Nominee (and may declare such nomination ineligible), notwithstanding that proxies in respect of such vote may have been received by the Corporation:

- (i) who is not independent under the listing standards of the principal U.S. exchange upon which the common stock of the Corporation is listed, any applicable rules of the Securities and Exchange Commission and any publicly disclosed standards used by the Board of Directors in determining and disclosing independence of the Corporation's Directors (including without limitation the Corporation's Director Qualification Standards) or who is not a "non-employee director" for the purposes of Rule 16b-3 under the Exchange Act (or any successor rule) ~~or who is not an "outside director" for the purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended (or any successor provision)~~, in each case as determined by the Board of Directors;

LEGGETT & PLATT, INCORPORATED
BYLAWS
as amended through November 5, 2024

ARTICLE 1. MEETINGS OF SHAREHOLDERS

Section 1.1 Annual Meeting – Date, Place and Time. The annual meeting of the shareholders for the election of Directors and for the transaction of such other business as may properly come before the meeting shall be held on such date, at such time and at such place, within or without the State of Missouri, or by means of remote communication, or by both in person meeting and by remote communication, as shall be determined by the Board of Directors.

Section 1.2 Business at Annual Meetings.

- (a) The business at each annual meeting of the shareholders shall include the election of Directors and only such other business as has been properly brought before the meeting by being (i) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors, (ii) brought before the meeting by or at the direction of a majority of the Board of Directors, or (iii) brought before the meeting by a shareholder in accordance with Section 1.2(b).
- (b) For any business to be properly brought before an annual meeting by a shareholder:
- (1) The shareholder must be a shareholder of record both at the time of giving of notice required in this Section 1.2(b) and at the time of the meeting.
 - (2) The Secretary must receive, at the principal executive offices of the Corporation, a written notice from the shareholder not less than 90 days nor more than 120 days prior to the first anniversary of the preceding year's annual meeting; provided, however, that if (i) no annual meeting was held in the previous year or (ii) the date of the annual meeting is advanced or delayed by more than 30 days from such anniversary date, notice by the shareholder must be received not later than the later of the 90th day prior to such annual meeting or the tenth day following the public announcement of such meeting. Neither an adjournment nor a postponement of an annual meeting (or an announcement thereof) shall begin a new time period for delivering a shareholder's notice.
 - (3) The shareholder's notice shall set forth:
 - (i) a brief description of the business proposed to be brought before the meeting, the text of the proposal or business (including any proposed resolutions proposed for consideration and, in the event that such proposal or business includes a proposal to amend these Bylaws, the text of the proposed amendment), the reasons for proposing to conduct such

business at the meeting and any material interest of such shareholder (and of the beneficial owner, if any, on whose behalf the proposal is made) in such business;

(ii) a description of all agreements, arrangements and understandings between such shareholder and beneficial owner, if any, and any other person or persons (including their names) in connection with the proposal of such business by such shareholder; and

(iii) as to the shareholder giving the notice and the beneficial owner, if any, on whose behalf the proposal is made, (a) the name and address of such shareholder and beneficial owner, as they appear on the Corporation's books and of their respective affiliates or associates or others acting in concert therewith, (b) (1) the class and number of shares of stock of the Corporation which are, directly or indirectly, owned beneficially and of record by such shareholder and beneficial owner, and of their respective affiliates or associates or others acting in concert therewith, (2) any option, warrant, convertible security, stock appreciation right, or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class or series of shares of the Corporation or with a value derived in whole or in part from the value of any class or series of shares of the Corporation, or any derivative or synthetic arrangement having the characteristics of a long position in any class or series of shares of the Corporation, or any contract, derivative, swap or other transaction or series of transactions designed to produce economic benefits and risks that correspond substantially to the ownership of any class or series of shares of the Corporation, including due to the fact that the value of such contract, derivative, swap or other transaction or series of transactions is determined by reference to the price, value or volatility of any class or series of shares of the Corporation, whether or not such instrument, contract or right shall be subject to settlement in the underlying class or series of shares of the Corporation, through the delivery of cash or other property, or otherwise, and without regard to whether the shareholder of record, the beneficial owner, if any, or any affiliates or associates or others acting in concert therewith, may have entered into transactions that hedge or mitigate the economic effect of such instrument, contract or right, or any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the value of shares of the Corporation (any of the foregoing, a "Derivative Instrument") directly or indirectly owned beneficially by such shareholder, such beneficial owner or any of their respective affiliates or associates or others acting in concert therewith and any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the value of shares of the Corporation, (3) any proxy, contract, arrangement,

understanding, or relationship pursuant to which such shareholder, such beneficial owner or any of their respective affiliates or associates or others acting in concert therewith has a right to vote any shares of any security of the Corporation, (4) any agreement, arrangement, understanding, relationship or otherwise, including any repurchase or similar so-called "stock borrowing" agreement or arrangement, involving such shareholder, such beneficial owner or any of their respective affiliates or associates or others acting in concert therewith, directly or indirectly, the purpose or effect of which is to mitigate loss to, reduce the economic risk (of ownership or otherwise) of any class or series of the shares of the Corporation by, manage the risk of share price changes for, or increase or decrease the voting power of, such shareholder, such beneficial owner or any of their respective affiliates or associates or others acting in concert therewith with respect to any class or series of the shares of the Corporation, or which provides, directly or indirectly, the opportunity to profit or share in any profit derived from any decrease in the price or value of any class or series of the shares of the Corporation (any of the foregoing, a "Short Interest"), (5) any rights to dividends on the shares of the Corporation owned beneficially by such shareholder, such beneficial owner or any of their respective affiliates or associates or others acting in concert therewith that are separated or separable from the underlying shares of the Corporation, (6) any proportionate interest in shares of the Corporation or Derivative Instruments held, directly or indirectly, by a general or limited partnership in which such shareholder, such beneficial owner or any of their respective affiliates or associates or others acting in concert therewith is a general partner or, directly or indirectly, beneficially owns an interest in a general partner, (7) any performance-related fees (other than an asset-based fee) that such shareholder, such beneficial owner or any of their respective affiliates or associates or others acting in concert therewith is entitled to based on any increase or decrease in the value of shares of the Corporation or Derivative Instruments, (8) any significant equity interests or any Derivative Instruments or Short Interests in any principal competitor of the Corporation held by such shareholder, such beneficial owner or any of their respective affiliates or associates or others acting in concert therewith, and (9) any direct or indirect interest of such shareholder, such beneficial owner and their respective affiliates or associates or others acting in concert therewith in any contract with the Corporation, any affiliate of the Corporation, any principal competitor of the Corporation (including, in any such case, any employment agreement, collective bargaining agreement or consulting agreement), or in the outcome of any threatened or pending litigation or regulatory proceeding involving the Corporation (the foregoing items (1) through (9), individually or collectively, the "Disclosable Interests"), if any, as of the date of such notice, including without limitation any Disclosable Interests

held by members of such shareholder's immediate family sharing the same household (which information shall be supplemented by such shareholder and beneficial owner, if any, not later than 10 days after the record date for the meeting to disclose such ownership as of the record date), (c) a representation that the shareholder intends to appear in person or by proxy at the meeting to propose such business, (d) any other information that would be required to be provided by the shareholder or beneficial owner in a proxy statement or other filing required to be made in connection with solicitations of proxies for the proposal pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), in such person's capacity as a proponent of a shareholder proposal, (e) all information that would be required to be set forth in a Schedule 13D filed pursuant to Rule 13d-1(a) or an amendment pursuant to Rule 13d-2(a) if such a statement were required to be filed under the Exchange Act and the rules and regulations promulgated thereunder by such shareholder, such beneficial owner and their respective affiliates or associates or others acting in concert therewith, if any, and (f) a representation as to whether the shareholder or the beneficial owner, if any, intends or is part of a group which intends (i) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to approve or adopt the proposal or (ii) to otherwise solicit proxies from shareholders in support of such proposal.

In addition, to be considered timely, a shareholder's notice to the Secretary shall further be updated and supplemented, if necessary, so that the information provided or required to be provided in such notice shall be true and correct as of the record date for the meeting and as of the date that is 10 business days prior to the meeting or any adjournment or postponement thereof, and the Secretary must receive, at the principal executive offices of the Corporation, such update and supplement not later than five business days after the record date for the meeting in the case of the update and supplement required to be made as of the record date, and not later than eight business days prior to the date for the meeting or any adjournment or postponement thereof in the case of the update and supplement required to be made as of 10 business days prior to the meeting or any adjournment or postponement thereof. The obligation to update and supplement as set forth in this paragraph or any other Section of these Bylaws (including without limitation Section 2.2) shall not limit the Corporation's rights or remedies with respect to any deficiencies in any notice provided by a shareholder (or be deemed to cure any such defects), extend any applicable deadlines hereunder or under any other provision of the Bylaws, or enable or be deemed to permit a shareholder who has previously submitted notice hereunder or under any other provision of the Bylaws to amend or update any proposal or to submit any new proposal, including by changing or adding

nominees, matters, business and or resolutions proposed to be brought before a meeting of the shareholders.

(4) The proposed business must not be an improper subject for shareholder action under applicable law, and the shareholder must comply with state law, the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Section 1.2.

(5) The shareholder (or a qualified representative of the shareholder) must appear at the meeting of shareholders to propose such business and another shareholder must second the proposal.

(c) The meeting's presiding officer shall determine whether any proposal to bring business before the meeting was made in accordance with this Section 1.2 and, if any proposed business is not in compliance with this Section 1.2, to declare that such defective proposal be disregarded. The presiding officer shall have sole authority to decide questions of compliance with the foregoing procedures, and his or her ruling shall be final.

(d) Nothing in this Section 1.2 shall be deemed to affect any rights of shareholders to request inclusion of proposals in, or the Corporation's right to omit proposals from, the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act or any successor provision. The provisions of this Section 1.2 shall also govern what constitutes timely notice for purposes of Rule 14a-4(c) under the Exchange Act.

Section 1.3 Special Meetings.

(a) Special meetings of the shareholders may be called only by the Board Chair, the Chief Executive Officer, the President, or a majority of the Board of Directors. In addition, shareholders holding not less than two-thirds of all issued and outstanding shares which are entitled to vote for the election of Directors may call a special meeting of shareholders by providing a notice to the Secretary signed by the requisite number of shareholders and setting forth the information required by and complying with all applicable requirements under Section 1.2(b)(3).

(b) Each special meeting shall be held on such date, at such time and at such place, within or without the State of Missouri, or by means of remote communication, or by both in person meeting and by remote communication, as shall be determined by the Board of Directors; provided, however, the Secretary shall call a special meeting called by the shareholders not later than ninety (90) days after receipt of the shareholder notice.

(c) Business transacted at any special meeting shall be confined to the purposes stated in the notice thereof.

Section 1.4 Quorum.

(a) The holders of a majority of the shares entitled to vote at any meeting of the shareholders, present in person or by proxy, shall constitute a quorum, and, except as otherwise required by law, the Restated Articles of Incorporation or these Bylaws, the act of the majority of such quorum shall be deemed the act of the shareholders. The shareholders present at a meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of such number of shareholders as to reduce the remaining shareholders to less than a quorum.

(b) Whether or not a quorum is present, the presiding officer shall have the power, except as otherwise provided by law, successively to adjourn the meeting to another place, date or time not longer than 90 days after each such adjournment, and no notice of any such adjournment need be given to shareholders if the place, date and time of the adjourned meeting are announced at the meeting at which the adjournment is taken. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 1.5 Qualification of Voters. The Board of Directors may fix a record day prior to the day of holding any meeting of the shareholders as the time as of which the shareholders are deemed shareholders of record. Only those persons who are shareholders of record shall be entitled to notice of, to attend and to vote, in person or by proxy, at such meeting; provided, however, no proxy shall be voted after 11 months from the date of its execution unless otherwise provided in the proxy.

Section 1.6 No Cumulative Voting. Shareholders do not have the right to cumulate their votes in any manner in connection with the election of Directors.

Section 1.7 Procedure. The Board Chair, or in his or her absence the Lead Director, or in his or her absence the Chief Executive Officer, or in his or her absence the President, or in his or her absence the Secretary, shall preside at an annual or special meeting of the shareholders. In the absence of all of the above named officers, the Board of Directors shall select the person to preside at any meeting of the shareholders. It shall be the duty of such presiding officer to preserve order and ensure that the meeting is conducted in a businesslike and proper manner. The presiding officer shall have sole, complete and absolute authority to fully carry out his or her duties, including, without limitation, the power to postpone or adjourn the meeting from time to time if in his or her discretion such action is necessary or advisable to ensure order, to seek and receive advice of counsel, or to ensure fair and complete voting. The ruling of the presiding officer on any matter shall be final and conclusive. The presiding officer shall establish the order of business and such rules and procedures for the conduct of the meeting as in his or her sole, complete and absolute discretion he or she determines appropriate under the circumstances, including, without limitation, establishing (i) rules and procedures for maintaining order at the meeting and the safety of those present, (ii) limitations on participation in such meeting to shareholders of record, their duly authorized and constituted proxies and such other persons as the presiding officer shall permit, (iii) restrictions on entry to the meeting after the time fixed for the commencement thereof, (iv) limitations on the time

allotted to questions or comments by participants, (v) regulation of the voting or balloting, as applicable, and (vi) determination of matters which are to be voted on by ballot, if any. Unless and to the extent determined by the Board of Directors or the presiding officer, meetings of shareholders shall not be required to be held in accordance with rules of parliamentary procedure.

Section 1.8 Certification of Votes. If the object of a shareholders' meeting be to elect Directors or to take a vote of the shareholders on any proposition, then the presiding officer shall appoint not less than two persons, who are not Directors, inspectors to receive and canvass the votes given at such meeting and certify the result to him or her. The inspectors may appoint or retain other persons or entities to assist the inspectors in the performance of their duties. Any report or certificate made by the inspectors shall be prima facie evidence on the facts stated therein.

Section 1.9 Transmittal of Notices.

(a) Notices to shareholders regarding the annual meeting or special meetings shall be in writing, shall provide the place, date and hour set, and means of remote communication, if any, for the meeting, shall be given no less than ten nor more than 70 days before the date of the meeting, by or at the direction of the Secretary, to each shareholder of record entitled to vote at such meeting.

(b) Notices to shareholders may be delivered in any reasonable manner including, but not limited to, U.S. mail, private courier, hand delivery or electronic transmission. An electronic transmission means any process of communication not directly involving the physical transfer of paper that is suitable for the retention, retrieval and reproduction of information by the recipient, including, but not limited to, facsimile transmission, telex, telegram and communication utilizing the internet. Notice by U.S. mail or private courier shall be deemed given when deposited with the postal service or courier. Notice by electronic transmission shall be deemed given when transmitted.

Section 1.10 Action by Consent. Any action which may be taken at a meeting of the shareholders may be taken without a meeting if consents in writing, setting forth the action so taken, shall be signed by all of the shareholders entitled to vote with respect to the subject matter thereof.

Section 1.11 Proxies. At all meetings of shareholders, a shareholder may vote by proxy executed in writing (or in such manner prescribed by The Missouri General and Business Corporation Law) by the shareholder, or by such shareholder's duly authorized attorney in fact. Any shareholder directly or indirectly soliciting proxies from other shareholders must use a proxy card color other than white, which shall be reserved for exclusive use by the Board of Directors.

ARTICLE 2. DIRECTORS

Section 2.1 Number, Election, Removal and Vacancies. The whole Board of Directors shall consist of not less than three nor more than 15 members, the exact number to be set from time to time by the Board of Directors. No decrease in the number of Directors shall shorten the term of any incumbent Director. The Directors shall be elected at the annual meeting of the shareholders, except as provided below, and each Director elected shall hold office until his or her successor is elected and qualified. Directors may be removed during their term only for cause and then only by the holders of a majority of the shares entitled to vote at an election of Directors, represented in person or by proxy at any duly constituted meeting of the shareholders called for the purpose of removing any such Directors. Vacancies on the Board of Directors and newly created directorships resulting from any increase in the number of Directors may be filled by a majority of the Directors then in office, although less than a quorum, or by a sole remaining Director, until the next election of Directors by the shareholders.

Section 2.2 Advance Notice of Nominations.

(a) Nominations of individuals for election to the Board of Directors may be made at an annual meeting of shareholders (i) pursuant to the Corporation's notice of meeting, (ii) by or at the direction of a majority of the Board of Directors, or (iii) by any shareholder in accordance with Section 2.2(b).

(b) For any nomination to be properly brought before an annual meeting by a shareholder:

(1) The shareholder must be a shareholder of record both at the time of giving of notice required in this Section 2.2(b) and at the time of the meeting.

(2) The Secretary must receive, at the principal executive offices of the Corporation, a written notice from the shareholder not less than 90 days nor more than 120 days prior to the first anniversary of the preceding year's annual meeting; provided, however, that if (i) no annual meeting was held in the previous year or (ii) the date of the annual meeting is advanced or delayed by more than 30 days from such anniversary date, notice by the shareholder must be received not later than the later of the 90th day prior to such annual meeting or the tenth day following the public announcement of such meeting. Neither an adjournment nor a postponement of an annual meeting (or an announcement thereof) shall begin a new time period for delivering a shareholder's notice.

(3) The shareholder's notice shall set forth:

(i) as to each proposed nominee (a) the name, age, business and residential addresses, and principal occupation or employment of each proposed nominee, (b) the nominee's Disclosable Interests, if any, as of the date of such notice, including without limitation any Disclosable

Interests held by members of such nominee's immediate family sharing the same household (which information shall be supplemented by such nominee, if any, not later than 10 days after the record date for the meeting to disclose such ownership as of the record date), (c) a description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three years, and any other material relationships between or among such shareholder and beneficial owner, if any, and their respective affiliates or others acting in concert therewith (on the one hand) and each proposed nominee and his or her affiliates or others acting in concert therewith (on the other hand), including without limitation all information that would be required to be disclosed pursuant to Item 404 promulgated under Regulation S-K if the shareholder making the nomination and any beneficial owner on whose behalf the nomination is made, if any, or any affiliate or person acting in concert therewith, were the "registrant" for purposes of such rule and the nominee were a director or executive officer of such registrant, (d) a completed and signed questionnaire, representation and agreement required by Section 2.2(e), (e) all other information relating to such person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of Directors in a contested election, or is otherwise required pursuant to Regulation 14A under the Exchange Act, and (f) the written consent of each proposed nominee to being named as a nominee in any proxy statement and to serve as a Director of the Corporation if so elected; and

(ii) as to the shareholder giving the notice and the beneficial owner, if any, on whose behalf the nomination is made, (a) the name and address of such shareholder and beneficial owner, as they appear on the Corporation's books, (b) the shareholder's and beneficial owner's Disclosable Interests, if any, as of the date of such notice, including without limitation any Disclosable Interests held by members of such shareholder's immediate family sharing the same household (which information shall be supplemented by such shareholder and beneficial owner, if any, not later than 10 days after the record date for the meeting to disclose such ownership as of the record date), (c) a representation that the shareholder intends to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice, (d) any other information that would be required to be provided by the shareholder or beneficial owner in a proxy statement or other filing required to be made in connection with solicitations of proxies for the proposal pursuant to Regulation 14A under the Exchange Act in such person's capacity as a proponent of a shareholder proposal, (e) all information that would be required to be set forth in a Schedule 13D filed pursuant to Rule 13d-1(a) or an amendment pursuant to Rule 13d-2(a) if

such a statement were required to be filed under the Exchange Act and the rules and regulations promulgated thereunder by such shareholder, such beneficial owner and their respective affiliates or associates or others acting in concert therewith, if any, (f) a representation as to whether the shareholder or the beneficial owner, if any, intends or is part of a group which intends (i) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to elect the nominee, or (ii) otherwise solicit proxies from shareholders in support of such nominee, and (g) a representation that such shareholder or beneficial owner intends to deliver a proxy statement and form of proxy to holders of at least sixty-seven percent (67%) of the Corporation's outstanding capital stock.

In addition, to be considered timely, a shareholder's notice to the Secretary shall further be updated and supplemented, if necessary, so that the information provided or required to be provided in such notice shall be true and correct as of the record date for the meeting and as of the date that is 10 business days prior to the meeting or any adjournment or postponement thereof, and the Secretary must receive, at the principal executive offices of the Corporation, such update and supplement not later than five business days after the record date for the meeting in the case of the update and supplement required to be made as of the record date, and not later than eight business days prior to the date for the meeting or any adjournment or postponement thereof in the case of the update and supplement required to be made as of 10 business days prior to the meeting or any adjournment or postponement thereof. The shareholder giving the notice shall also deliver to the Corporation no later than five (5) business days prior to the date of the meeting or, if practicable, any adjournment, recess, rescheduling or postponement thereof (or, if not practicable, on the first practicable date prior to the date to which the meeting has been adjourned, recessed, rescheduled, or postponed) reasonable evidence that it has complied with the requirements of Rule 14a-19 of the Exchange Act.

(4) Any proposed nominee shall furnish any information, in addition to that required above, to the Corporation as it may reasonably require to determine the eligibility of the proposed nominee to serve as an independent Director or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such nominee.

(c) Nominations of individuals for election to the Board of Directors may be made at a special meeting of shareholders at which Directors are to be elected (i) pursuant to the Corporation's notice of meeting, (ii) by or at the direction of a majority of the Board of Directors, or (iii) provided that the Board of Directors has determined that Directors shall be elected at such special meeting, by any shareholder in accordance with Section 2.2(d).

- (d) For any nomination to be properly brought before a special meeting by a shareholder:
- (1) The shareholder must be a shareholder of record both at the time of giving of notice provided for in this Section 2.2(d) and at the time of the meeting.
 - (2) The Secretary must receive, at the principal executive offices of the Corporation, a written notice from the shareholder not later than the later of the 90th day prior to such special meeting or the tenth day following the public announcement of such special meeting. Such notice must contain the same information and comply with all applicable requirements as required under Section 2.2(b)(3). Neither an adjournment nor a postponement of a special meeting (or an announcement thereof) shall begin a new time period for delivering a shareholder's notice.
 - (3) No other proposals of business by a shareholder, other than the nomination of persons for election to the Board of Directors requested by a shareholder, may be considered at the special meeting.
 - (4) Any proposed nominee shall furnish any information, in addition to that required above, to the Corporation as it may reasonably require to determine the eligibility of the proposed nominee to serve as an independent Director or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such nominee.
- (e) Subject to the terms and conditions set forth in these Bylaws, the Corporation shall include in its proxy statement for annual meetings of shareholders after the 2017 annual meeting the name, together with the Required Information (as defined below), of qualifying persons nominated for election (the "Shareholder Nominee") to the Board of Directors by a shareholder or group of shareholders that satisfy the requirements of this Section 2.2(e), including without limitation qualifying as an Eligible Shareholder (as defined below) and that expressly elects at the time of providing the written notice required by this Section 2.2(e) (a "Proxy Access Notice") to have its nominee included in the Corporation's proxy materials pursuant to this Section 2.2(e).
- (1) For the purposes of this Section 2.2(e):
 - (i) "Voting Stock" shall mean outstanding shares of capital stock of the Corporation entitled to vote generally for the election of Directors;
 - (ii) "Constituent Holder" shall mean any shareholder, investment fund included within a Qualifying Fund (as defined below) or beneficial holder whose stock ownership is counted for the purposes of qualifying as holding the Proxy Access Request Required Shares (as defined below) or qualifying as an Eligible Shareholder (as defined below);

(iii) “affiliate” and “associate” shall have the meanings ascribed thereto in Rule 405 under the Securities Act of 1933, as amended (the “Securities Act”); provided, however, that the term “partner” as used in the definition of “associate” shall not include any limited partner that is not involved in the management of the relevant partnership; and

(iv) a shareholder (including any Constituent Holder) shall be deemed to own only those outstanding shares of Voting Stock as to which the shareholder itself (or such Constituent Holder itself) possesses both (a) the full voting and investment rights pertaining to the shares and (b) the full economic interest in (including the opportunity for profit and risk of loss on) such shares. The number of shares calculated in accordance with the foregoing clauses (a) and (b) shall be deemed not to include (and to the extent any of the following arrangements have been entered into by affiliates of the shareholder (or of any Constituent Holder), shall be reduced by) any shares (x) sold by such shareholder or Constituent Holder (or any of either’s affiliates) in any transaction that has not been settled or closed, including any short sale, (y) borrowed by such shareholder or Constituent Holder (or any of either’s affiliates) for any purposes or purchased by such shareholder or Constituent Holder (or any of either’s affiliates) pursuant to an agreement to resell, or (z) subject to any option, warrant, forward contract, swap, contract of sale, other derivative or similar agreement entered into by such shareholder or Constituent Holder (or any of either’s affiliates), whether any such instrument or agreement is to be settled with shares, cash or other consideration, in any such case which instrument or agreement has, or is intended to have, or if exercised by either party thereto would have, the purpose or effect of (i) reducing in any manner, to any extent or at any time in the future, such shareholder’s or Constituent Holder’s (or either’s affiliate’s) full right to vote or direct the voting of any such shares, and/or (ii) hedging, offsetting or altering to any degree gain or loss arising from the full economic ownership of such shares by such shareholder or Constituent Holder (or either’s affiliate). A shareholder (including any Constituent Holder) shall be deemed to own shares held in the name of a nominee or other intermediary so long as the shareholder itself (or such Constituent Holder itself) retains the right to instruct how the shares are voted with respect to the election of Directors and the right to direct the disposition thereof and possesses the full economic interest in the shares. For purposes of this Section 2.2(e), a shareholder’s (including any Constituent Holder’s) ownership of shares shall be deemed to continue during any period in which the shareholder has loaned such shares so long as such shareholder retains the power to recall such shares on no greater than five business days’ notice or has delegated any voting power over such shares by means of a proxy, power of attorney or other

instrument or arrangement so long as such delegation is revocable at any time by the shareholder.

(2) For purposes of this Section 2.2(e), the “Required Information” that the Corporation will include in its proxy statement is (i) the information concerning the Shareholder Nominee and the Eligible Shareholder that the Corporation determines is required to be disclosed in the Corporation’s proxy statement by the regulations promulgated under the Exchange Act; and (ii) if the Eligible Shareholder so elects, a Statement (as defined below). The Corporation shall also include the name of the Shareholder Nominee in its proxy card. Any other provision of these Bylaws notwithstanding, the Corporation may in its sole discretion solicit against, and include in the proxy statement its own statement(s) or other information relating to, any Eligible Shareholder and/or Shareholder Nominee, including any information provided to the Corporation with respect to the foregoing.

(3) To be timely, a shareholder’s Proxy Access Notice must be received by the Secretary at the principal executive offices of the Corporation within the time periods applicable to shareholder notices of nominations pursuant to Section 2.2(b). Neither an adjournment nor a postponement of an annual meeting (or an announcement thereof) shall begin a new time period for delivering a Proxy Access Notice.

(4) The maximum number of Shareholder Nominees (including Shareholder Nominees that were submitted by an Eligible Shareholder for inclusion in the Corporation’s proxy materials pursuant to this Section 2.2(e) but are either subsequently withdrawn or that the Board of Directors decides to nominate as Board of Directors’ nominees or otherwise appoint to the Board) appearing in the Corporation’s proxy materials pursuant to this Section 2.2(e) with respect to an annual meeting of shareholders shall not exceed the greater of (x) two Directors or (y) the largest whole number that does not exceed 20% of the number of Directors in office as of the last day on which a Proxy Access Notice may be delivered in accordance with the procedures set forth in this Section 2.2(e) (such greater number, the “Permitted Number”); provided, however, that the Permitted Number shall be reduced by:

(i) the number of Directors in office or director candidates for whom access to the Corporation’s proxy materials was previously provided (or requested) pursuant to this Section 2.2(e), other than (a) any such director referred to in this clause (i) whose term of office will expire at such annual meeting and who is not seeking (or agreeing) to be nominated at such meeting for another term of office and (b) any such director who at the time of such annual meeting will have served as a director continuously as a nominee of the Board of Directors for at least two successive annual terms;

(ii) the number of such director candidates for which the Corporation shall have received one or more shareholder notices nominating director candidates pursuant to Section 2.2(b); and

(iii) the number of Directors in office or director candidates that in either case were elected or appointed to the Board of Directors or will be included in the Corporation's proxy materials with respect to such annual meeting as an unopposed (by the Corporation) nominee, pursuant to an agreement, arrangement or other understanding with a shareholder or group of shareholders (other than any such agreement, arrangement or understanding entered into in connection with an acquisition of Voting Stock, by such shareholder or group of shareholders, from the Corporation), other than any such director referred to in this clause (iii) whose term of office will expire at such annual meeting and who is not seeking (or agreeing) to be nominated at such meeting for another term of office; provided that this clause (iii) shall only apply to the annual meeting which follows such agreement, arrangement or understanding;

provided, further, in the event the Board of Directors resolves to reduce the size of the Board of Directors effective on or prior to the date of the annual meeting, the Permitted Number shall be calculated based on the number of Directors in office as so reduced. An Eligible Shareholder submitting more than one Shareholder Nominee for inclusion in the Corporation's proxy statement pursuant to this Section 2.2(e) shall rank such Shareholder Nominees based on the order that the Eligible Shareholder desires such Shareholder Nominees to be selected for inclusion in the Corporation's proxy statement and include such specified rank in its Proxy Access Notice. If the number of Shareholder Nominees pursuant to this Section 2.2(e) for an annual meeting of shareholders exceeds the Permitted Number, then the highest ranking qualifying Shareholder Nominee from each Eligible Shareholder will be selected by the Corporation for inclusion in the proxy statement until the Permitted Number is reached, going in order of the amount (largest to smallest) of the ownership position as disclosed in each Eligible Shareholder's Proxy Access Notice. If the Permitted Number is not reached after the highest ranking Shareholder Nominee from each Eligible Shareholder has been selected, this selection process will continue as many times as necessary, following the same order each time, until the Permitted Number is reached.

(5) An "Eligible Shareholder" is one or more shareholders of record who own and have owned, or are acting on behalf of one or more beneficial owners who own and have owned (in each case as defined above), in each case continuously for at least three years as of both the date that the Proxy Access Notice is received by the Corporation pursuant to this Section 2.2(e), and as of the record date for the determination of shareholders entitled to notice and to vote at the annual meeting, at least three percent of the aggregate voting power of the Voting Stock (the "Proxy Access Request Required Shares"), and who continue to own the Proxy Access Request Required Shares at all times between the date such Proxy Access Notice is received by the Corporation and the date of the

applicable annual meeting, provided that the aggregate number of shareholders, and, if and to the extent that a shareholder is acting on behalf of one or more beneficial owners, of such beneficial owners, whose stock ownership is counted for the purpose of satisfying the foregoing ownership requirement shall not exceed 20. Two or more investment funds that are part of same family of funds by virtue of being under common management and investment control, under common management and sponsored primarily by the same employer or a “group of investment companies” (as such term is defined in Section 12(d)(1)(G)(ii) of the Investment Company Act of 1940, as amended) (a “Qualifying Fund”) shall be treated as one shareholder for the purpose of determining the aggregate number of shareholders in this subsection (5), provided that each fund included within a Qualifying Fund otherwise meets the requirements set forth in this Section 2.2(e). No shares may be attributed to more than one group constituting an Eligible Shareholder under this Section 2.2(e), and no shareholder may be a member of more than one group constituting an Eligible Shareholder. A record holder acting on behalf of one or more beneficial owners will not be counted separately as a shareholder with respect to the shares owned by beneficial owners on whose behalf such record holder has been directed in writing to act, but each such beneficial owner will be counted separately, subject to the other provisions of this subsection (5), for purposes of determining the number of shareholders whose holdings may be considered as part of an Eligible Shareholder’s holdings. Proxy Access Request Required Shares will qualify as such if and only if the beneficial owner of such shares as of the date of the Proxy Access Notice has itself individually beneficially owned such shares continuously for the three-year period ending on that date and through the other applicable dates referred to above (in addition to the other applicable requirements being met).

(6) No later than the final date when a Proxy Access Notice pursuant to this Section 2.2(e) may be timely delivered to the Secretary, an Eligible Shareholder (including each Constituent Holder) must provide the information required by Section 2.2(b)(3) of this Article II to the Secretary of the Corporation and also provide the following information in writing to the Secretary:

(i) with respect to each Constituent Holder, the name and address of, and number of shares of Voting Stock owned by, such person;

(ii) one or more written statements from the record holder of the shares (and from each intermediary through which the shares are or have been held during the requisite three-year holding period) verifying that, as of a date within seven calendar days prior to the date the Proxy Access Notice is delivered to the Corporation, such person owns, and has owned continuously for the preceding three years, the Proxy Access Request Required Shares, and such person’s agreement to provide:

- (a) within 10 days after the record date for the annual meeting, written statements from the record holder and intermediaries verifying such person's continuous ownership of the Proxy Access Request Required Shares through the record date, together with any additional information reasonably requested to verify such person's ownership of the Proxy Access Request Required Shares; and
 - (b) immediate notice if the Eligible Shareholder ceases to own any of the Proxy Access Request Required Shares prior to the date of the applicable annual meeting of shareholders;
- (iii) a representation that such person:
 - (a) acquired the Proxy Access Request Required Shares in the ordinary course of business and not with the intent to change or influence control of the Corporation, and does not presently have any such intent;
 - (b) has not nominated and will not nominate for election to the Board of Directors at the annual meeting any person other than the Shareholder Nominee(s) being nominated pursuant to this Section 2.2(e);
 - (c) has not engaged and will not engage in, and has not and will not be a "participant" in another person's, "solicitation" within the meaning of Rule 14a-1(l) under the Exchange Act with respect to the Corporation in support of the election of any individual as a director at the annual meeting other than its Shareholder Nominee(s) or a nominee of the Board of Directors;
 - (d) will not distribute to any shareholder of the Corporation any form of proxy for the annual meeting other than the form distributed by the Corporation; and
 - (e) will provide facts, statements and other information in all communications with the Corporation and its shareholders that are and will be true and correct in all material respects and do not and will not omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, and will otherwise comply with all applicable laws, rules and regulations in connection with any actions taken pursuant to this Section 2.2(e);
- (iv) in the case of a nomination by a group of shareholders that together is such an Eligible Shareholder, the designation by all group

members of one group member that is authorized to act on behalf of all members of the nominating shareholder group with respect to the nomination and matters related thereto, including withdrawal of the nomination; and

- (v) an undertaking that such person agrees to:
 - (a) assume all liability stemming from, and indemnify and hold harmless the Corporation and its affiliates and each of its and their directors, officers, and employees individually against any liability, loss or damages in connection with any threatened or pending action, suit or proceeding, whether legal, administrative or investigative, against the Corporation or its affiliates or any of its or their directors, officers or employees arising out of any legal or regulatory violation arising out of the Eligible Shareholder's communications with the shareholders of the Corporation or out of the information that the Eligible Shareholder provided to the Corporation in connection with the nomination of the Shareholder Nominee(s) or its efforts to elect such person(s) to the Board;
 - (b) promptly provide to the Corporation such other information as the Corporation may reasonably request; and
 - (c) file with the Securities and Exchange Commission any solicitation by the Eligible Shareholder of shareholders of the Corporation relating to the annual meeting at which the Shareholder Nominee will be nominated.

In addition, no later than the final date when a Proxy Access Notice pursuant to this Section 2.2(e) may be timely delivered to the Secretary, a Qualifying Fund whose stock ownership is counted for purposes of qualifying as an Eligible Shareholder must provide to the Secretary of the Corporation documentation reasonably satisfactory to the Board of Directors that demonstrates that the funds included within the Qualifying Fund satisfy the definition thereof. In order to be considered timely, any information required by this Section 2.2(e) to be provided to the Corporation must be further updated and supplemented (through receipt by the Secretary) if necessary so that the information shall be true and correct as of the record date for the meeting and as of the date that is 10 business days prior to the meeting or any adjournment or postponement thereof, and the Secretary must receive, at the principal executive offices of the Corporation, such update and supplement not later than five business days after the record date for the meeting in the case of the update and supplement required to be made as of the record date, and not later than eight business days prior to the date for the meeting or any adjournment or postponement thereof in the case of the

update and supplement required to be made as of 10 business days prior to the meeting or any adjournment or postponement thereof.

(7) The Eligible Shareholder may provide to the Secretary, at the time the information required by this Section 2.2(e) is originally provided, a single written statement for inclusion in the Corporation's proxy statement for the annual meeting, not to exceed 500 words, in support of the candidacy of each such Eligible Shareholder's Shareholder Nominee(s) (the "Statement"). Notwithstanding anything to the contrary contained in this Section 2.2(e), the Corporation may omit from its proxy materials any information or Statement that it, in good faith, believes is materially false or misleading, omits to state any material fact, directly or indirectly without factual foundation impugns the character, integrity or personal reputation of or makes charges concerning improper, illegal or immoral conduct or associations with respect to any person or would violate any applicable law or regulation.

(8) No later than the final date when a Proxy Access Notice pursuant to this Section 2.2(e) may be timely delivered to the Secretary, each Shareholder Nominee must provide to the Secretary the information required by Section 2.2(b), a completed and executed questionnaire, with respect to the background and qualification of such individual and the background of any other person or entity on whose behalf, directly or indirectly, the nomination is being made (which questionnaire shall be provided by the Secretary upon written request), and the representation and agreement as required by Section 2.2(e) and also:

(i) provide an executed agreement, in a form deemed satisfactory by the Board of Directors or its designee (which form shall be provided by the Corporation reasonably promptly upon written request of a shareholder), that such Shareholder Nominee consents to being named in the Corporation's proxy statement and form of proxy card (and will not agree to be named in any other person's proxy statement or form of proxy card with respect to the Corporation) as a nominee and to serving as a director of the Corporation if elected and that such Shareholder Nominee will promptly provide to the Corporation such other information as the Corporation may reasonably request; and

(ii) provide such additional information as necessary to permit the Board of Directors to determine if any of the matters referred to in subsection (10) below apply and to determine if such Shareholder Nominee has any direct or indirect relationship with the Corporation other than those relationships that have been deemed categorically immaterial pursuant to the Corporation's Corporate Governance Guidelines or is or has been subject to any event specified in Item 401(f) of Regulation S-K (or successor rule) of the Securities and Exchange Commission.

In the event that any information or communications provided by the Eligible Shareholder (or any Constituent Holder) or the Shareholder Nominee to the Corporation or its shareholders ceases to be true and correct in all material respects or omits a material fact necessary to make the statements made, in light of the circumstances under which they were made, not misleading, each Eligible Shareholder or Shareholder Nominee, as the case may be, shall promptly notify the Secretary of any defect in such previously provided information and of the information that is required to correct any such defect; it being understood for the avoidance of doubt that providing any such notification shall not be deemed to cure any such defect or limit the remedies (including without limitation under these Bylaws) available to the Corporation relating to any such defect.

Any proposed Shareholder Nominee shall also furnish any information, in addition to that required above, to the Corporation as it may reasonably require to determine the eligibility of the proposed nominee to serve as an independent Director or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such nominee.

(9) Any Shareholder Nominee who is included in the Corporation's proxy statement for a particular annual meeting of shareholders, but subsequently is determined not to satisfy the eligibility requirements of this Section 2.2(e) or any other provision of these Bylaws, the Restated Articles of Incorporation or other applicable regulation any time before the annual meeting of shareholders, will not be eligible for election at the relevant annual meeting of shareholders.

(10) The Corporation shall not be required to include, pursuant to this Section 2.2(e), a Shareholder Nominee in its proxy materials for any annual meeting of shareholders, or, if the proxy statement already has been filed, to allow the nomination of (or vote with respect to) a Shareholder Nominee (and may declare such nomination ineligible), notwithstanding that proxies in respect of such vote may have been received by the Corporation:

(i) who is not independent under the listing standards of the principal U.S. exchange upon which the common stock of the Corporation is listed, any applicable rules of the Securities and Exchange Commission and any publicly disclosed standards used by the Board of Directors in determining and disclosing independence of the Corporation's Directors (including without limitation the Corporation's Director Qualification Standards) or who is not a "non-employee director" for the purposes of Rule 16b-3 under the Exchange Act (or any successor rule), in each case as determined by the Board of Directors;

(ii) whose service as a member of the Board of Directors would violate or cause the Corporation to be in violation of these Bylaws, the Restated Articles of Incorporation, the rules and listing standards of the

principal U.S. exchange upon which the common stock of the Corporation is traded, or any applicable law, rule or regulation;

(iii) who is or has been, within the past three (3) years, an officer or director of a competitor, as defined in Section 8 of the Clayton Antitrust Act of 1914, as amended, or who is a subject of a pending criminal proceeding (other than in connection with traffic violations and other similar minor offenses), has been convicted in a criminal proceeding within the past 10 years or is subject to an order of the type specified in Rule 506(d) of Regulation D promulgated under the Securities Act;

(iv) if the Eligible Shareholder (or any Constituent Holder) or applicable Shareholder Nominee otherwise breaches or fails to comply in any material respect with its obligations pursuant to this Section 2.2(e) or any agreement, representation or undertaking required by this Section 2.2(e); or

(v) if the Eligible Shareholder ceases to be an Eligible Shareholder for any reason, including but not limited to not owning the Proxy Access Request Required Shares through the date of the applicable annual meeting.

Any proposed Shareholder Nominee shall furnish any information, in addition to that required above, to the Corporation as it may reasonably require to determine the eligibility of the proposed nominee to serve as an independent Director or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such nominee.

(f) Only such persons who are nominated in accordance with the procedures set forth in this Section 2.2 shall be eligible to serve as Directors. The presiding officer shall determine whether a nomination was made in accordance with this Section 2.2 and, if any proposed nomination is not in compliance with this Section 2.2, to declare that such defective nomination be disregarded. The presiding officer shall have sole authority to decide questions of compliance with the foregoing procedures, and his or her ruling shall be final.

(g) Notwithstanding anything to the contrary in this Section 2.2, (i) unless the shareholder (or a qualified representative of the shareholder) appears at the applicable meeting of shareholders to present the nomination and another shareholder seconds the shareholder's motion, such nomination shall be disregarded, and (ii) a shareholder shall also comply with state law and the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Section 2.2.

Section 2.3 Qualification. No person shall be eligible to be elected and to hold office as a Director if such person is determined by a majority of the whole Board of Directors to have acted contrary to the best interests of the Corporation, including, but not limited to, (i) violation

of either State or Federal law, (ii) maintenance of interests not properly authorized and in conflict with the interests of the Corporation, or (iii) breach of any agreement between such Director and the Corporation relating to such Director's services as a Director, employee or agent of the Corporation.

Section 2.4 Regular and Special Directors' Meetings.

(a) Regular meetings of the Board of Directors may be held at such time and at such place, within or without the State of Missouri, as shall from time to time be determined by the Board of Directors. No notice of regular meetings of the Board of Directors need be given.

(b) Special meetings of the Board of Directors may be called by the Board Chair, the Lead Director, Chief Executive Officer or the President, and shall be called by the Secretary on the written request of three or more Directors. Notice of any special meeting shall be given to each Director at such Director's last known address by telephone, electronic transmission or other means not later than the day preceding the date of the meeting. Attendance of a Director at any meeting shall constitute a waiver of notice of the meeting, except where a Director attends a meeting for the sole and express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

(c) A majority of members of the Board of Directors in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but a lesser number may adjourn a meeting to another time or day if a quorum is not present. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by the Restated Articles of Incorporation, by these Bylaws or by law.

(d) Members of the Board of Directors or of any committee designated by the Board of Directors may participate in a meeting of the Board of Directors or committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation in a meeting in this manner shall constitute presence in person at the meeting.

Section 2.5 Action by Consent. Any action which is required to be or may be taken at a meeting of the Directors may be taken without a meeting if consents in writing, setting forth the action so taken, are signed by all the Directors. Any action which is required to be or may be taken at a meeting of a committee of Directors may be taken without a meeting if consents in writing, setting forth the action so taken, are signed by all the members of the committee.

Section 2.6 Committees.

(a) The Board of Directors shall have three standing committees—the Audit Committee, the Human Resources and Compensation Committee and the Nominating, Governance and Sustainability Committee—and may designate other committees in its

discretion. Each committee shall consist of not less than two Directors and shall have such powers and duties as shall be delegated to it by the Board of Directors.

(b) Each member of such committee shall hold office at the pleasure of the Directors and may be removed by the Board of Directors at any time with or without cause. Vacancies occurring in any committee may be filled by the Board of Directors. During any vacancy on a committee, the remaining members shall have full power to act as the committee.

(c) Each committee may prescribe its own rules for calling and holding meetings and its method of procedure, subject, however, to any rules prescribed by the Board of Directors, and, if no such rules shall have been prescribed, the rules applicable to calling and holding of a meeting of the Board of Directors shall apply to the committee meetings.

(d) A quorum for any meeting of a committee shall consist of not less than a majority of the members in office at the time. A Director who may be disqualified, by reason of personal interest, from voting on any particular matter before a meeting of a committee may nevertheless be counted for the purpose of constituting a quorum of the committee. At each meeting of the committee at which a quorum is present, all questions and business shall be determined by the affirmative vote of not less than a majority of the members present.

(e) Notwithstanding anything to the contrary in this Section 2.6, no committee shall be empowered to elect Directors to fill vacancies among the Directors or on any committee of the Directors.

(f) Persons dealing with the Corporation shall be entitled to rely upon any action of a committee with the same force and effect as though such action had been taken by the Directors. Subject to the rights of third persons, any action of a committee shall be subject to revision or alteration by the Directors.

Section 2.7 Compensation of Directors. Directors and members of any committee of the Board of Directors shall be entitled to such reasonable compensation and fees for their services as such as shall be fixed from time to time by resolution of the Board of Directors and shall also be entitled to reimbursement for any reasonable expenses incurred in attending meetings of the Board of Directors and any committee thereof; provided, that nothing herein contained shall be construed to preclude any Director from serving the Corporation in any other capacity and receiving compensation therefor.

Section 2.8 Honorary Directors. In addition to the Directors, there may be as many Honorary or Advisory Directors and Directors Emeritus as the Board of Directors may appoint. Honorary or Advisory Directors and Directors Emeritus (i) shall have no liability after they become such for the actions of the Board of Directors, (ii) shall be notified of all meetings of the Board of Directors in the same manner as the Directors, but shall not be required to attend any meeting

of the Board of Directors, and (iii) shall not have the right to vote on matters before such meetings.

ARTICLE 3. OFFICERS

Section 3.1 Officers. The officers of the Corporation may include the Board Chair, the Chief Executive Officer, the Chief Operating Officer, the Chief Financial Officer, the President, one or more Vice Presidents, the Secretary, the Treasurer, and such other officers, assistant or deputy officers as may be appointed from time to time. Any two or more offices may be held by the same person. The officers of the Corporation shall have such authority and shall perform such duties as are customarily incident to their respective offices or as shall be specified from time to time by the Board of Directors or the Board Chair, regardless of whether such authority and duties are customarily incident to such office.

Section 3.2 Appointment. The officers of the Corporation shall be appointed by the Board of Directors. The Board of Directors may delegate its authority to appoint one or more officers to the Chief Executive Officer; provided, however, that the authority to appoint the Board Chair, the Chief Executive Officer, the President and the Secretary shall not be delegated. Each officer shall hold office until his or her death, resignation, retirement or removal or until such officer's successor is appointed.

Section 3.3 Removal. Any officer may be removed by the Board of Directors at any time, with or without cause, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. In addition, any officer which the Chief Executive Officer has the authority to appoint may be removed by the Chief Executive Officer at any time, with or without cause. Election or appointment of an officer shall not of itself create contract rights.

ARTICLE 4. CERTIFICATES FOR SHARES

Section 4.1 Issuance of Certificates. The shares of the Corporation shall be represented by certificates, provided, however, that the Board of Directors may provide by resolution that some or all of any classes or series of the Corporation's stock shall be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the Corporation. Notwithstanding the adoption of such a resolution by the Board of Directors, every holder of stock represented by certificates and, upon request, every holder of uncertificated shares, shall be entitled to have a certificate, in any form approved by the Board of Directors, certifying the number and class of shares owned by the shareholder in the Corporation, signed by (i) the Board Chair, the Chief Executive Officer, the President or a Vice President, and (ii) the Secretary or Treasurer or an Assistant Secretary or an Assistant Treasurer of the Corporation, and sealed with the seal of the Corporation which may be a facsimile engraved or printed. Each certificate representing shares shall state upon the face thereof that the Corporation is organized under the laws of the State of Missouri, the name of the person to whom issued, the number and class and the designation of the series, if any, which such certificate represents, and the par value of each share represented by such certificate or a statement that the shares are without par value.

If the certificate is countersigned by a transfer agent other than the Corporation or its employee, or by a registrar other than the Corporation or its employee, any other signature on the certificate may be a facsimile signature, or may be engraved or printed. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed on the certificate shall have ceased to be an officer, transfer agent or registrar before the certificate is issued, the certificate may nevertheless be issued by the Corporation with the same effect as if such person were an officer, transfer agent or registrar at the date of issue.

Section 4.2 Lost, Stolen, Destroyed or Mutilated Certificate. The holder of any shares of stock of the Corporation shall immediately notify the Corporation and its transfer agents and registrars, if any, of any loss, theft, destruction or mutilation of the certificates representing the same. The Corporation, acting through any of its duly authorized officers or other duly authorized employees, may direct a new certificate or certificates or uncertificated shares to be issued in place of any certificate or certificates previously issued by the Corporation alleged to have been lost, stolen, destroyed or mutilated, upon the filing of an affidavit of that fact by the person claiming the certificate to be lost, stolen, destroyed or mutilated. When authorizing such issue of a new certificate or certificates or uncertificated shares, the Corporation may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen, destroyed or mutilated certificate or certificates, or the owner's legal representative, to advertise the same in such manner as the Corporation shall require and/or to give the Corporation a bond in such sum and in such form as the Corporation may direct, and with a surety or sureties which the Corporation finds satisfactory, as indemnity against any claim or liability that may be made against or incurred by the Corporation and its transfer agents and registrars, if any, with respect to the certificate alleged to have been lost, stolen, destroyed or mutilated.

Section 4.3 Transfer of Stock; Certificate Cancellation. The shares of stock of the Corporation shall be transferable only upon its books by the holders thereof in person or by their duly authorized attorneys or legal representatives. Upon transfer of certificated shares, the old certificates shall be surrendered to the Corporation by the delivery thereof to the person in charge of the stock and transfer books and ledgers or to such other persons as the Board of Directors may designate, by whom they shall be cancelled and new certificates shall thereupon be issued. In the case of uncertificated shares, transfer shall be made only upon receipt of transfer documentation reasonably acceptable to the Corporation.

Section 4.4 Registered Owner. The Corporation shall be entitled to recognize the exclusive rights of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of the State of Missouri.

Section 4.5 Transfer Agents and Registrars. The Board of Directors may appoint one or more transfer agents or transfer clerks and one or more registrars which may be banks, trust companies or other financial institutions located within or without the State of Missouri; may

define the authority of such transfer agents and registrars of transfers; may require all stock certificates to bear the signature of a transfer agent or registrar of transfers, or both; may impose such rules, regulations or procedures regarding uncertificated shares as it deems appropriate; and may change or remove any such transfer agent or registrar of transfers.

Section 4.6 Closing of Transfer Books and Fixing of Record Date. The Board of Directors shall have the power to close the transfer books of the Corporation for a period not exceeding 70 days prior to the date of any meeting of shareholders, or the date for payment of any dividend, or the date for all allotment of rights, or the date when any change or conversion or exchange of shares shall go into effect. In lieu of so closing the transfer books, the Board of Directors may fix in advance a record date for the determination of the shareholders entitled to notice of and to vote at any meeting and any adjournment or postponement thereof, or entitled to receive payment of any dividend or any allotment of rights, or entitled to exercise the rights in respect of any change, conversion or exchange of shares, up to 70 days prior to the date of any meeting of shareholders, or the date for the payment of any dividend, or the date for the allotment of rights, or the date when any change or conversion or exchange of shares shall go into effect. In such case only the shareholders who are shareholders of record on the date of closing the share transfer books, or on the record date so fixed, shall be entitled to receive notice of and to vote at such meeting and any adjournment or postponement thereof, or to receive payment of such dividend, or to receive such allotment of rights, or to exercise such rights, as the case may be, notwithstanding any transfer of any shares on the books of the Corporation after the date of closing of the transfer books or the record date. If the Board of Directors does not close the transfer books or set a record date for the determination of the shareholders entitled to notice of and to vote at any meeting of shareholders, only the shareholders who are shareholders of record at the close of business on the 20th day preceding the date of the meeting shall be entitled to notice of and to vote at the meeting and upon any adjournment or postponement of the meetings, except that if prior to the meeting written waivers of notice of the meeting are signed and delivered to the Corporation by all of the shareholders of record at the time the meeting is convened, only the shareholders who are shareholders of record at the time the meeting is convened shall be entitled to vote at the meeting and any adjournment or postponement of the meeting.

ARTICLE 5. INDEMNIFICATION

Section 5.1 Right of Directors and Officers to Indemnification. Each person who was or is a Director or officer of the Corporation shall be indemnified by the Corporation as a matter of right to the fullest extent permitted or authorized by applicable law and as otherwise provided in Article VIII of the Corporation's Restated Articles of Incorporation.

The indemnification described in the preceding paragraph of this Article 5 shall pertain to all expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person who was or is a party to or who was or is involved in any proceeding by reason of acts or omissions:

- (a) in such person's capacity as or arising out of such person's status as (i) a Director or officer of the Corporation; or
- (ii) a Director, officer, employee or agent of another

Corporation, partnership, joint venture, trust or other enterprise when so serving at the request of the Corporation; or

(b) in any other capacity while holding the office of either Director or officer of the Corporation.

Section 5.2 Indemnification of Employees, Agents, Etc. Each person who was or is an employee or agent of the Corporation, or who was or is serving at the request of the Corporation as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise (including the heirs, executors, administrators or estate of each such person) may, at the discretion of the Board of Directors, be indemnified by the Corporation to the same extent as provided herein with respect to any person who was or is a Director or officer of the Corporation.

Section 5.3 Right of Directors and Officers to Advance of Expenses. Expenses (including attorneys' fees) incurred by any person who was or is a Director or officer of the Corporation in defending any proceeding (including those by or in the right of the Corporation) shall be promptly advanced by the Corporation when so requested by such person at any time and from time to time, but only if the requesting person delivers to the Corporation an undertaking to repay to the Corporation all amounts so advanced if it should ultimately be determined that the requesting person is not entitled to be indemnified by the Corporation under the "indemnification sources" as defined below, agreement, vote of shareholders or disinterested Directors or otherwise.

Section 5.4 Right of Claimant to Bring Suit. If a claim for indemnification under Section 5.1 or 5.3, respectively, is not paid in full by the Corporation within 90 or 15 days, respectively, after a written claim has been received by the Corporation, the claimant may bring suit against the Corporation to recover the unpaid amount of the claim. If the claimant is successful in whole or in part in such suit, the claimant shall also be paid the expense of prosecuting such claim.

It shall be a defense to any suit seeking indemnification under Section 5.1 of these Bylaws that the claimant has not met the standards of conduct which make it permissible (under indemnification sources, agreement, vote of shareholders or disinterested Directors or otherwise) for the Corporation to indemnify the claimant. The failure of the Corporation (through its Directors, independent legal counsel or shareholders) to make a determination before the commencement of such suit that indemnification of the claimant is proper under the circumstances (because the claimant has met the applicable standard of conduct) shall not be a defense to the claimant's action or create a presumption that the claimant has not met the applicable standard of conduct. Similarly, an actual determination by the Corporation that the claimant has not met such applicable standard of conduct, shall not be a defense to the claimant's action nor create a presumption that the claimant has not met the applicable standard of conduct.

Section 5.5 Definitions. In this Article the following terms have the following meanings:

- (a) The term “applicable law” means (i) Section 351.355 of The Missouri General and Business Corporation Law (other than Subsection 6 thereof and any other Subsection comparable in purpose to Subsection 6) as in effect on May 7, 1986 and as thereafter amended (but in the case of any such amendment, only to the extent such amendment permits the Corporation to provide broader indemnification rights than The Missouri General and Business Corporation Law permitted the Corporation to provide immediately prior to such amendment) and (ii) any other statutory indemnification provisions adopted after May 7, 1986.
- (b) The term “Directors” or “officers” of the Corporation shall include the heirs, executors, administrators and estate of each such person who was a Director or officer, which heirs, executors, administrators and estate shall succeed to all of the indemnification and other rights of such Director or officer.
- (c) The term “proceedings” shall mean any threatened, pending or completed action, suit or other proceeding (including those by or in the right of the Corporation) whether civil, criminal, administrative or investigative.
- (d) The term “fines” shall include any excise taxes assessed on a person with respect to any employee benefit plan.
- (e) The term “indemnification sources” shall refer jointly and severally to applicable law as defined above, this Article 5 and Article VIII of the Corporation’s Restated Articles of Incorporation.
- (f) The term “other enterprise” shall include employee benefit plans.
- (g) The term “serving at the request of the Corporation” shall include any service as a Director, officer, employee or agent of the Corporation which imposes duties on, or involves services by, such Director, officer, employee or agent with respect to any employee benefit plan, its participants or beneficiaries.

Section 5.6 Rights Not Exclusive. The indemnification and other rights provided by this Article and the other indemnification sources shall not be deemed exclusive of any other rights to which a Director or officer may be entitled under any agreement, vote of shareholders or disinterested Directors or otherwise, both as to action in such person’s official capacity and as to action in any other capacity while holding the office of Director or officer, and the Corporation may, at its discretion, provide such indemnification and other rights by any agreements, vote of shareholders or disinterested Directors or otherwise.

Section 5.7 Insurance. The Corporation may purchase and maintain insurance on behalf of any person who was or is a Director, officer, employee or agent of the Corporation, or was or is serving at the request of the Corporation as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against or incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify such person against

such liability under these Bylaws, other indemnification sources, agreement, vote of shareholders or disinterested Directors or otherwise.

Section 5.8 Enforceability; Amendment. Each person who was or is a Director or officer of the Corporation is a third party beneficiary of this Article 5 and shall be entitled to enforce against the Corporation all indemnification and other rights provided or contemplated by this Article 5.

This Article 5 may be hereafter amended or repealed; provided, however, no such amendment or repeal shall reduce, terminate or otherwise adversely affect the right of any person who was or is a Director or officer (i) to obtain indemnification or an advance of expenses with respect to a proceeding that pertains to or arises out of actions or omissions that occurred prior to the "Deadline Indemnification Date" as defined in the next paragraph of this Section, or (ii) to bring suit with respect to the foregoing under Section 5.4 hereof.

The term "Deadline Indemnification Date" means the later of (a) the effective date of any amendment or repeal of this Article 5 which reduces, terminates or otherwise adversely affects the rights hereunder of any person who was or is a Director or officer; (b) the expiration date of such person's then current term of office with, or service for, the Corporation (provided such person has a stated term of office or service and completes such term); or (c) the effective date such person resigns his or her office or terminates his or her service (provided such person has a stated term of office or service but resigns prior to the expiration of such term).

ARTICLE 6. GENERAL PROVISIONS

Section 6.1 Dividends. The Board of Directors may declare and the Corporation may pay dividends on its outstanding shares in cash, property, or its own shares pursuant to law and subject to the provisions of its Restated Articles of Incorporation.

Section 6.2 Reserves. The Board of Directors may by resolution create a reserve or reserves out of earned surplus for any purpose or purposes, and may abolish any such reserve in the same manner.

Section 6.3 Fiscal Year. The fiscal year of the Corporation shall be fixed by resolution of the Board of Directors. In the absence of such resolution, the fiscal year of the Corporation shall be the calendar year.

Section 6.4 Corporate Seal. The corporate seal shall have inscribed thereon the name of the Corporation and may be used by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced.

Section 6.5 Examination of Books. Any shareholder of record desiring to examine the books and records of the Corporation may do so during regular business hours at the office of the Corporation where such books and records are normally kept. No such shareholder, however, may remove any such books and records from such premises, and no such shareholder shall make alterations to such books or records, and in each instance of examination by such

shareholder of such books or records, an officer or employee designated by an officer of the Corporation shall be present at all times during such examination, and the regular wage or salary of such officer or employee for the period of time spent in such examination shall be paid to the Corporation by such shareholder or shareholders making such examination. Notwithstanding any provision hereinabove to the contrary, no shareholder shall have the right to examine the books or the records of the Corporation if any officer of the Corporation determines, in his or her discretion, that such examination may be to the detriment or competitive disadvantage of the Corporation or if the purpose of such examination is improper.

Section 6.6 Amendments. These Bylaws may be altered, amended, or repealed, to the extent not prohibited by law or the Restated Articles of Incorporation, by the Board of Directors.

Section 6.7 Provisions Additional to Provisions of Law. All restrictions, limitations, requirements and other provisions of these Bylaws shall be construed, insofar as possible, as supplemental and additional to all provisions of law applicable to the subject matter thereof and shall be fully complied with in addition to the said provisions of law unless such compliance shall be illegal.

Section 6.8 Provisions Contrary to Provisions of Law. Any portion of these Bylaws which, upon being construed in the manner provided in Section 6.7 hereof, shall be contrary to or inconsistent with any applicable provisions of law, shall not apply so long as said provisions of law remain in effect, but such result shall not affect the validity or applicability of any other portion of these Bylaws, it being hereby declared that these Bylaws and each portion thereof would have been adopted, irrespective of the fact that any portion is illegal.

PROTECTED BYLAWS

The following bylaws have been designated by the Corporation's Board of Directors as Protected Bylaws in accordance with Article IX, Section 2 of the Corporation's Restated Articles of Incorporation:

ARTICLE 1

- Section 1.1 — Annual Meeting – Date, Place and Time
- Section 1.2 — Business at Annual Meetings
- Section 1.3 — Special Meetings
- Section 1.4 — Quorum
- Section 1.6 — No Cumulative Voting
- Section 1.7 — Procedure

ARTICLE 2

- Section 2.1 — Number, Election, Removal and Vacancies
- Section 2.2 — Advance Notice of Nominations
- Section 2.3 — Qualification
- Section 2.4 — Regular and Special Directors' Meetings
- Section 2.6 — Committees

ARTICLE 5

All Sections

ARTICLE 6

- Section 6.6 — Amendments

CERTIFICATION

I, Karl G. Glassman, certify that:

1. I have reviewed this report on Form 10-Q of Leggett & Platt, Incorporated;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 7, 2024

/s/ KARL G. GLASSMAN

Karl G. Glassman
President and Chief Executive Officer
Leggett & Platt, Incorporated

CERTIFICATION

I, Benjamin M. Burns, certify that:

1. I have reviewed this report on Form 10-Q of Leggett & Platt, Incorporated;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 7, 2024

/s/ BENJAMIN M. BURNS

Benjamin M. Burns
Executive Vice President and Chief Financial Officer
Leggett & Platt, Incorporated

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Leggett & Platt, Incorporated (the "Company") on Form 10-Q for the period ended September 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Karl G. Glassman, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ KARL G. GLASSMAN

Karl G. Glassman
President and Chief Executive Officer

November 7, 2024

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Leggett & Platt, Incorporated (the "Company") on Form 10-Q for the period ended September 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Benjamin M. Burns, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ BENJAMIN M. BURNS

Benjamin M. Burns
Executive Vice President and Chief Financial Officer

November 7, 2024