COMPANY UPDATE

August 2023

LEG (NYSE)
www.leggett.com

FORWARD-LOOKING STATEMENTS

Statements in this presentation that are not historical in nature are "forward-looking." These statements include future EPS, adjusted EPS, sales, volume for the Company and per segment, raw material-related price decreases, currency impacts, acquisition and divestitures impacts, metal margin decreases, depreciation and amortization, net interest expense, tax rate, diluted shares outstanding, operating cash, capital expenditures, amount of dividends, minimal acquisitions and share repurchases, debt covenant compliance, and implied adjusted EBIT margin. All such forward-looking statements are expressly qualified by the cautionary statements described in this provision. We do not have, and do not undertake, any duty to update any forward-looking statement. Forward-looking statements should not be relied upon as a prediction of actual future events or results. Any forward-looking statement reflects only the beliefs of Leggett at the time the statement is made. All forward-looking statements are subject to risks and uncertainties which might cause actual events or results to differ materially from the forward-looking statements. These risks and uncertainties include: the Russian invasion of Ukraine; global inflationary and deflationary impacts; macro-economic impacts; pandemics; demand for our products and our customers' products; our manufacturing facilities' ability to remain open and fully operational; goodwill and long-lived asset impairment; inability to issue commercial paper or borrow under the credit facility; inability to collect receivables; inability to pass along raw material price increases; inability to maintain profit margins; conflict between China and Taiwan; changes in our capital needs; changing tax rates; market conditions; increased trade costs; foreign country operational risks; price and product competition; cost and availability of raw materials, parts, labor and energy costs; cash generation to pay the dividend; political risks; ability to grow acquired businesses; disruption to our rod mill; disruption to our operations and supply chain from weather-related events and other impacts; restructuring-related costs; foreign currency fluctuation; our ability to manage working capital; anti-dumping duties; data privacy; cybersecurity incidents; customer bankruptcies and losses; climate change regulations; ESG risks; bank failures; cash repatriation; litigation risks; and other risk factors in Leggett's most recent Form 10-K and Form 10-Q.

Market and Industry Data

Unless we indicate otherwise, we base the information concerning our markets/industry contained herein on our general knowledge of and expectations concerning those markets/industry, on data from various industry analyses, on our internal research, and on adjustments and assumptions that we believe to be reasonable. However, we have not independently verified data from market/industry analyses and cannot guarantee their accuracy or completeness.

LEGGETT DISTINCTIVES

Strong balance sheet and cash flow

Disciplined use of cash

>**6% dividend yield;** 52 consecutive annual increases

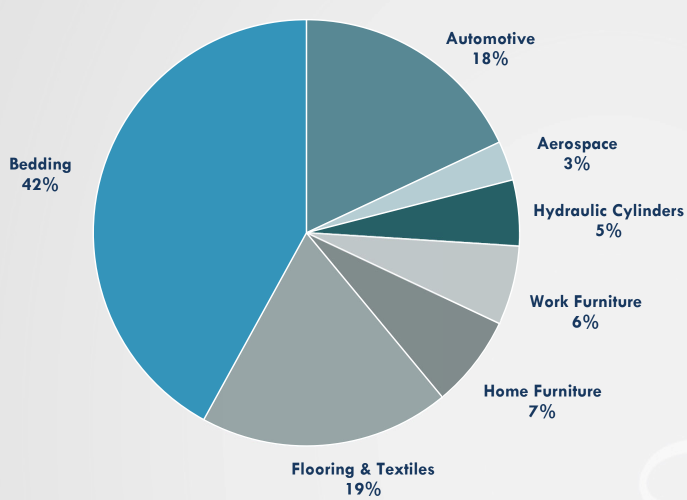
Leader in most markets; few large competitors

Opportunities for **long-term growth**
- Internal initiatives + market growth + acquisitions
- Large addressable markets

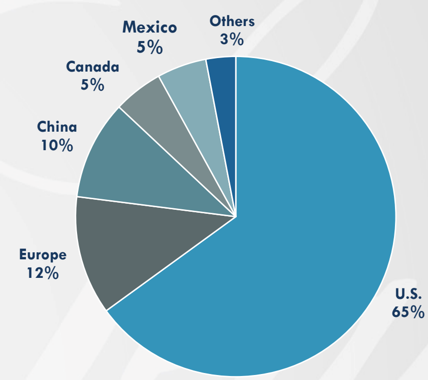
Management has **"skin in the game"**
- Significant stock owners; forego comp in exchange for shares
- Incentive comp aligned with TSR focus

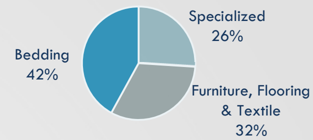
DIVERSE PORTFOLIO

Product Mix
(based on 2023 estimated net trade sales)



Geographic Split
(based on production)





SEGMENTS

Bedding Products

- Mattress springs
- Private label finished mattresses, mattress toppers, pillows
- Specialty bedding foams
- Foundations
- Adjustable beds
- Drawn steel wire
- Steel rod
- Quilting & sewing machinery for bedding mfg.
- Mattress packaging and glue-drying equipment

Specialized Products

Automotive
- Auto seat support & lumbar systems
- Motors, actuators & cables

Aerospace
- Tubing
- Tube assemblies
- Flexible joints

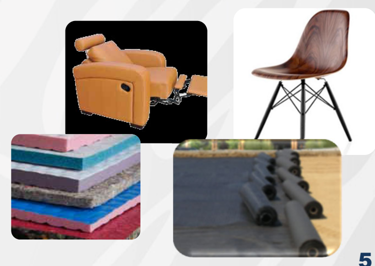
Hydraulic Cylinders
- Hydraulic cylinders primarily for material handling, transportation & heavy construction equipment

Furniture, Flooring & Textile Products

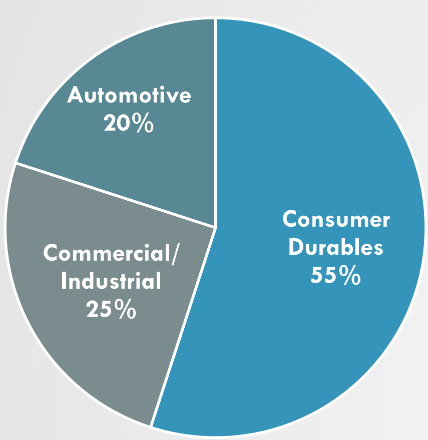
Home Furniture
- Recliner mechanisms
- Seating and sofa sleeper components

Work Furniture
- Chair controls, bases, frames
- Private label finished seating

Flooring & Textiles
- Flooring underlayment
- Textile converting
- Geo components



MACRO MARKET EXPOSURE



Key Economic Indicators

- **Consumer confidence**
  - More crucial than home sales since majority (~2/3rds) of bedding/furniture purchases are replacement of existing product
  - "Large ticket" purchases are deferrable
- **Total housing turnover**
  - Combination of new and existing home sales
- **Employment levels**
- **Consumer discretionary spending**
- **Interest rate levels**

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CURRENT TOPICS

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2Q23 OVERVIEW

Sales

$1.22B

Adj.[1] EBIT

$92M

Adj. EBIT margin

7.5%

Adj.[1] EBITDA

$137M

Adj. EBITDA margin

11.2%

Adj.[1] EPS

$.38

Cash from operations

$111M

[1] Adjusted to exclude $4m ($.02/share) gain on net insurance proceeds from tornado damage

2023 GUIDANCE (ISSUED 7/31/23 AND NOT UPDATED SINCE)

- Sales lowered to $4.75–$4.95 billion (vs. prior range of $4.8–$5.2 billion); down 4% to down 8% versus 2022
  - Decrease reflects continued volatility in the macroeconomic environment and low visibility in several of our end markets
  - Volume at the mid-point expected to be down mid-single digits:
    - Down mid to high single digits in Bedding Products Segment
    - Up high single digits in Specialized Products Segment
    - Down mid to high single digits in Furniture, Flooring & Textile Products Segment
  - Raw material-related price decreases and currency impact combined expected to reduce sales mid-single digits
  - Acquisitions completed in 2022 expected to add ~3% to sales
- Adjusted[1] EPS lowered to $1.45–$1.65 (vs. prior range of $1.50–$1.90)
  - Decrease is primarily from lower expected volume in residential end markets
  - Excludes ~$.05 per share gain from net insurance proceeds from tornado damage
- Implied adjusted EBIT margin of 7.3%–7.7%

[1] See slide 52 for non-GAAP reconciliations

2023 GUIDANCE (CONTINUED)

- Depreciation and amortization ~$200 million
- Net interest expense ~$85 million
- Tax rate ~24%
- Operating cash $450–$500 million
- Cap-ex $100 –$130
- Dividends ~$240 million
- Diluted shares ~137 million
- Minimal acquisitions and share repurchases

COMMODITY IMPACT

Steel

- Main categories are scrap, rod, and flat-rolled
- Impact from inflation/deflation
  - Typically pass through; lag is ~90 days
- Change in metal margin (mkt price for rod – mkt price for scrap) also impacts earnings
  - Our scrap cost and rod pricing moves with the market; large swings could cause Bedding Products segment earnings volatility

Chemicals

- Main types are TDI, MDI, and polyols
- Impact from inflation/deflation
  - Typically pass through; lag is ~30 days

ACTIONS WE ARE TAKING

Driving strong cash management

Engaging with customers on new product opportunities

Continuing our focus on improving operational efficiency

Our financial strength gives us confidence in our ability to successfully navigate challenging markets and capture long-term opportunities

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ENDURING FUNDAMENTALS

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CASH FLOW & BALANCE SHEET STRENGTH

Cash Flow

- Long history of **strong cash generation**
- **Resilient cash flow** in economic downturns
- Focus on **optimizing working capital**
- Exceeded capital expenditures + dividends in 33 of last 34 years
  - Expect to exceed again in 2023

Debt and Liquidity

- **Maintaining priority on investment grade** credit rating
- **$1.2 billion revolving credit facility** in place
- Comfortably supports **dividend funding**
- **No significant maturities** until November 2024

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DISCIPLINED USE OF CASH

Fund organic growth

Pay dividends

Fund strategic acquisitions

Repurchase shares with available cash

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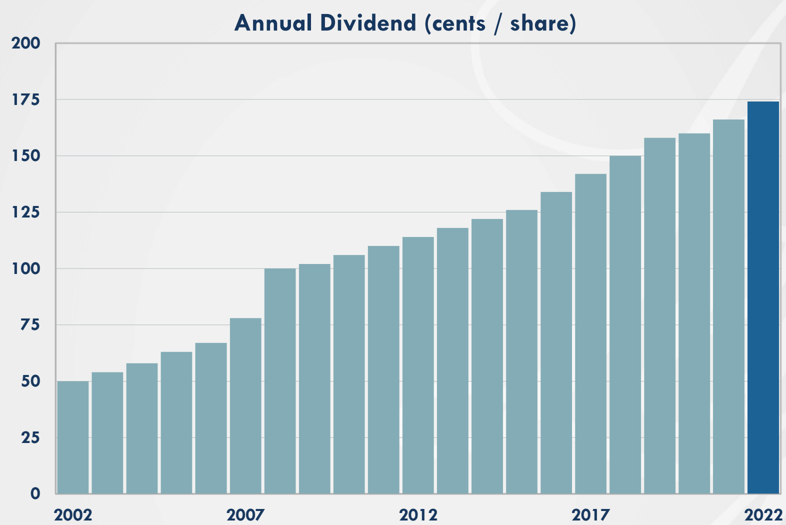
DIVIDEND GROWTH

- Committed to extending 52-year history of consecutive annual increases
- Member of the *Dividend Kings*
- >6% dividend yield; one of the highest yields among the *Dividend Kings*



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PROFITABLE GROWTH

Portfolio Management

Large Addressable Markets

Strategic Acquisitions

Innovative Products

Compelling Market Advantages

Continuous Improvement

Total Shareholder Return

Revenue Growth
Target: 6–9% annually
- Increasing content and new programs
- Expanding addressable markets
- Identifying strategic acquisitions

Margin Improvement
Target: 11.5–12.5%

Dividend Yield
Payout Target: ~50% of earnings

Stock Buybacks with available cash

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LARGE ADDRESSABLE MARKETS

U.S. BEDDING

GLOBAL AUTOMOTIVE

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COMPETITIVE ADVANTAGES IN BEDDING

- Breadth of product offering and ability to service customers anywhere in the value chain
- Industry leading R&D yields innovative products
- Vertical integration provides cost advantage in steel rod and wire production
- High-speed and flexible machine technology supports innerspring innovation and production efficiency

Our Bedding business is well positioned to bring value to our customers and end consumers

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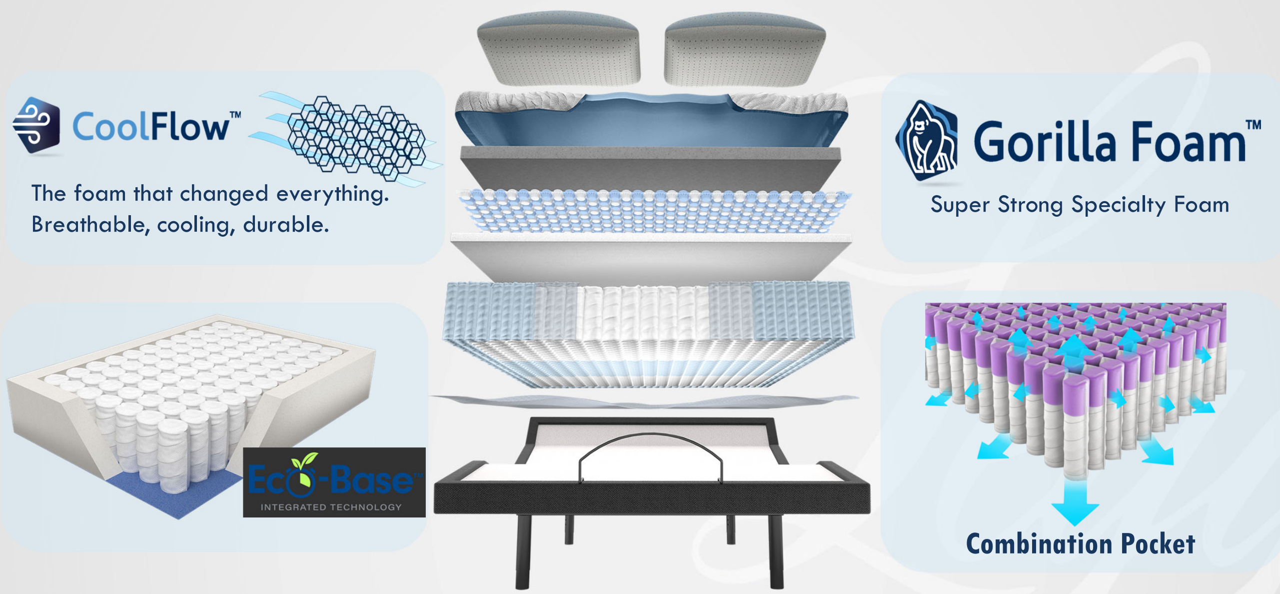
BEDDING INNOVATION

THE MARKET LEADER IN SPECIALTY FOAM & INNERSPRING TECHNOLOGIES



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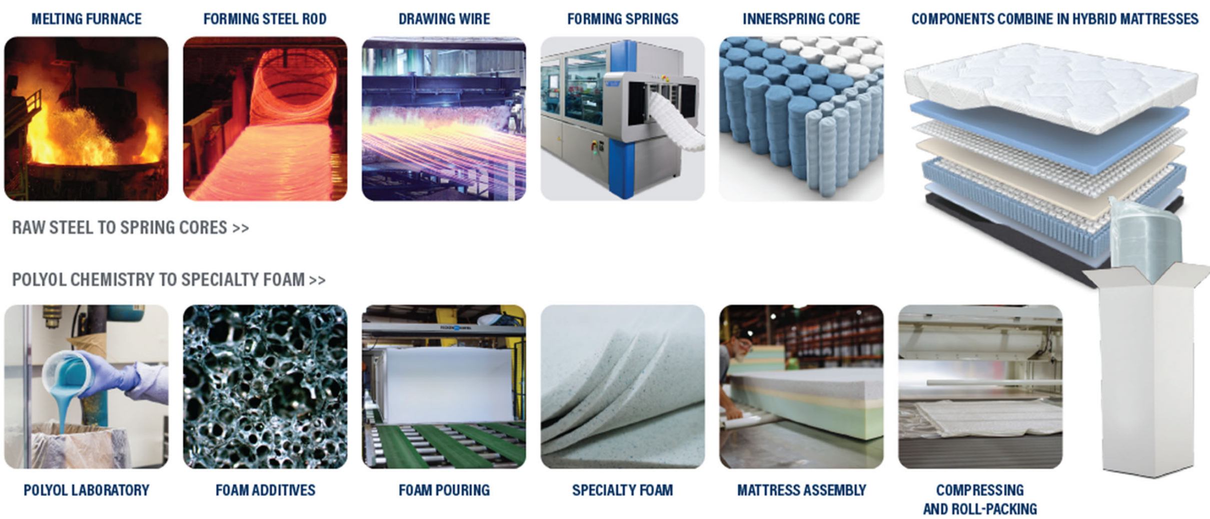
BEDDING VALUE CHAIN

Our rod mill in Sterling, Illinois, has the capacity to melt approximately 550,000 tons of steel scrap. Billets are formed from the melted scrap and can then be used to make around 500,000 tons of steel rod.

The majority of the rod goes to our two domestic wire mills to be drawn into various gauges of wire, while most of the wire goes to our spring-making plants to be coiled into innersprings on wire-forming machines manufactured by our Spühl facility in Switzerland.

Our innersprings are sold to most U.S. bedding manufacturers and used in private label finished hybrid compressed mattresses produced in our facilities across the country.



Polyols and foam additives that improve durability, increase airflow, and decrease odor are developed at Peterson Chemical Technology.

Specialty foam is produced at our pouring and fabrication facilities and either used in private label fully finished products such as compressed mattresses, mattress toppers and pillows, or sold to bedding and furniture manufacturers.

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COMPETITIVE ADVANTAGES IN AUTOMOTIVE

- Customer engagement
- Engineering and technical prowess
- Program launch and product reliability
- Deep industry knowledge
- Global footprint, local expertise

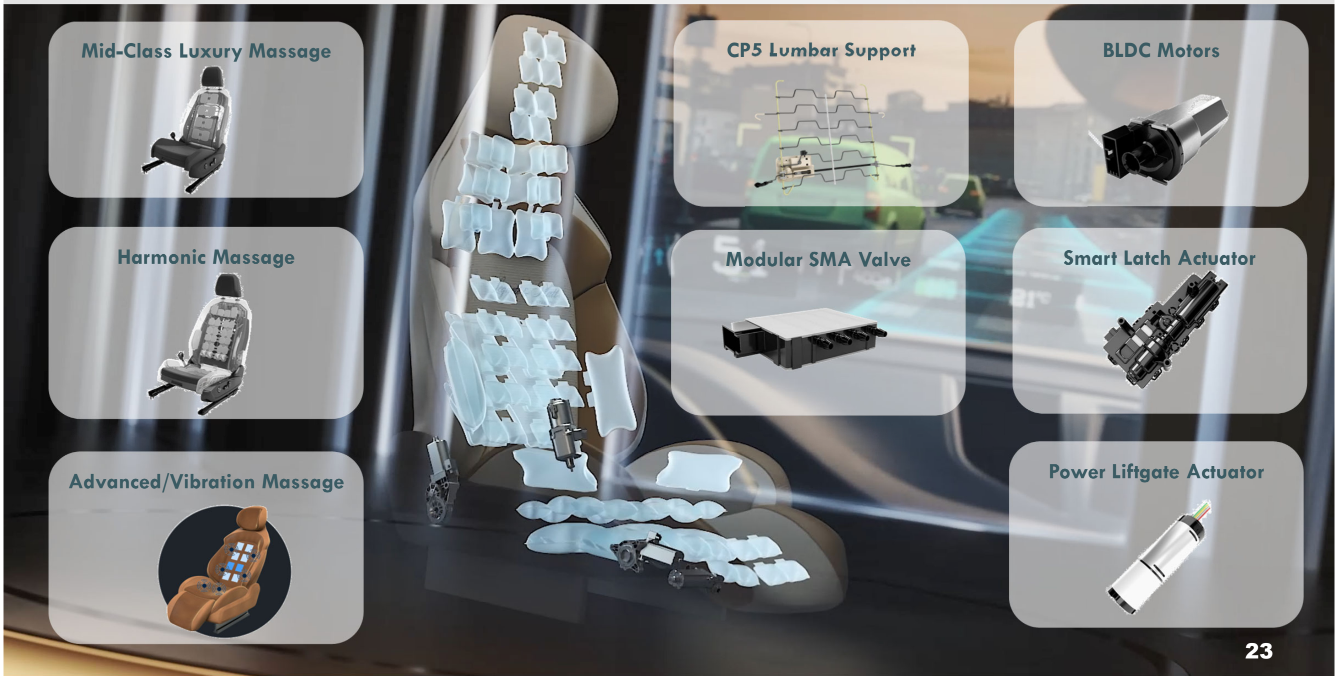
Our Automotive business continues to meet the ever-changing requirements of the industry

COMFORT & CONVENIENCE CONTINUE TO GROW

COMFORT AND WELLNESS FOR ALL MARKET SEGMENTS

MODULARITY AND LIGHTWEIGHT FOR SUSTAINABILITY

POWERED ACTUATION FOR CONVENIENCE



ACQUISITION STRATEGY

Strong Strategic Fit	Disciplined Financial Screen	Cultural Alignment
▪ Growth in attractive markets ▪ Sustainable competitive advantage ▪ Enhance current capabilities or product offerings ▪ Meaningful synergies ▪ Low risk of disruption	▪ Solid, above-market growth opportunities ▪ Accretive to GAAP EPS and cash flow within one year of acquisition ▪ Returns well above WACC	▪ Ethics and integrity ▪ Safety prioritization ▪ Strong, committed leadership team ▪ Customer focus ▪ Continuous improvement

Acquisitions are most often bolt-on to existing businesses but could also include opportunities in new markets that leverage our key competencies.

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RECENT ACQUISITIONS

Hydraulic Cylinders

- Global manufacturer of hydraulic cylinders for heavy construction equipment
- Builds scale in our Hydraulic Cylinders' growth platform
- Attractive segment of market that aligns well with trends in automation and autonomous equipment

Geo Components

- Two Canadian-based distributors of products for erosion control, stormwater management, and various other applications
- Expands our geographic scope and product offerings
- Leverages our textiles supply chain expertise

Fabric Converting

- Converter and distributor of construction fabrics for the furniture and bedding industries
- Adds needed capacity and equipment
- Leverages our textile supply chain expertise

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SOURCES OF MARGIN IMPROVEMENT

Near-Term Opportunities

- **Increasing volume** as supply chain constraints improve in Automotive, Aerospace, and Hydraulic Cylinders businesses
- **Improving operational efficiency** with an emphasis on Specialty Foam
- **Demand improvement** in residential end markets
- **Adjusting variable costs** to align with demand
- **Maintaining pricing discipline**

Ongoing Opportunities

- **Product Innovation**
- **Portfolio Management**
- **Growth in Attractive Markets**
- **Continuous Improvement**

SUSTAINABILITY

OUR VALUES

Put People First

- Prioritize safety and care for each other
- Offer growth and development opportunities at all levels
- Create an inclusive environment of mutual respect, empathy, and belonging
- Demonstrate trustworthiness through our words and actions

Do the Right Thing

- Act with honesty and integrity
- Deliver results the right way, always
- Take pride in our work
- Speak the truth: good news or bad, openly, candidly, and without fear

Do Great Work Together

- Engage without hierarchy
- Collaborate as a team
- Embrace challenges with a sense of urgency and agility
- Work for the good of all of us, rather than any single one of us

Take Ownership and Raise the Bar

- Embrace responsibility for adding value and making a difference
- Challenge the status quo and biases to make things better
- Explore new perspectives and embrace change
- Foster innovative and creative solutions to drive impact

OUR COMMITMENT TO ENHANCING LIVES

Investing in our People to Attract and Retain a Diverse Pool of Talent for Long-Term Success

Innovative Products Deliver Positive Sustainability Impact for our Customers

Focus on Resource Efficiency, Waste Reduction, and Renewables Protects Environment and Reduces Costs

Enhancing Lives through our People, our Products, and our Processes

INVESTING IN OUR PEOPLE TO ATTRACT AND RETAIN A DIVERSE POOL OF TALENT FOR LONG-TERM SUCCESS

- ID&E strategy and initiatives designed to foster an inclusive and diverse culture that aligns with our values and priorities
  - People First learning program promotes more creative, connected, and collaborative teams
  - People First Champion Network facilitates conversations around our values and inclusive leadership habits
  - Women's Employee Resource Group fosters personal and professional development, raises the visibility of women, and broadens their support network
- Leggett Learning and Leadership provides online tools and resources for employee growth and career development
- Leadership Essentials Experience are virtual, instructor-led courses focusing on creating an environment where employees can realize their aspiration to grow

CEO Action Pledge for Diversity & Inclusion

1. Making our workplace a trusting environment in which we can have ongoing conversations about diversity and inclusion
2. Expanding our awareness and understanding of implicit bias
3. Sharing our best – and unsuccessful – practices with others
4. Engaging our Board in discussing and prioritizing strategies and actions that grow our inclusive culture

INNOVATIVE PRODUCTS DELIVER POSITIVE SUSTAINABILITY IMPACT FOR OUR CUSTOMERS

Lightweight automotive components help to reduce overall vehicle weight, improve fuel efficiency, and reduce noise

- Product design innovation has led to the reduction of raw materials and weight, contributing to vehicles that are lighter and more fuel efficient
- Evolution in product design has resulted in the use of ferrite magnets instead of rare earth magnets, helping reduce the use of rare earth minerals

Our newer bedding products reduce mattress weight and use less petro-chemicals

- Every 100 queen mattresses constructed with Quantum Edge® and Caliber Edge™ conserves 40 gallons of petro-chemical contents*
- Quantum Edge® and Caliber Edge™ with Eco-Base integrate a fabric scrim that is up to 80% lighter and contains 80% fewer petro-chemicals than the base poly foam** it is replacing

Our Flooring Products business manufactures carpet underlay products that make a direct contribution towards LEED green building certification for our customers

- All products can be 100% recycled at the end of their useful life
- Bonded/Bonded Plus carpet cushions consist of 100% recycled foam
- Rubber XD/Rubber Plus carpet cushions contain no less than 20% pre-consumer recycled material
- Fiber carpet cushion is composed of a high percentage of industry-derived recycled fibers

Our geotextile products, such as erosion-control blankets and silt fencing, address the challenges of land at risk of natural or man-made erosion

- Using a geogrid or geotextile fabrics for subgrade stabilization significantly lowers the amount of energy expended from extracting the rock and delivering it for our customers, which reduces their carbon footprint

* Compared to 3-inch/1.5-lb commodity poly foam encasement
** Compared to 1-inch/1.8-lb commodity poly base foam

FOCUS ON RESOURCE EFFICIENCY, WASTE REDUCTION, AND RENEWABLES PROTECTS ENVIRONMENT AND REDUCES COSTS

Steel

- In 2022, 92% of the steel rod we produced is from steel scrap, of which the majority is post-consumer
- Dust created from our rod mill's electric arc furnace is redirected from landfill disposal to processing in a kiln where zinc and heavy metals are recovered. ~1,600 tons of zinc was reclaimed, and the remaining kiln byproduct is used by the cement industry as a raw material, thereby eliminating a hazardous waste that previously required disposal.

Wood

- In 2022, our U.S. Spring business's spend with Forest Stewardship Council® (FSC®)-certified sources increased by approximately 4% to 76%
- We are increasing the use of FSC®-certified wood products in our Work Furniture business

Chemicals

- Specialty foam products meet the highest standards for chemical safety with CertiPUR-US® certification
- Our Specialty Foam and Flooring Products businesses have developed capabilities to replace petro-chemicals by processing specific renewable raw materials, such as soy and castor, into foam formulations

Plastic

- In our Automotive business, post-consumer-grade recycled nylon and plastic are used to manufacture components
- An operation in our Work Furniture business uses more than 420 tons of 100% post-consumer plastics and post-industrial waste each year to create high-quality structural components

Foam Scrap

- In our Flooring Products business, the bonded carpet cushion we produce is primarily from repurposed foam that is sourced from foam manufacturers across the U.S., including our Specialty Foam business

Conservation

- Lighting improvement projects avoided 1,100 metric tons of CO_2 equivalents and 2.8 million kWh saved annually
- Right-sizing our light-duty private passenger fleet in 2022 will result in an annual average reduction of 55,000 gallons of gasoline or ~486 metric tons of carbon dioxide-equivalent emissions

CORPORATE GOVERNANCE

Board Independence	Board Practices	Board Accountability	Compensation / Ownership
▪ Lead Independent Director with significant responsibilities ▪ Independent Board (9 of 11 directors are independent) ▪ All Board committees are composed of independent directors ▪ Independent directors conduct regular executive sessions called by the Lead Independent Director	▪ Annual Board and committee assessments ▪ Risk oversight and strategic planning by full Board and committees ▪ Independent director service limited to three additional Boards ▪ Longstanding internal succession planning efforts which led to seamless CEO transition from Karl Glassman to Mitch Dolloff in January 2022	▪ Annual election of all directors ▪ Majority vote standard to elect directors ▪ Proxy access right for shareholders ▪ Shareholders can call special meetings ▪ Positive annual say-on-pay vote ▪ Board reviews evolving shareholder feedback	▪ Robust stock ownership guidelines for all Directors and Executive Officers ▪ Clawback policy in place ▪ Maintain restrictions on hedging and pledging shares of our stock ▪ Double trigger equity vesting provisions in place for change in control ▪ No repricing of options or cash buyouts ▪ No tax gross-ups

BOARD OF DIRECTORS

- 5 new independent directors since 2018
- 33% of independent directors are women
- 4 directors identify as racial / ethnic minorities
- 33% of governing committees chaired by women

Angela Barbee ⌘ ◆

Former SVP – Technology and Global R&D at Weber
Director since: 2022

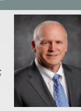
Knowledge of manufacturing, engineering, management, and operations in the consumer and automotive industries

Mark A. Blinn ⌘ ◆

Retired President & CEO at Flowserve
Director since: 2019

Leadership experience in operations and finance, as well as strategic planning and risk management; Public company Board experience

Robert E. Brunner ◆ ✯



Lead Independent Director, Retired Executive VP at Illinois Tool Works
Director since: 2009

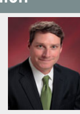
Experience at ITW provides insight on automotive strategy, business development, M&A, operations, and international issues

Mary Campbell ⌘ ✯

President – vCommerce Ventures at Qurate Retail
Director since: 2019

Knowledge in consumer driven product innovation, marketing and brand building, and traditional and media platforms

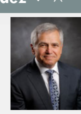
J. Mitchell Dolloff



President & CEO
Director since: 2020

Provides insight from strategic planning to implementation, as well as relationships with investors, financial community and other key stakeholders

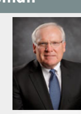
Manuel A. Fernandez ◆ ✯



Managing Director at SI Ventures
Director since: 2014

CEO experience and public board experience offers insight into corporate strategy and development, IT and international growth

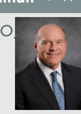
Karl G. Glassman



Chairman
Director since: 2002

Previous CEO; brings knowledge of the Company's operations, strategy and governance, as well as its customers and end markets

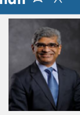
Joseph W. McClanathan ◆ ✯



Retired President & CEO Household Products Division at Energizer
Director since: 2005

Brings perspective to the Board on manufacturing operations, marketing and development of international capabilities

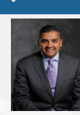
Srikanth Padmanabhan ⌘ ✯



VP & President – Engine Business Segment at Cummins
Director since: 2018

Knowledge of automotive and industrial industries; Experience in operations and innovation at a multi-billion-dollar business

Jai Shah ⌘ ◆



Group President at Masco
Director since: 2019

Perspective on issues such as growth strategy development and implementation, talent management, and adapting to market innovations

Phoebe A. Wood ⌘ ✯

Retired Vice Chair & CFO at Brown-Forman
Director since: 2005

Understanding of the strategic, financial and accounting issues the Board addresses in its oversight role

Committees: ⌘ Audit ◆ Human Resources & Compensation ✯ Nominating, Governance & Sustainability

COMPENSATION REWARDS STRONG PERFORMANCE

Annual Incentive

- Based on current year **EBITDA** and **free cash flow**

Long-Term Incentive

- Long-term equity-based, significant portion of total comp for execs
- **Performance Stock Units (60%)**
  - Three-year performance period with two equal measures and subject to a relative TSR performance multiplier (vs peer group of ~300 companies)
    - **EBITDA**
    - **ROIC**
- **Restricted Stock Units (40%)**
  - 1/3 of award vests each year following the grant date, with the value of the award depending upon the share price at time of vesting

Deferred Comp Program

- Opportunity (in December) to **forego** a portion of next year's cash salary and bonus to **buy** stock units

KEY TAKE-AWAYS

Near-term focus on **improving areas within our control** and proactively addressing the macroeconomic impacts on our businesses

Our **enduring fundamentals** enable us to withstand economic cycles

- Strong **cash flow**
- **Balance sheet** strength
- Commitment to **growing our dividend**
- **Profitable growth** through organic investments and acquisitions

Commitment to **sustainability** through our people, our products, and our processes

FOR ADDITIONAL INFORMATION

Ticker:	LEG (NYSE)
Website:	www.leggett.com
Email:	invest@leggett.com
Phone:	(417) 358-8131

Find our Fact Book and Sustainability Report
at www.leggett.com

Susan McCoy	Senior Vice President, Investor Relations
Cassie Branscum	Senior Director, Investor Relations
Kolina Talbert	Manager, Investor Relations

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ADDITIONAL INFORMATION

COST STRUCTURE

- Costs are roughly 75% variable, 25% fixed
- Incremental/decremental volume
  - 25–35% contribution margin
- Cost of Goods Sold composition (approximate):
  - 60% Materials, composed of:
    - Steel ~25% of RMs
    - Chemicals ~15% of RMs
    - Woven & nonwoven fabrics ~15% of RMs
    - Foam scrap, fibers ~3% of RMs
    - Metals (titanium, nickel, stainless, chrome bar), wood – each ~2% of RMs
    - Others, including sub-assemblies, hardware, components, finished products purchased for resale, etc. ~40% of RMs
  - 20% Labor (includes all burden and overhead)
  - 20% Other, composed of:
    - Depreciation, supplies – each ~3% of COGS
    - Utilities, maintenance – each ~2% of COGS
    - Shipping/transportation ~10% of COGS
    - Other also includes rent, insurance, property tax, etc.

CUSTOMERS

In North America:

Adient	General Motors	Lowe's	Serta Simmons
Ashley Furniture	Haworth	Magna	Sleep Number
Berkshire Hathaway	HNI	Mattress Firm	Steelcase
Best Home Furnishings	Home Depot	MCF	Stellantis
Casper	JLG (Oshkosh)	MillerKnoll	Tempur Sealy
Eaton	La-Z-Boy	Purple	Toyota Industrial Equip
Ford	Lear	Resident Home	Walmart
GE Aviation	Lincoln Electric	Rooms to Go	

In Europe and Asia:

Bensons	Hay	Natuzzi	Sleepeezee
Dreams	Hilding Anders	Nissan	Toyota
Emma	Honda	Recticel	Volkswagen
Faurecia	Hyundai	Sanyo	Volvo Construction Equip
Fritz Hansen	Kuka	Silentnight Beds	

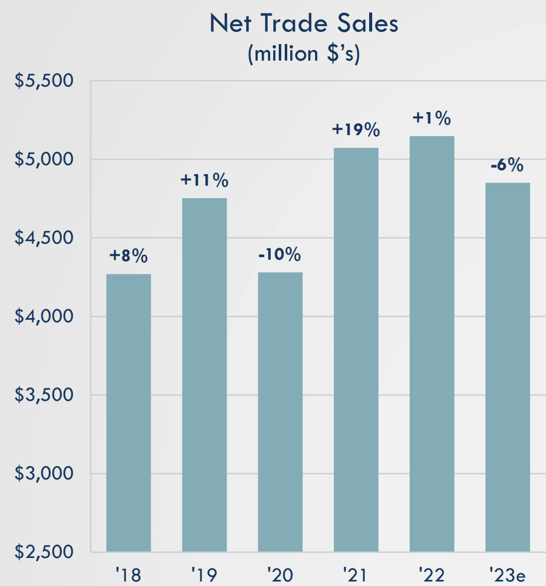
Diverse Customer Base – Low Concentration

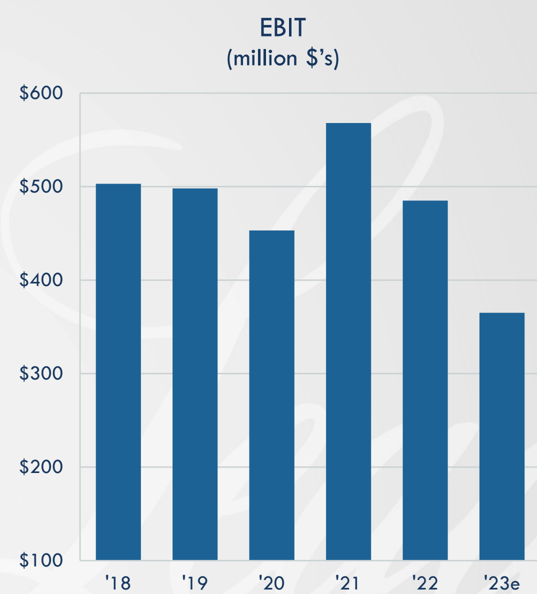
FINANCIAL METRICS DEFINED

- TSR: Total Shareholder Return
  - Total benefit investor realizes from owning our stock
  - (Δ stock price + dividends) / initial stock price
- EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization
  - Drives 65% of annual bonus at operating level and corporate
- FCF: Free Cash Flow
  - Drives 35% of annual bonus at operating level and corporate
  - EBITDA – capex +/– Δ working capital (ex cash & current debt)
- ROIC: Return on Invested Capital
  - Net operating profit after tax / invested capital (shareholder equity + debt – cash)

FINANCIAL INFORMATION

SALES AND EBIT





- Amounts are from continuing operations and exclude unusual items. See appendix for non-GAAP reconciliations.
- 2018–2020 financial data has been adjusted to apply the effects of the change from LIFO to FIFO
- 2023 estimates are based on mid-point of guidance

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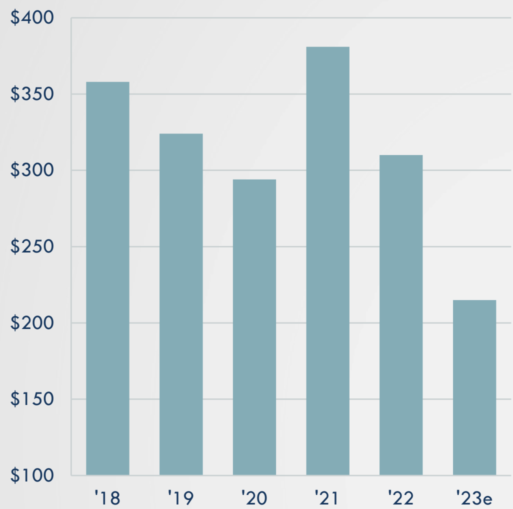
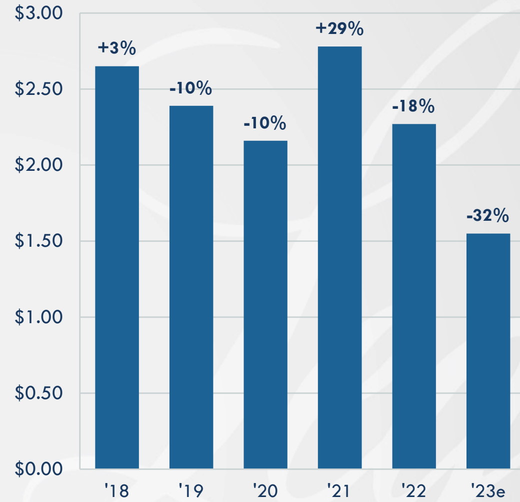
NET EARNINGS AND EPS

Net Earnings
(million $'s)



EPS
($'s per share)



- Amounts are from continuing operations and exclude unusual items. See appendix for non-GAAP reconciliations.
- 2018–2020 financial data has been adjusted to apply the effects of the change from LIFO to FIFO
- 2023 estimates are based on mid-point of guidance

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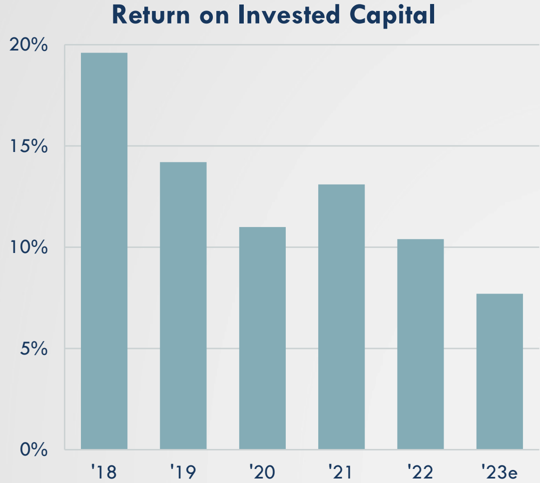
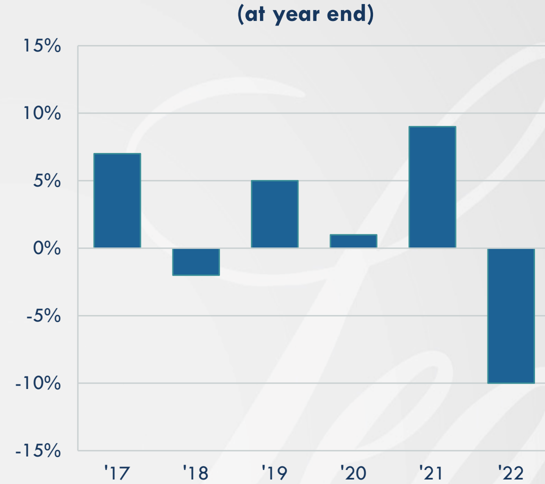
RETURNS AND TSR

Return on Invested Capital

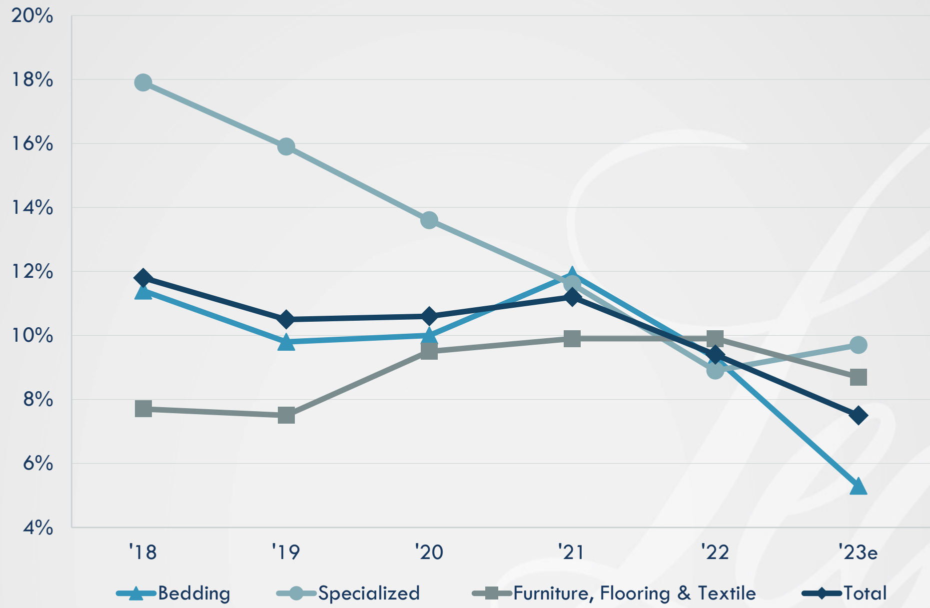


3-Year Avg TSR
(at year end)



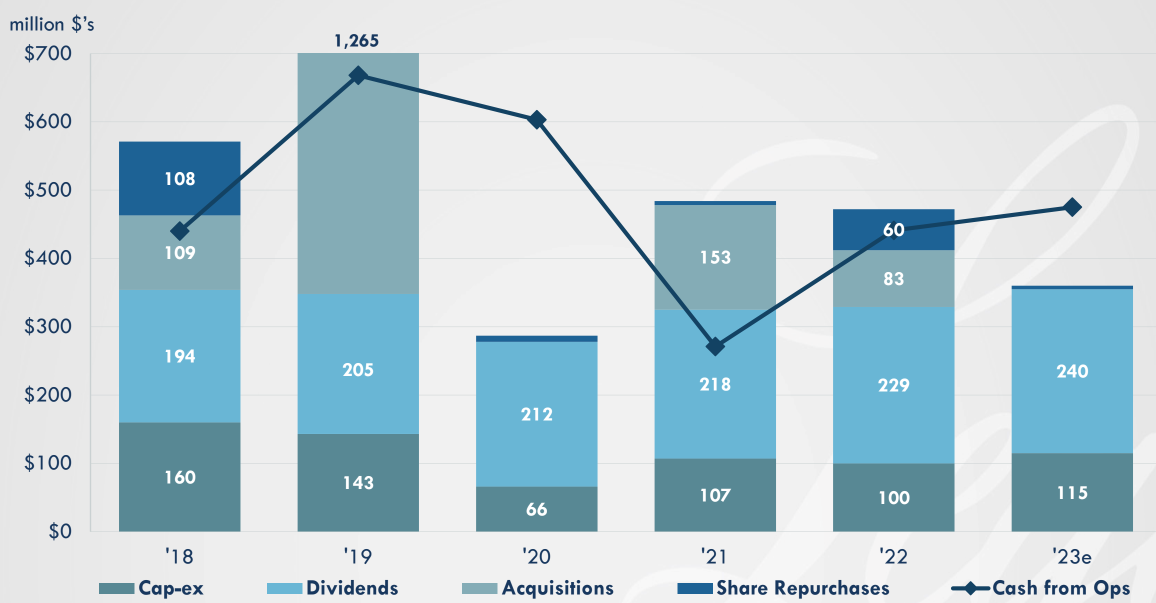
- See appendix for return calculation
- TSR assuming dividends continually reinvested
- 2018–2020 financial data has been adjusted to apply the effects of the change from LIFO to FIFO
- 2023 estimates are based on mid-point of guidance

SEGMENT EBIT MARGINS



- Amounts exclude unusual items. See appendix for non-GAAP reconciliations.
- 2018–2020 financial data has been adjusted to apply the effects of the change from LIFO to FIFO
- 2023 estimates are based on mid-point of guidance

USES OF CASH FLOW



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CASH FLOW DETAILS

$'s in millions	2018[1]	2019[1]	2020[1]	2021	2022	2023e[2]
Net Earnings	324	314	253	403	310	222
Deprec & Amort	136	192	189	187	180	200
Def Income Taxes	3	1	(21)	(9)	(16)	—
Impairments	5	8	29	—	—	—
Working Capital	(77)	101	80	(338)	(78)	23
Other Non-Cash	49	52	73	28	45	30
Cash from Operations	**440**	**668**	**603**	**271**	**441**	**475**
Uses of Cash						
Capital Expenditures	(160)	(143)	(66)	(107)	(100)	(115)
Dividends	(194)	(205)	(212)	(218)	(229)	(240)
Acquisitions	(109)	(1,265)	—	(153)	(83)	—
Share Repurchases	(108)	(7)	(9)	(6)	(60)	(5)

[1] Adjusted to apply the effects of the change from LIFO to FIFO
[2] 2023 estimates are based on mid-point of guidance

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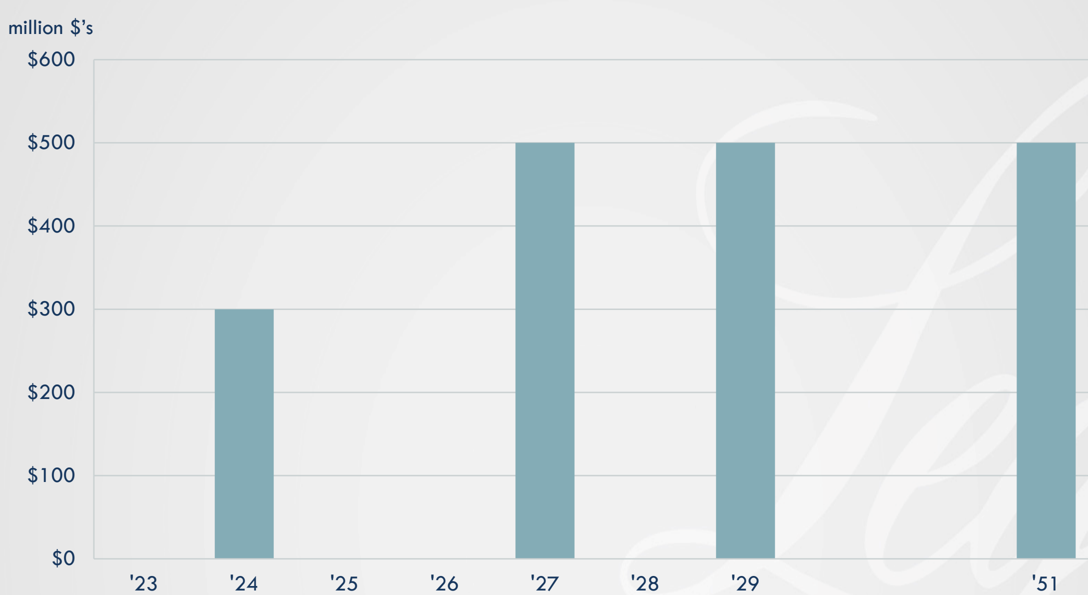
DEBT MATURITIES



- Weighted average rate: 3.8%; Weighted average maturity: 11 years; excludes commercial paper borrowings

APPENDIX
NON-GAAP RECONCILIATIONS

NON-GAAP ADJUSTMENTS

($ millions, except EPS)	2018[4]	2019[4]	2020[4]	2021	2022	2023e
Non-GAAP Adjustments ($'s)[1]						
Impairment charges	–	–	25	–	–	–
Note impairment	16	–	8	–	–	–
Stock write-off from 2008 divestiture	–	–	4	–	–	–
Restructuring-related charges	23	10	8	–	–	–
ECS transaction costs[2]	7	1	–	–	–	–
Gain from real estate sale	–	–	–	(28)	–	–
Gain from net insurance proceeds from tornado damage	–	–	–	–	–	(11)
Non-GAAP adjustments (pre-tax $'s)	**46**	**11**	**45**	**(28)**	**–**	**(11)**
Income tax impact	(9)	(1)	(4)	7	–	3
TCJA impact[3]	(2)	–	–	–	–	–
Unusual tax items	–	–	–	–	–	–
Non-GAAP adjustments (after tax $'s)	**35**	**10**	**41**	**(21)**	**–**	**(8)**
Diluted shares outstanding	135.2	135.4	135.9	136.7	136.5	137.0
EPS impact of non-GAAP adjustments	**$.26**	**$.07**	**$.30**	**$(.16)**	**$–**	**$(.05)**

[1] Calculations impacted by rounding
[2] 2018 includes $4 million in SG&A charges and $3 million of financing-related charges in interest expense
[3] Tax Cuts and Jobs Act of 2017
[4] Adjusted for effects of change from LIFO to FIFO

RECONCILIATION OF ADJ EBIT, ADJ EBIT MARGIN, ADJ EBITDA, AND ADJ EBITDA MARGIN

($ millions, except EPS)	2018[2]	2019[2]	2020[2]	2021	2022	2023e[3]
Net trade sales	$4,270	$4,753	$4,280	$5,073	$5,147	$4,850
EBIT (continuing operations)	$460	$487	$408	$596	$485	$376
Non-GAAP adjustments, pre-tax[1]	42	11	45	(28)	—	(11)
Adjusted EBIT (cont. operations)	**$503**	**$498**	**$453**	**$568**	**$485**	**$365**
Adjusted EBIT margin	***11.8%***	***10.5%***	***10.6%***	***11.2%***	***9.4%***	***7.5%***
Adjusted EBIT (cont. operations)	$503	$498	$453	$568	$485	$365
Depreciation & amortization	136	192	189	187	180	200
Adjusted EBITDA (cont. operations)	**$639**	**$690**	**$642**	**$755**	**$665**	**$565**
Adjusted EBITDA margin	***15.0%***	***14.5%***	***15.0%***	***14.9%***	***12.9%***	***11.6%***

[1] See slide 52 for adjustment details
[2] Adjusted for effects of change from LIFO to FIFO
[3] 2023 estimates are based on mid-point of guidance

RECONCILIATION OF ADJ EARNINGS AND ADJ EPS

($ millions, except EPS)	2018[2]	2019[2]	2020[2]	2021	2022	2023e[3]
Earnings (continuing operations)	$324	$314	$253	$403	$310	$222
Non-GAAP adjustments, after tax[1]	35	10	41	(21)	—	(8)
Adjusted Earnings (cont. operations)	**$358**	**$324**	**$294**	**$381**	**$310**	**$215**
Diluted EPS (continuing operations)	$2.39	$2.32	$1.86	$2.94	$2.27	$1.60
EPS impact from non-GAAP adjs[1]	.26	.07	.30	(.16)	—	(.05)
Adjusted EPS (cont. operations)	**$2.65**	**$2.39**	**$2.16**	**$2.78**	**$2.27**	**$1.55**

[1] See slide 52 for adjustment details
[2] Adjusted for effects of change from LIFO to FIFO
[3] 2023 estimates are based on mid-point of guidance

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CALCULATION OF RETURN ON INVESTED CAPITAL

	2018[4]	2019[4]	2020[4]	2021	2022	2023e[5]
Adjusted EBIT (cont. operations)[1]	**$503**	**$498**	**$453**	**$568**	**$485**	**$365**
Tax rate	*21.0%*	*21.8%*	*21.2%*	*22.8%*	*23.2%*	*24.0%*
Net Operating Profit After Tax (NOPAT)[2]	**397**	**389**	**357**	**438**	**372**	**277**
Total debt (long-term + current)	$1,169	$2,118	$1,900	$2,090	$2,084	$2,000
Operating lease liabilities[3]	-	161	165	198	203	200
Equity	1,207	1,342	1,425	1,649	1,641	1,650
Less: Cash & Cash equivalents	(268)	(248)	(349)	(362)	(317)	(300)
Invested Capital	$2,108	$3,373	$3,141	$3,575	$3,612	$3,550
Average Invested Capital	**$2,028**	**$2,740**	**$3,257**	**$3,358**	**$3,593**	**$3,581**
Return on Invested Capital (ROIC)	**19.6%**	**14.2%**	**11.0%**	**13.1%**	**10.4%**	**7.7%**

[1] See slide 52 for adjustment details
[2] NOPAT = Adjusted EBIT x (1 – tax rate)
[3] New lease accounting rules adopted January 1, 2019. Prior year data is not available.
[4] Adjusted for effects of change from LIFO to FIFO
[5] 2023 estimates are based on mid-point of guidance

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CALCULATION OF DIVIDEND PAYOUT % OF ADJUSTED EPS

	2018[2]	2019[2]	2020[2]	2021	2022	2023e[3]
Diluted EPS from cont. operations	**$2.39**	**$2.32**	**$1.86**	**$2.94**	**$2.27**	**$1.60**
EPS impact from non-GAAP adjs[1]	.26	.07	.30	(.16)	—	(.05)
Adjusted EPS from cont. operations	**$2.65**	**$2.39**	**$2.16**	**$2.78**	**$2.27**	**$1.55**
Annual dividend per share	**$1.50**	**$1.58**	**$1.60**	**$1.66**	**$1.74**	**$1.82**
Dividend payout % of diluted EPS from continuing operations	**63%**	**68%**	**86%**	**56%**	**77%**	**114%**
Dividend payout % of adjusted EPS	**57%**	**66%**	**74%**	**60%**	**77%**	**117%**

[1] See slide 52 for adjustment details
[2] Adjusted for effects of change from LIFO to FIFO
[3] 2023 estimates are based on mid-point of guidance

NON-GAAP FINANCIAL MEASURES

While we report financial results in accordance with accounting principles generally accepted in the U.S. (“GAAP”), this presentation includes non-GAAP measures. These include **adjusted EBIT, adjusted EBIT margin, adjusted EBITDA, adjusted EBITDA margin, adjusted earnings,** and **adjusted EPS**. We believe these non-GAAP measures are useful to investors in that they assist investors’ understanding of underlying operational profitability. Management uses these non-GAAP measures as supplemental information to assess the company’s operational performance.

We believe the presentation of **return on invested capital (ROIC)** provides investors a useful way to assess how efficiently the Company uses investors’ funds to generate income. Management uses this ratio as supplemental information to assess how effectively its invested capital is utilized.

The above non-GAAP measures may not be comparable to similarly titled measures used by other companies and should not be considered a substitute for, or more meaningful than, their GAAP counterparts.