LEG (NYSE)

www.leggett.com

Company Update

May 2012

Forward Looking Statements

Statements in this presentation that are not historical in nature are "forward-looking." These statements involve uncertainties and risks, including changes in demand for the company's products, cost and availability of raw materials and labor, price and product competition from foreign and domestic competitors, the company's ability to improve operations and realize cost savings, general economic conditions, fuel and energy costs, foreign currency fluctuation, litigation risks, and other factors described in the company's Form 10-K. Any forward-looking statement reflects only the company's beliefs when the statement is made. Actual results could differ materially from expectations, and the company undertakes no duty to update these statements.

OVERVIEW

TSR Focused Mid-Cap Manufacturer

- Targeting **Total Shareholder Return in top 1/3** of S&P 500
- **5%** dividend **yield**; 41 annual increases at 13% cagr
- **Excess cash** used for **Stock Buybacks**
- **Strong** balance sheet and cash flow
- **#1 or 2** in most markets; few / no large competitors
- **Poised to grow** as economy recovers; timing uncertain
- Management has “**skin in the game**”
  - Significant stock owners; forego comp in exchange for shares / options
  - Incentive comp aligned with TSR focus

Our Markets

- Macro Market exposure:
  - ~55% Consumer durables
  - ~30% Commercial / Industrial
  - ~15% Automotive
- Major End Markets include:
  - Bedding
  - Home furniture
  - Automotive seating
  - Office furniture (primarily seating)
  - Retail fixturing
  - and many others
- Geographic Split:
  - 71% U.S.; 10% Europe; 9% China; 6% Canada; 4% Mexico/Brazil/Others
- Vertical Integration is important factor

Customers Include

In North America:

Airbus	Gap/Old Navy	Kohl's	Serta
Ashley Furniture	Global	La-Z-Boy	Simmons
AT&T	Herman Miller	Lear	Steelcase
Best Home Furn.	Hewlett Packard	Lowe's	Target
Boeing	Home Depot	Mattress Firm	TJ Maxx
Dollar General	HNI	Nike	Toyota Boshuku
Dollar Tree	ITW	Overhead Door	Verizon
Faurecia	JC Penney	Sealy	Wal-Mart
Ford	Johnson Controls	Select Comfort	Waste Management

In Europe and Asia:

Hilding Anders	Orangebox	Loeffler	Voelke
Silentnight Beds	Nestledown	Dunlop	Eurasia
Man Wah	Natuzzi	Wal-Mart	Faurecia

And Many, Many Others

STRATEGY

TSR in Top 1/3 of S&P 500

Sources of TSR: Growth, Margin Improvement, Dividend Yield, and Share Buybacks

Total Shareholder Return = (Δ Stock Price + Dividends) / Initial Price

Growth Target:	4-5% annually
Margin Improvement:	Cost savings, efficiency improvement, product development, growth in attractive markets
Dividend Payout Target:	50-60%
Spare Cash Use:	Stock Buyback

TSR Performance

	3 year CAGR			
	08-10	09-11	10-12	Target
Revenue Change	(7)	(4)	7	4-5
Margin Change	(1)	4	2	~2
Change in Multiple	12	11	(2)	--
Dividend Yield	6	5	5	3-4
Stock Buyback	6	4	2	3-4
Annual TSR, % (cagr)	16	20	14[1]	12-15
% Rank in S&P 500 (1% is best)	8%	38%	65%[2]	

[1] Based on mid-point of 2012 guidance and $26 year end share price.
[2] Relative performance through April 2012.

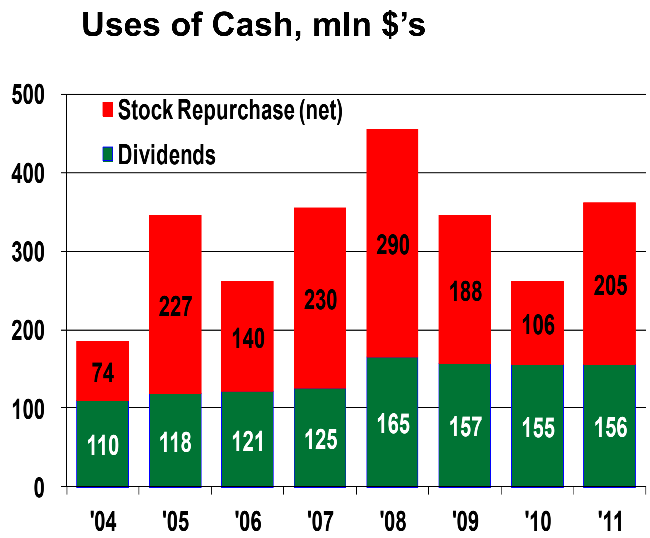
- Goal is top-third of S&P 500
- Top TSR requires only modest growth
  - Multiple-sources of TSR → lower risk; high certainty of success

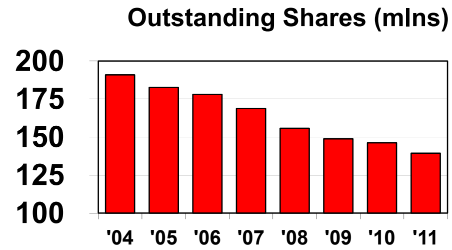
Priorities for Use of Cash

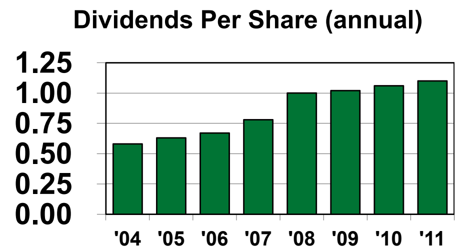
1. Fund Capital Expenditures
   - Already have sufficient productive capacity to accommodate market recovery
   - Cap-ex should remain below $100m in the near term
2. Pay Dividends
   - Dividend is crucial lever in TSR generation
   - **41 Year History** of dividend increases
     - Member of S&P Dividend Aristocrats
   - Current payout is above target due to economic contraction
   - Expect to continue modestly increasing annual dividend
3. Fund Selective Growth (new growth platforms; acquisitions)
4. Excess cash used to Repurchase Stock; <u>levels will fluctuate</u>

Operating Cash has exceeded
Dividends & Capital Expenditures for last ~20 Yrs

Returning Cash to Shareholders







- Significant excess cash 2008-2011; few growth investments in those years; bought **43m Shares** of our stock;
- Stock repurchases vary with excess cash; part of **Long-term TSR**

Framework for Growth

- Targeting **4-5% Annual Growth**
  - ½ from GDP; ½ from internal efforts
  - Normal market growth + ~$80-$100 million (from other sources)
- Other sources include:
  1. Innovation and **New Products**
  2. **Higher-Growth Platforms**/markets
     - Clear strategic rationale; sustainable competitive advantage; attractive markets; pursued with discipline

Acquisition Criteria

- Strategy: clear strategic rationale; sustainable competitive advantage; strong "fit" with L&P
- Financials: TSR accretive; IRR > 10%; discounted cash flow > 0
- Stand Alone: revenue > $50m; strong management; subsequent growth opportunity
  - Position: prefer companies with #1 or #2 market position
  - Market: size > $250m preferred; growing > GDP; industry EBIT > 11%
- Add-On: revenue > $15m; significant synergy; strategic fit in an existing BU

WPT Acquisition

Western Pneumatic Tube Acquisition
Meets Strategic Criteria

☑ Moves L&P into markets with **Higher Growth** and **Profitability**, and significant barriers to entry

☑ Market leader with **Sustainable Competitive Advantage** and **Strong Management Team**

☑ Provides **Non-commodity Products** that require proprietary or value added processes

☑ 2012 annual revenue of **$60+ million** and growing

CURRENT TOPICS

Exposure to U.S. Innerspring Mattresses

- **Diversification** has reduced our exposure to any single market
- **~17%** of Leggett's **total sales** are components or materials used in U.S. produced **innerspring mattresses**
  - 65% of our bedding components are sold in U.S. market
  - 75-80% of U.S. bedding component sales are innersprings
  - Wire and fabric sales to bedding industry represent ~8% of total sales
- Our **volume is weighted** to mattresses sold **< $1,000**
- **~5%** of our total sales relate to mattresses sold **> $1,000**
- Largest innerspring mattress producers >$1,000 are Sealy & Simmons (both vertically integrated in mattress components)
- Serta and others beginning to address >$1,000 market w/**Hybrid Products** (contain innersprings)

Uncertain Timing of Macro Recovery

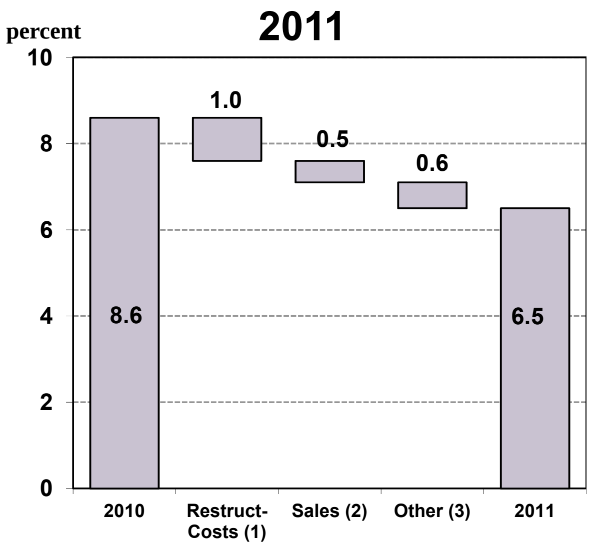
Key Indicators we monitor:

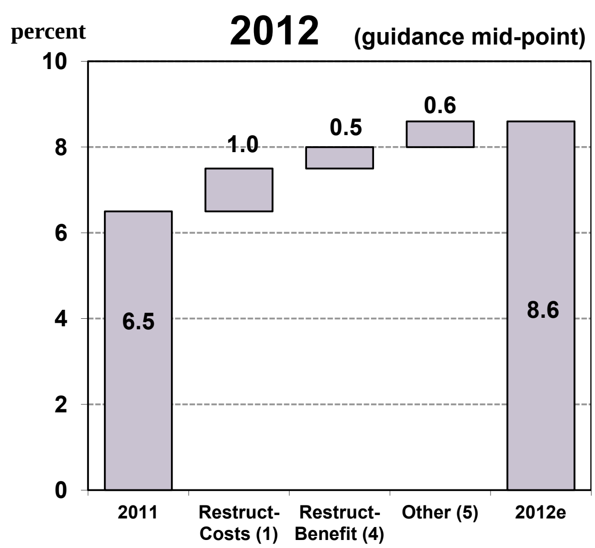
- Consumer Confidence
  - More crucial than home sales since majority (~2/3rds) of bedding/furniture purchases are replacement of existing product
  - "Large Ticket" purchases that are highly deferrable
- Total Housing Turnover
  - Combination of new and existing home sales
- Business Confidence; White Collar Employment; Office Vacancy Rates
  - Impacts demand for office furniture components
- Retail Sales Trends
  - Impacts demand for retail store fixtures

Markets

- Modest U.S. innerspring unit growth expected in 2012; **1Q up 3%**
  - ISPA forecasting ~3.5% unit growth (total mattresses) in 2012
- Adjustable Bed growth should continue; **1Q up 48%**
- Furniture Hardware units **down 10% in 1Q**
- Expecting lower Store Fixtures volume in 2012; **1Q down ~15%**
  - Lower spending by single, large retailer largely offset by new programs w/ other customers
  - 2012 seasonality should align w/ traditional pattern of heavy 3Q volume
- Office Furniture volume should grow slightly in 2012; **1Q up slightly**
  - BIFMA forecasting ~2% lower shipments
- Global Automotive growth should continue; **1Q up 10%**
  - Industry forecasts anticipate ~6% global production growth in 2012
  - Strength in N.A. & Asia partially offset by concerns in Europe

Margin Improvement Expected





(1) Restructuring-related costs in 4Q 2011
(2) 2011 sales increase w/ little EBIT (eg. from inflation, currency, and rod mill trade sales)
(3) Higher SG&A and other factors offset slight increase in unit volumes in 2011
(4) Expecting $.07-$.10 of EPS benefit in 2012 from restructuring activity
(5) Modest unit volume growth and other cost improvements in 2012

2012 Guidance (Issued 4/26; no update since)

- EPS of $1.25 - $1.45
- Sales of approximately $3.65-$3.85 billion
  - Flat to +6% v. 2011
  - Includes ~1% growth from acquisitions (net of divestitures)
- Operating cash should exceed $325 million
- 2012 cap-ex ~$100 million

$1.20	2011 adj. EPS (excl. $.16/sh restructuring cost in 4Q11)
.08	3% sales growth; ~half from unit volume **@ 30% CM**
.10	expected restructuring benefit ~$.07-$.10
(.08)	higher tax rate (30% in 2012 vs. 26% in 2011)
(.02)	higher interest expense
.07	other, cost savings, WPT acquisition, etc.
$1.35	midpoint of 2012 guidance

Key Take-Aways

- Macro Environment: slowly improving
- Our Markets: **modest growth** expected in 2012
- Focused on **margin improvement**
- Comfortably funding dividend (**~5% current yield**)
- Positioning Leggett for long-term 4-5% growth
- Long-term **TSR from all 4 sources**: growth, margin improvement, dividends, share repurchases

Leggett & Platt®

FOR ADDITIONAL INFORMATION

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Find our Fact Book at www.leggett.com.

Susan McCoy — **Staff VP, Investor Relations**
Dave DeSonier — **Sr VP, Corporate Strategy & IR**

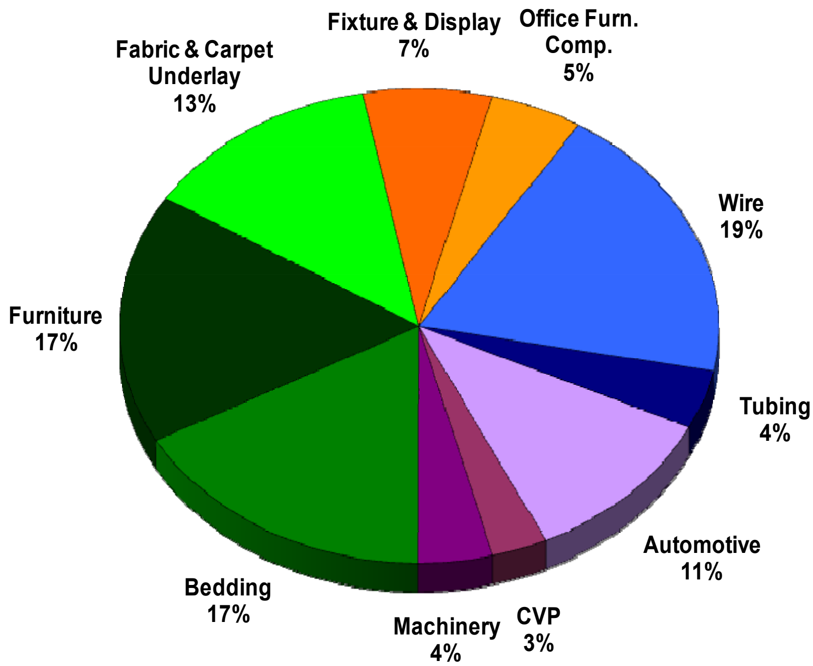
ADDITIONAL INFORMATION

Leading U.S. Manufacturer of:

- Components for bedding and residential furniture
- Carpet underlay
- Adjustable bed bases
- Components for office furniture
- Drawn steel wire
- Thin-walled titanium and nickel tubing for aerospace industry
- Auto seat support and lumbar systems
- Bedding industry machinery

Product Mix

Fraction of 2012 Sales (est)



4 segments; 10 groups; 20 business units

Strong Peer Group

Diversified Manufacturers

w/ Ticker & Fortune 1000 Ranking (April 2012)
Leggett Ranking = 612

CSL	Carlisle	658	ITW	Illinois Tool Works	149
CBE	Cooper	n/a	IR	Ingersoll Rand	n/a
DHR	Danaher	158	MAS	Masco	338
DOV	Dover	304	PNR	Pentair	632
ETN	Eaton Corp	163	PPG	PPG Industries	180
EMR	Emerson	120			

Characteristics of the Group

Multiple Business Segments
Sell Mainly to Other Manufacturers
Low Customer Concentration
Stamp, Cast, & Machine Materials
Moderate Labor & Capital Intensity

Primarily Manufacturers
In “Old Economy” Markets
Complex; Hard to Grasp
Old, Established Firms
Diverse Products

Governance/Directors

May 2012

- 9 Non-Management Directors (out of 12 total)
- Only Non-Mgmt Directors on Key Board Committees

Non-Mgmt		Age	Joined	Position	Firm
Robert Brunner	¤◆	**54**	**2009**	**Retired EVP**	**ITW**
Ralph Clark	⚹	**71**	**2000**	**Retired VP**	**IBM**
Robert Enloe	◆	**73**	**1969**	**Managing Partner**	**Balquita Partners**
Richard Fisher†	¤◆⚹	**73**	**1972**	**Sr. Managing Dir.**	**Midwest Div, Oppenheimer**
Ray A. Griffith	¤	**58**	**2010**	**President & CEO**	**Ace Hardware Corp.**
J. McClanathan	¤◆⚹	**59**	**2005**	**Retired Pres. & CEO**	**Energizer Household Products**
Judy Odom	¤◆⚹	**59**	**2002**	**Retired Chmn, CEO**	**Software Spectrum**
Maurice Purnell	⚹	**72**	**1988**	**Retired Of Counsel**	**Locke Lord Bissell & Liddell**
Phoebe Wood	¤◆	**59**	**2005**	**Principal**	**CompaniesWood**
Management					
David Haffner		**59**	**1995**	**President & CEO**	**Leggett & Platt**
Karl Glassman		**53**	**2002**	**EVP & COO**	**Leggett & Platt**
Matthew C. Flanigan		**50**	**2010**	**Sr VP & CFO**	**Leggett & Platt**

† **Chairman**
Committees: ¤ Audit ◆ Compensation ⚹ Nominating & Corporate Governance

Deferred Comp Program

- About 100 Execs participate
  - Opportunity (in December) to **forego** a portion of next year's cash salary & bonus to **buy** options or stock units
  - Average about $4m / year surrendered
- "Insider" reports DON'T track this
- Section 16 Officers, since 1995:
  - Surrendered $46 million of compensation to purchase call options or stock units

Performance Stock Units

- Initiated in 2008 to **align** compensation with **new strategy**
- Significant portion of total comp package for top execs
- Award based on **3-year relative TSR** performance
  - Calculate TSR from Jan 1 of first year to Dec 31 of third year
  - Compare TSR performance to 320 large- and mid-cap peers in three sectors: Industrial, Consumer Discretionary, Materials
- Payout is based on a Sliding Scale
  - For TSR performance in bottom quartile of peers: no award
  - Payout gradually increases for performance in 2nd or 3rd quartile
  - For TSR in top quartile of peers: max award

Cost Structure

<u>Cost of Goods Sold</u> Composition (approximate):

- 60% Materials, composed of:
  - Steel = 40-45%
  - Woven & Non-Woven Fabrics = 7-8%
  - Foam Scrap, Fibers, & Chemicals = 7-8%
  - Others, including sub-assemblies, hardware, components, finished products purchased for resale, etc. = ~40%
- 20% Labor (includes all burden and overhead)
- 20% Other, composed of:
  - Depreciation and Amortization = ~3%
  - Utilities = ~3%
  - Shipping and Handling = ~8%
  - Other also includes maintenance, insurance, prop. tax, etc.
- Roughly 75% of Costs are Variable, 25% are Fixed
- $100 million of incremental <u>unit volume</u> (similar mix/uninflated) yields ~$25-$35 million in additional EBIT

STRATEGY

Major Strategic Shift in Nov 2007

Goal = TSR in top 1/3 of S&P 500

Total Shareholder Return = (Δ Stock Price + Dividends) / Initial Price

Changed "Toolkit" from primarily Growth to Growth, Margin Improvement, Dividend Yield, and Share Buybacks

3 STEPS:

1. **FOCUS** by Divesting low performing businesses
   - Divested 7 BUs for $433m (after tax)
2. **IMPROVE** Margins & Returns on assets we keep
3. **GROW** Revenue, long-term, at 4-5% annually

Significant Changes

	Current	Historical
Overall Goal:	TSR in top 1/3 of S&P 500	15% Revenue Growth
Sources of TSR:	Yield, Buybacks, Growth, Margin	Solely Growth
Capex:	Reserved for “Grow” BUs	Readily Available to All BUs
Dividend Payout:	50-60%	33%
Spare Cash Use:	Stock Buyback	Pay Off Debt
BU Strategy:	Comp. Advantage, Attractive Mkts	Efficiency
Acquisitions:	Fewer, Strategy Driven	Opportunistic, “Good Deals”
Divestitures:	Normal Part of Portfolio Mgmt.	Seen as Admitting Defeat
Personnel:	Top Grading, A Players	Employment for Life

Role-Based Portfolio Management

- Strategic Planning Process
  - Assess Market Attractiveness & Leggett’s Advantages
  - 3-Year Plan to Achieve ≥ 10% TBR/yr
  - Used to Determine Portfolio Role
  - Identify New Areas in which to Grow
- Place Each BU into Portfolio Category
  - Grow, Core, Fix, or Divest
  - Different Goals for Each
    - Grow: Profitable **Growth**
    - Core: Maximize **Cash**
    - Fix: Rapidly **Improve**
  - Allocate Capital Based on Role

Criteria for Role Assignments

	GROW	CORE	FIX / DIVEST
1. COMPETITIVE POSITION	Advantaged	Solid, Stable	Tenuous or Disadvantaged
2. MARKET ATTRACTIVE?	Strong, Growing	Attractive, But With Lower Growth Potential	Poor Or Declining
3. FIT w/ LEGGETT	Strong	Strong	Limited
4. RETURN (ROGI)	Consistently > 12%	Stable, 9-12%	Erratic or < WACC
5. BU SIZE & MATERIALITY	Large, Significant	Large, Significant	Inconsequential, Distracting

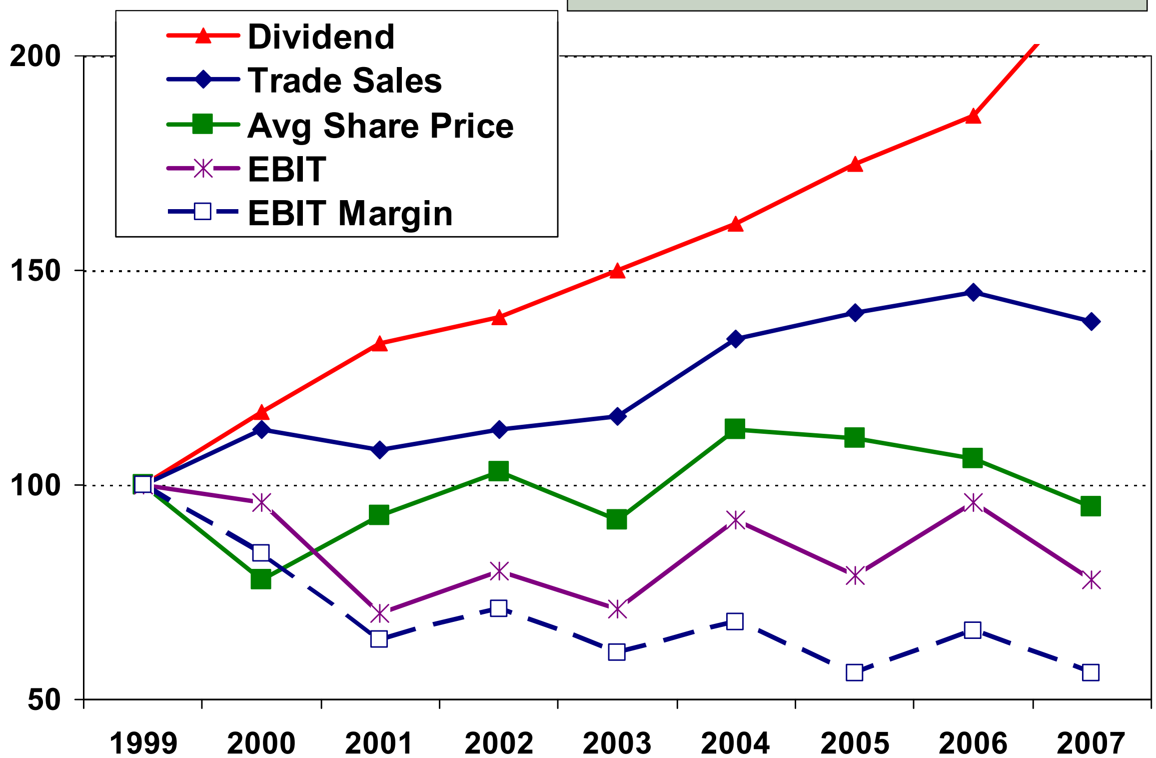
Expectations by Portfolio Role

- All: Credible Path to ≥ 10% TBR Required, else Exit
- Grow: Provide Profitable **Growth**; Return > WACC
  - Invest Capital in Competitively Advantaged Positions
  - Identify Major Organic, M&A, or Rollup Investments
- Core: **Generate Cash**; Return ≥ WACC
  - Maintain Stable, Competitive Positions to Generate Cash
  - Aggressively Improve EBITDA and Free Cash Flow
  - Profitably Grow Market Share, But With Minimal Capex
  - Enhance Productivity; Reduce Costs, Overhead, Working Capital
- Fix: **Rapidly** Restructure, else Exit
  - Limited Time To Achieve Return ≥ WACC, Else Divest / Liquidate

Earlier Strategy Ceased Working

Relative, 1999 = 100;

TSR ≈ **20% / yr** during '80s and '90s.
TSR ≈ 0% from 1999 to 2007.



TSR Performance

COMPONENTS OF TSR

	80's	90's	00-07	08-10	09-11	10-12 [1]	Target
Revenue Change	**17**	**14**	**4**	**(7)**	**(4)**	**7**	**4-5**
Margin Change	**1**	**5**	**(7)**	**(1)**	**4**	**2**	**~2**
Change in Multiple	**10**	**4**	**(1)**	**12**	**11**	**(2)**	**--**
Dividend Yield	**3**	**2**	**2**	**6**	**5**	**5**	**3-4**
Stock Buyback	**(5)**	**(4)**	**2**	**6**	**4**	**2**	**3-4**
Annual TSR, % (cagr)	**26**	**21**	**0**	**16**	**20**	**14**	**12-15**
% Rank in S&P 500 (1% is best)				**8%**	**38%**	**65%[2]**	

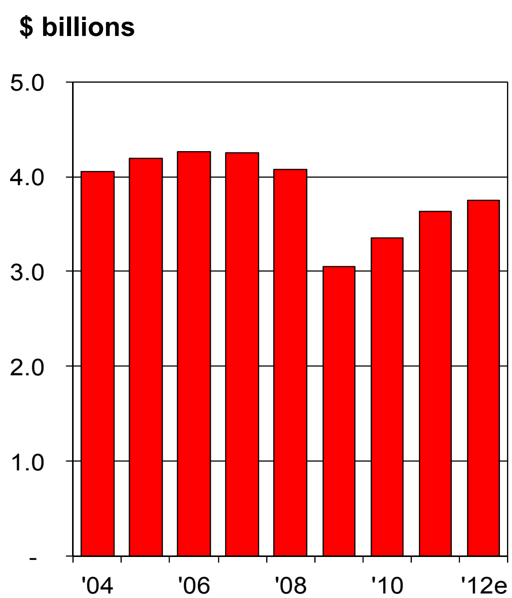
[1] Based on mid-point of 2012 guidance and $26 ending share price.
[2] Relative performance through April 2012.

- Top TSR requires only Modest Growth
  - 4-sources → lower risk; high certainty of success
  - Top 1/3 ≈ annual TSR of 12-15% (if equities average 10%)

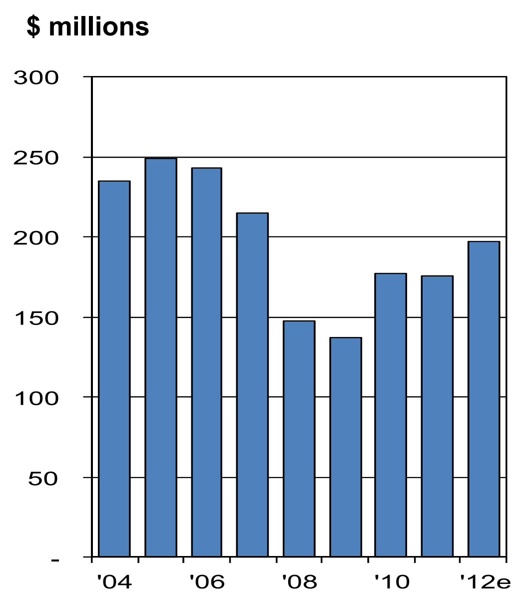
FINANCIAL INFORMATION

Sales and Earnings

Net Sales

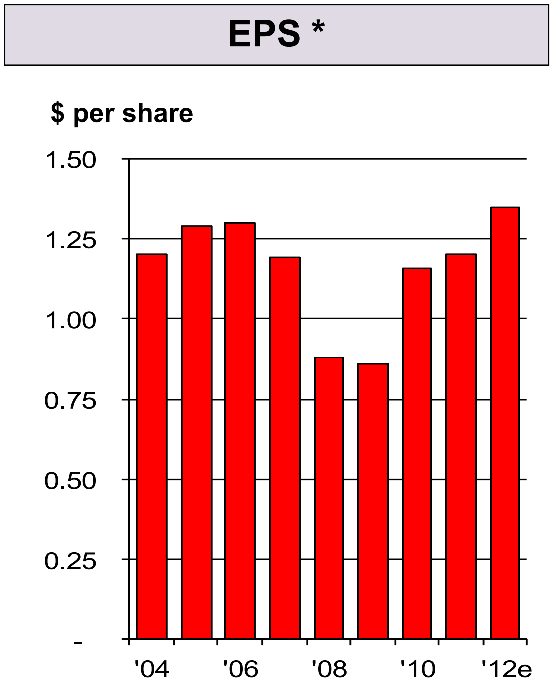


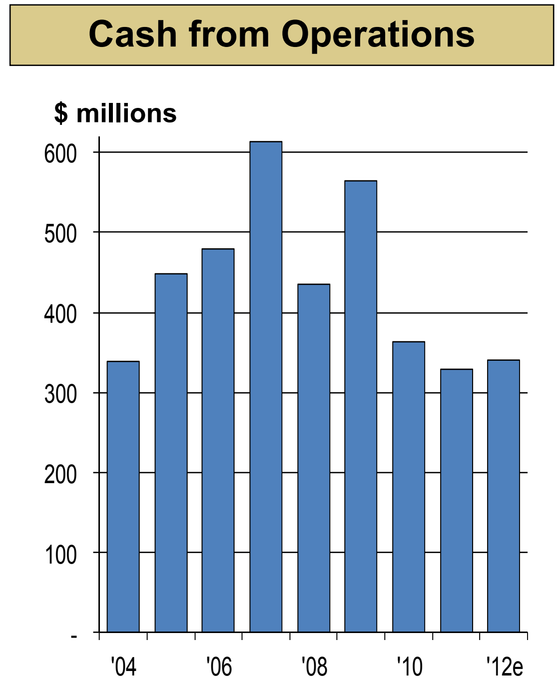
Net Earnings



- **Amounts are from continuing operations and exclude non-recurring items.**
- **2012 estimates are based on mid-point of guidance.**

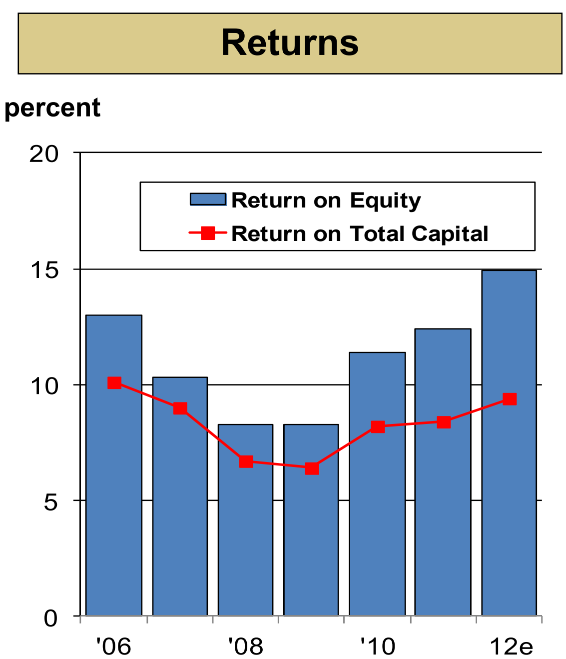
EPS and Cash Flow

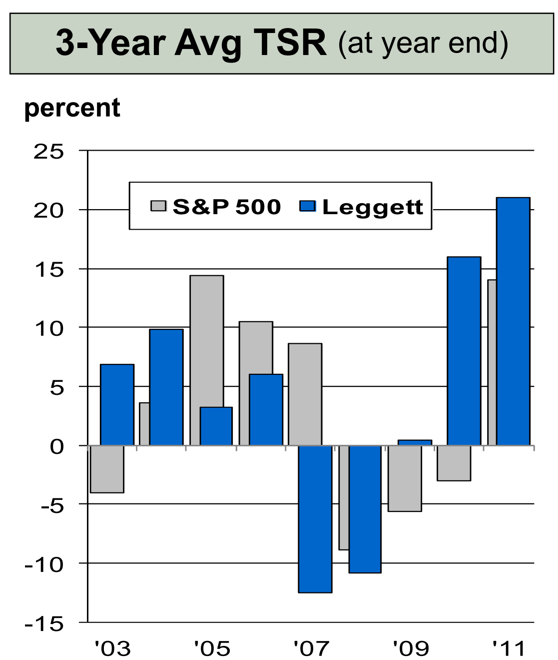




• EPS is from continuing operations and excludes non-recurring items.
• 2012 estimates are based on mid-point of guidance.

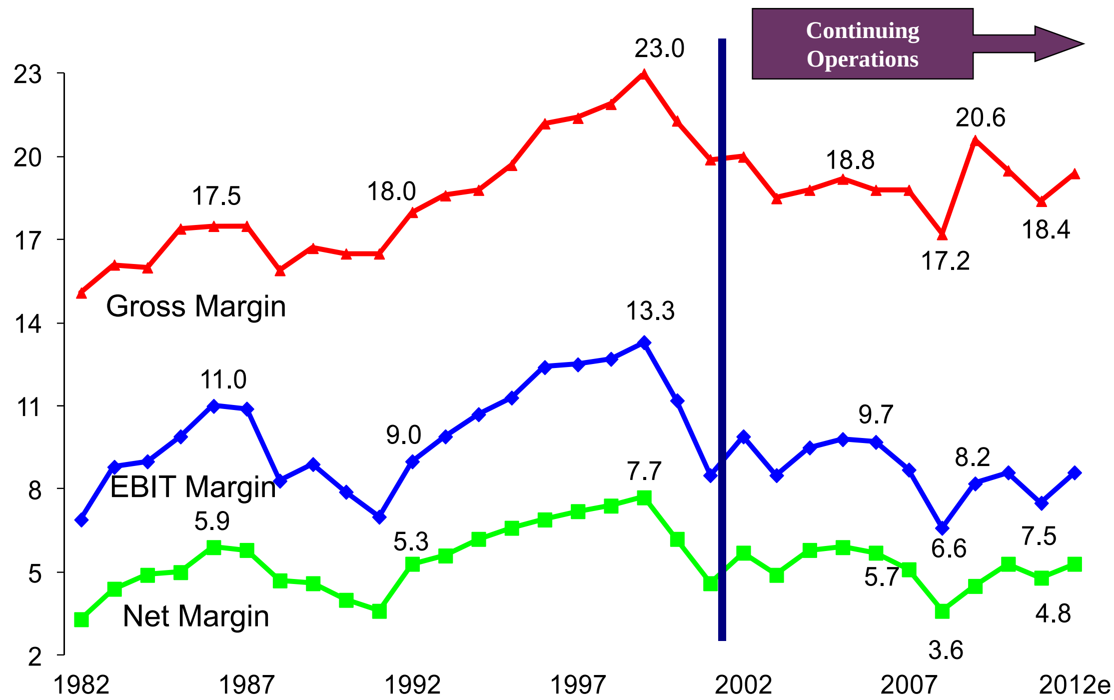
Returns and TSR





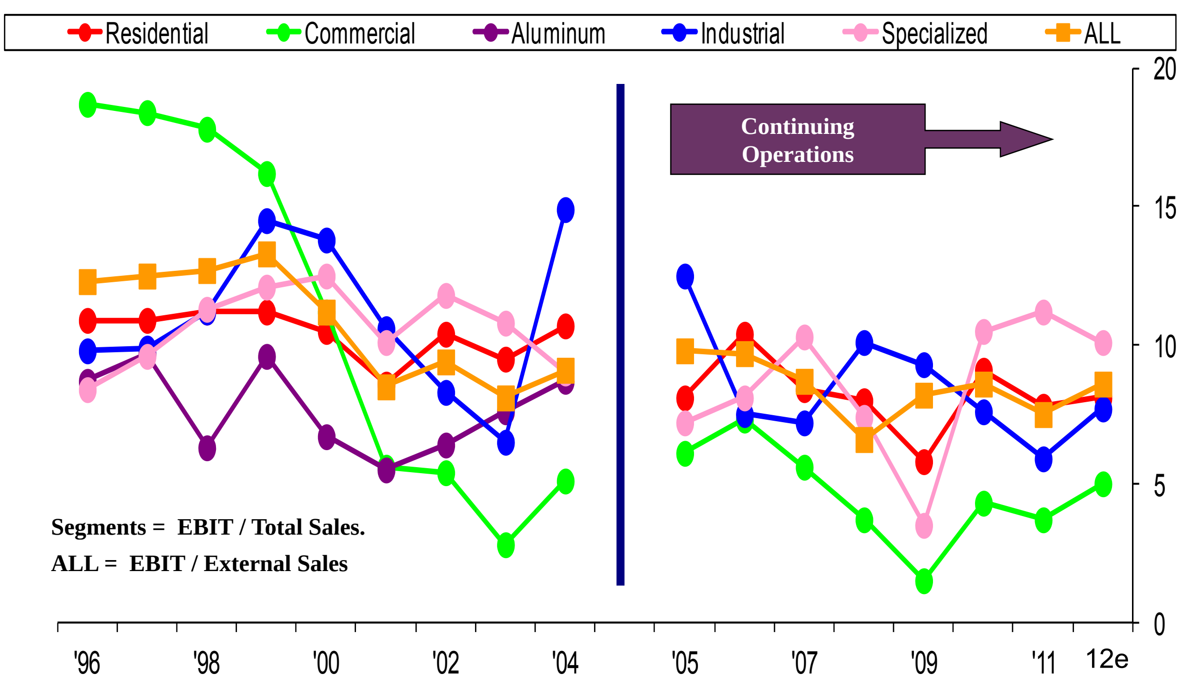
• Return on Equity = net earnings / avg sh equity
• Return on Total Capital = (net earnings + after-tax interest expense)/avg total capital (ie. LTD + sh equity + d.taxes + oth LT liab)
• Returns exclude non-recurring items.
• TSR assuming dividends continually reinvested

Annual Margins: 1981 – 2012(e)



• Beginning in 2002, amounts are from continuing operations and exclude non-recurring items.
• 2012 estimates are based on mid-point of guidance.

Segment EBIT Margins

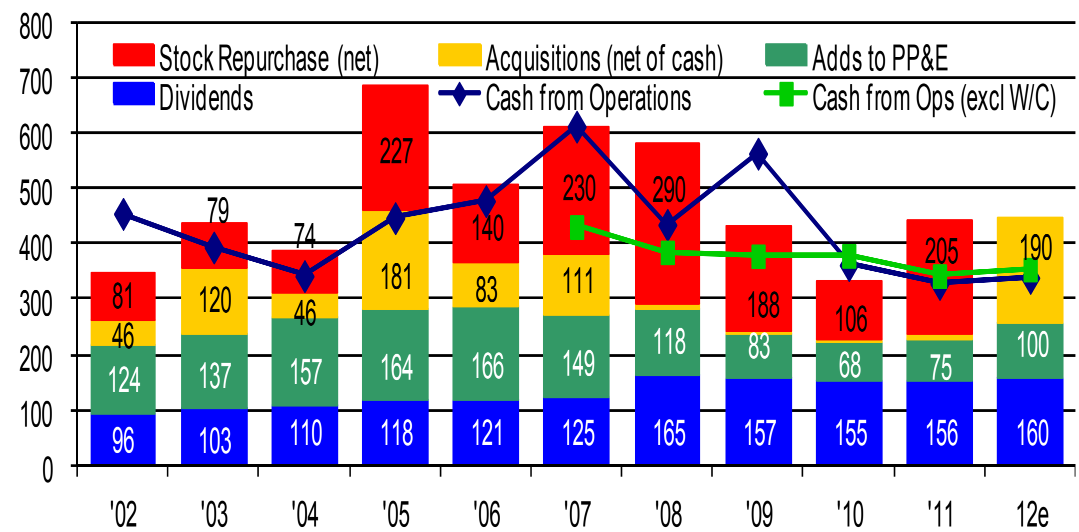


• Beginning in 2005, amounts are from continuing operations and exclude non-recurring items.
• 2012 estimates are based on mid-point of guidance.

Uses of Cash Flow

❑ Op Cash > Cap-ex + Dividends for 20 yrs

$ millions



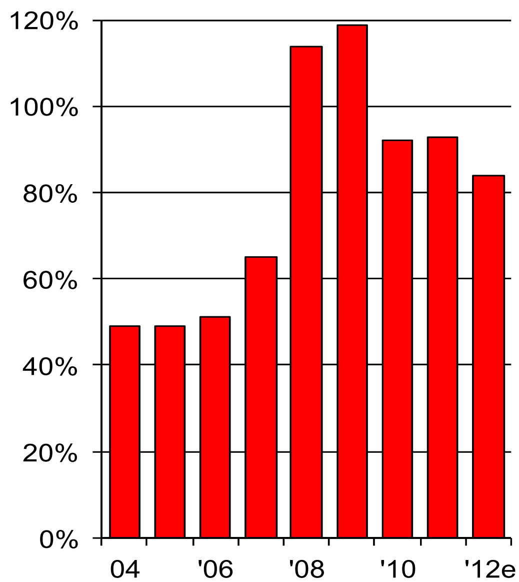
Cash Flow Details

$ in millions	'02	'03	'04	'05	'06	'07	'08	'09	'10	'11	'12e
Net Income	233	206	285	251	300	(11)	104	115	183	156	200
Deprec & Amort	165	167	177	171	175	183	140	130	123	117	125
Def Income Taxes	18	16	3	(36)	5	(56)	26	44	30	(1)	--
Impairment & Other	--	--	--	49	15	310	72	52	22	54	--
Working Capital	32	(1)	(114)	(30)	(64)	182	50	186	(17)	(14)	(15)
Other Non-Cash	8	7	(8)	43	48	6	44	38	22	17	30
Cash from Operations	**456**	**395**	**343**	**448**	**479**	**614**	**436**	**565**	**363**	**329**	**340**
Adds to PP&E	(124)	(137)	(157)	(164)	(166)	(149)	(118)	(83)	(68)	(75)	(100)
Free Operating Cash	**332**	**258**	**186**	**284**	**313**	**465**	**318**	**482**	**295**	**254**	**240**
Asset Sale Proceeds	--	--	--	22	32	112	408	14	29	27	--
Dividends	(96)	(103)	(110)	(118)	(121)	(125)	(165)	(157)	(155)	(156)	(160)
Acquisitions (net cash)	(46)	(120)	(46)	(181)	(83)	(111)	(10)	(3)	(5)	(7)	(190)
"Excess" Cash	190	35	30	7	141	341	551	336	164	118	(110)

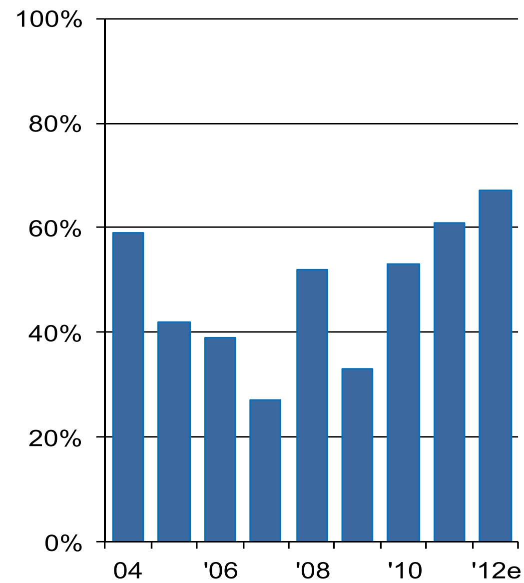
• **2012 Net Income is based on mid-point of guidance.**

Dividend Payout Ratios

Payout on Earnings



Payout on FCF



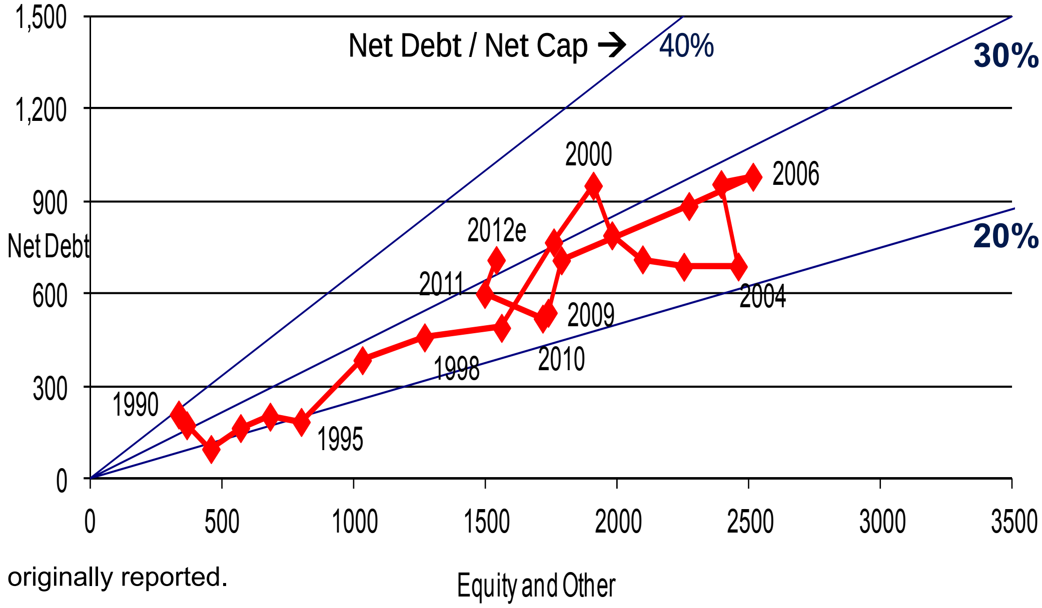
- **2012 estimates are based on mid-point of guidance.**
- **FCF = operating cash – capital expenditures**

Debt Structure (at 3/31/12)

- $1,050m Total Debt
  - 4.6% Avg Rate, 3.5 Years Avg Maturity
  - $789m Net Debt ($1,050m Debt less $261m Cash)
- $316m Available Commercial Paper
  - Backed by $600m Revolver
    - 13 participating banks
    - Matures in August 2016
  - Increased CP (1/12/12) to finance $188m WPT Acquisition

Conservative Balance Sheet

❑ **Target 30% - 40% Net Debt to Net Cap**

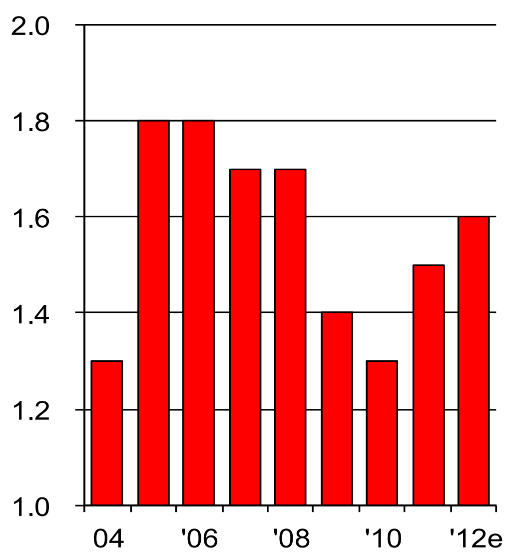


As originally reported.

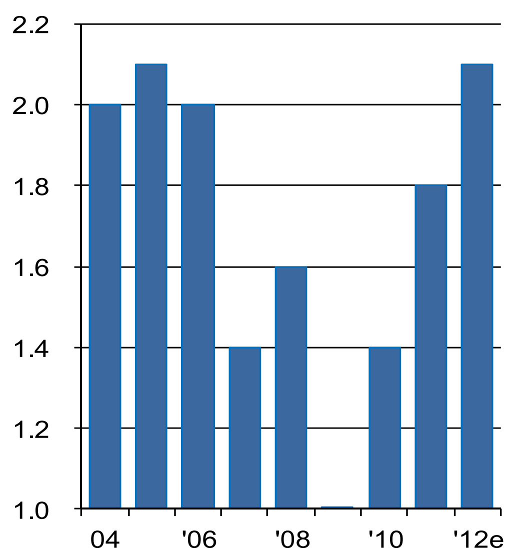
Net Debt = Long Term Debt + Current Maturities – Cash & Equivalents.
Net Cap = Net Debt + Equity + Other LT Liabilities

Other Net Debt Ratios

Net Debt to EBITDA

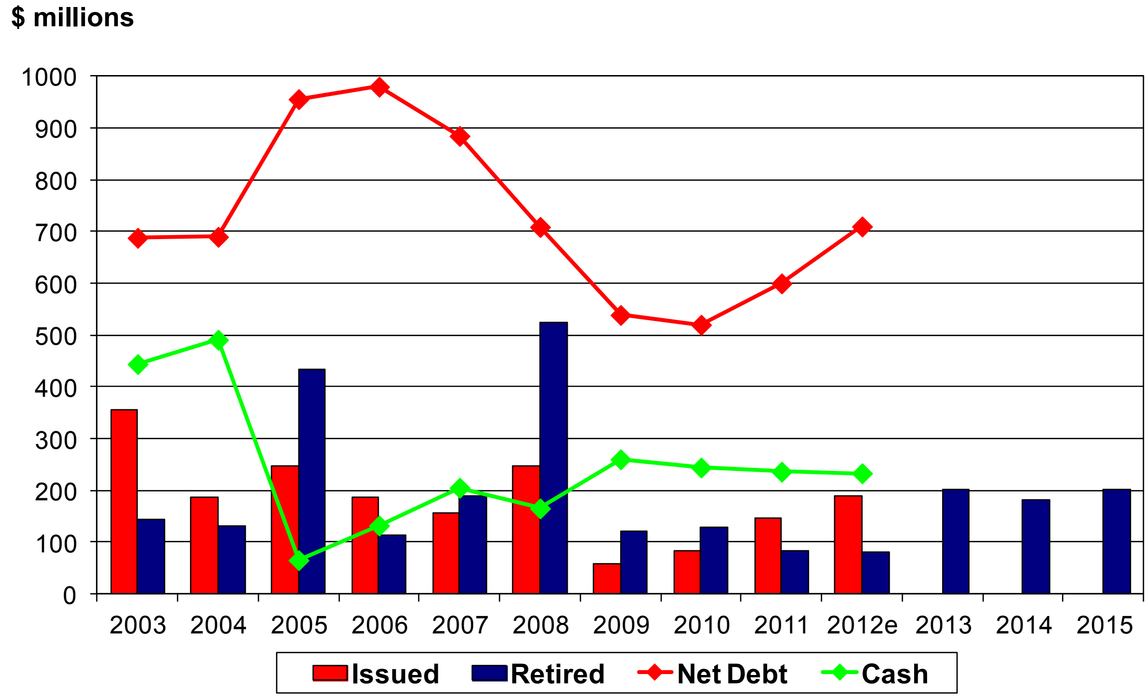


Net Debt to Oper. Cash Flow



- **2012 estimates are based on mid-point of guidance.**
- **Net Debt = long term debt + current maturities – cash & equivalents**

Debt Issued and Retired



2013-2015 retirements are scheduled maturities of fixed term debt.

Financial Metrics Defined

- TSR: Total Shareholder Return
  - Total Benefit Investor Realizes from Owning Our Stock
  - (Δ Stock Price + Dividends) / Initial Stock Price
- TBR: Total BU Return
  - Analogous to TSR, but at BU Level
  - (Δ BU Value + FCF) / Initial BU Value; (BU Value = EBITDA x Multiple)
- ROGI: After-tax Return on Gross Investment
  - Proxy for Expected Return of Incremental Organic Growth
  - Measure of the “Health” of BU; Basis for Role Assignment
  - (EBITA – Taxes) / (WC + Gross PP&E)
- FCF: Free Cash Flow
  - Amount of Cash, All In, the BU Returns to Corporate
  - EBITDA – Taxes – Capex – ΔWC – Acquisitions + Sales Proceeds