

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d)
of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) February 8, 2024

LEGETT & PLATT, INCORPORATED

(Exact name of registrant as specified in its charter)

Missouri
(State or other jurisdiction
of incorporation)

001-07845
(Commission
File Number)

44-0324630
(IRS Employer
Identification No.)

No. 1 Leggett Road,
Carthage, MO
(Address of principal executive offices)

64836
(Zip Code)

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

N/A
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

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.

Item 2.02 Results of Operations and Financial Condition.

On February 8, 2024, Leggett & Platt, Incorporated issued a press release announcing its financial results for the fourth quarter and year ending December 31, 2023 and related matters. The [press release](#) is attached as Exhibit 99.1 and is incorporated herein by reference.

This information is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section. This information shall not be incorporated by reference into any document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

On February 9, 2024, the Company will hold an investor conference call to discuss its fourth quarter and year-end results, annual earnings guidance, market conditions and related matters.

The press release contains the Company (i) Net Debt/Adjusted EBITDA (trailing twelve months) ratio; (ii) Adjusted EPS; (iii) Adjusted EBIT; (iv) Adjusted EBIT Margin; (v) EBITDA; (vi) EBITDA Margin; (vii) Adjusted EBITDA; (viii) Adjusted EBITDA Margin; (ix) Adjusted EBITDA (trailing twelve months); and (x) change in Organic Sales.

The press release also contains certain Segments’ (i) Adjusted EBIT; (ii) Adjusted EBIT Margin; (iii) EBITDA; (iv) Adjusted EBITDA; (v) EBITDA Margin; (vi) Adjusted EBITDA Margin; and (vii) change in Organic Sales.

Company management believes the presentation of Net Debt/Adjusted EBITDA (trailing twelve months) provides investors a useful way to assess the time it would take the Company to pay off its debt, ignoring various factors including interest and taxes. Management uses this ratio as supplemental information to assess its ability to pay off its incurred debt. Because we may not be able to use our earnings to reduce our debt on a dollar-for-dollar basis, the presentation of Net Debt/Adjusted EBITDA (trailing twelve months) may have material limitations.

Company management believes the presentation of Company Adjusted EPS, Adjusted EBIT, Adjusted EBIT Margin, EBITDA, EBITDA Margin, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EBITDA (trailing twelve months), and Segment Adjusted EBIT, Adjusted EBIT Margin, EBITDA, Adjusted EBITDA, EBITDA Margin and Adjusted EBITDA Margin is useful to investors in that it aids investors’ understanding of underlying operational profitability. Management uses these non-GAAP measures as supplemental information to assess the Company’s operational performance.

Organic Sales is calculated as trade sales excluding sales attributable to acquisitions and divestitures consummated within the last twelve months. Company management believes the presentation of change in Organic Sales, is useful to investors, and is used by management, as supplemental information to analyze our underlying sales performance from period to period in our legacy businesses.

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. For non-GAAP reconciliations, please refer to pages 9 and 10 of the press release.

Item 7.01 Regulation FD Disclosure.

The information provided in Item 2.02, including [Exhibit 99.1](#), is incorporated herein by reference.

(d) Exhibits.

EXHIBIT INDEX

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|---|
| 99.1* | Press Release dated February 8, 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.LAB** | Inline XBRL Taxonomy Extension Label Linkbase |
| 101.PRE** | Inline XBRL Taxonomy Extension Presentation Linkbase |
| 104 | Cover Page Interactive Data File (embedded within the inline XBRL document contained in Exhibit 101) |

* Denotes furnished herewith.

** Denotes filed herewith.

SIGNATURES

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

LEGGETT & PLATT, INCORPORATED

Date: February 8, 2024

By: _____ /s/ JENNIFER J. DAVIS

Jennifer J. Davis
Executive Vice President –
General Counsel



FOR IMMEDIATE RELEASE: FEBRUARY 8, 2024

LEGGETT & PLATT REPORTS FOURTH QUARTER AND FULL YEAR RESULTS

Carthage, MO, February 8, 2024 —

- 4Q sales of \$1.1 billion, a 7% decrease vs 4Q22
- 4Q EPS of (\$2.18); 4Q adjusted¹ EPS of \$.26, down \$.13 vs 4Q22
- 2023 sales of \$4.7 billion, an 8% decrease vs 2022
- 2023 EPS of (\$1.00); 2023 adjusted¹ EPS of \$1.39, down \$.88 vs 2022
- 2023 cash from operations of \$497 million, a \$56 million increase vs 2022
- 2024 guidance: sales of \$4.35–\$4.65 billion, EPS of \$.95–\$1.25, and adjusted¹ EPS of \$1.05–\$1.35

President and CEO Mitch Dolloff commented, “2023 was another challenging year for residential end markets as our Bedding Products and Furniture, Flooring & Textile Products segments faced ongoing weak market demand. Encouragingly, our Specialized Products segment benefited from sustained demand strength as industrial end markets continue to recover post-pandemic.

“On January 16, we announced a restructuring plan primarily impacting our Bedding Products segment. We are taking actions to create a more focused, agile organization with a portfolio of products and an operating footprint aligned with the markets we serve. Looking forward, these initiatives are expected to enable us to advance key product growth, improve profitability, and create enhanced value for our customers and shareholders.

“Our 2024 guidance reflects continued soft residential end market demand. Our actions to improve operating efficiency across our businesses, drive cash flow, and execute our restructuring plan will allow us to navigate the challenging near-term environment and better position us for long-term success. We are focused on maintaining our investment grade credit rating and managing debt leverage while balancing continued investment in our business for future growth and our dividend track record.”

FOURTH QUARTER RESULTS

Fourth quarter sales were \$1.1 billion, a 7% decrease versus fourth quarter last year.

- Organic sales² were down 7%
 - Volume was down 3%, primarily from demand softness in residential end markets, partially offset by growth in automotive and industrial end markets within our Specialized Products segment
 - Raw material-related selling price decreases reduced sales 5%
 - Currency benefit increased sales 1%
- Acquisitions increased sales less than 1%

Fourth quarter EBIT was a loss of \$367 million, down \$458 million from fourth quarter 2022 EBIT, and **adjusted¹ EBIT** was \$66 million, a \$25 million decrease.

- EBIT decreased primarily from a \$444 million non-cash long-lived asset impairment charge (primarily customer intangibles) related to prior year acquisitions in our Bedding Products segment

¹ Please refer to attached tables for Non-GAAP Reconciliations

² Trade sales excluding acquisitions/divestitures in the last 12 months

- Adjusted¹ EBIT decreased primarily from lower metal margin in our Steel Rod business and lower volume in residential end markets
- EBIT margin was (32.9%) and adjusted¹ EBIT margin was 5.9%, down from 7.6% in the fourth quarter of 2022

Fourth quarter earnings per share was a loss of \$2.18, a \$2.57 decrease versus fourth quarter 2022 EPS of \$.39. **Fourth quarter adjusted¹ EPS** was \$.26, down \$.13 versus fourth quarter 2022 EPS.

| | Fourth Quarter Results | | | | EPS |
|--|------------------------------|--------------|--------------|----------------|-----------------|
| | EBIT (millions) ³ | | | Total | |
| | Bedding | Specialized | FF&T | | |
| Reported results | (\$ 432) | \$ 32 | \$ 32 | (\$367) | (\$2.18) |
| Adjustment items: | | | | | |
| Long-lived asset impairment | 444 | — | — | 444 | 2.50 |
| Gain from sale of real estate | — | — | (6) | (6) | (.03) |
| Gain from net insurance proceeds from tornado damage | (1) | — | (4) | (5) | (.03) |
| Total adjustments | 443 | — | (10) | 433 | 2.44 |
| Adjusted results | \$ 11 | \$ 32 | \$ 22 | \$ 66 | \$.26 |

FULL YEAR RESULTS

2023 sales of \$4.7 billion, an 8% decrease versus 2022.

- Organic² sales were down 10%
 - Volume down 6% from demand softness in residential end markets, partially offset by growth in automotive and industrial end markets
 - Raw material-related selling price decreases, including currency impact, reduced sales 4%
- Acquisitions, net of small divestitures, added 2% to sales

2023 EBIT was a loss of \$90 million, down \$575 million from 2022, and **adjusted¹ EBIT** was \$334 million, a \$151 million decrease.

- EBIT decreased primarily from a \$444 million non-cash long-lived asset impairment charge (primarily customer intangibles) related to prior year acquisitions in our Bedding Products segment
- Adjusted¹ EBIT decreased primarily from lower metal margin in our Steel Rod business and lower volume in our residential end markets
- EBIT margin was (1.9%) and adjusted¹ EBIT margin was 7.1%, down from 2022 EBIT margin of 9.4%

2023 earnings per share was a loss of \$1.00, a \$3.27 decrease versus 2022 EPS of \$2.27. **2023 adjusted¹ EPS** was \$1.39, down \$.88 versus 2022 EPS.

| | Full Year Results | | | | EPS |
|--|------------------------------|---------------|--------------|----------------|-----------------|
| | EBIT (millions) ³ | | | | |
| | Bedding | Specialized | FF&T | Total | |
| Reported results | (\$ 344) | \$ 125 | \$129 | (\$ 90) | (\$1.00) |
| Adjustment items: | | | | | |
| Long-lived asset impairment | 444 | — | — | 444 | 2.50 |
| Gain from sale of real estate | (5) | — | (6) | (11) | (.06) |
| Gain from net insurance proceeds from tornado damage | (2) | — | (7) | (9) | (.05) |
| Total adjustments | 436 | — | (13) | 424 | 2.39 |
| Adjusted results | \$ 92 | \$ 125 | \$116 | \$ 334 | \$ 1.39 |

2023 DEBT, CASH FLOW, AND LIQUIDITY

- **Net Debt²** was 3.16x trailing 12-month adjusted EBITDA¹ at year-end
- **Debt** at December 31
 - Total debt of \$2.0 billion, including \$186 million of commercial paper outstanding
- **Operating cash flow** was \$497 million, an increase of \$56 million versus 2022, reflecting working capital improvements partially offset by lower earnings
- **Capital expenditures** were \$114 million
- **Total liquidity** was \$697 million at year-end
 - \$365 million cash on hand
 - \$332 million in capacity remaining under revolving credit facility

DIVIDEND

- Dividends were \$1.82 per share in 2023, up \$.08 from \$1.74 per share in 2022
- In November, Leggett & Platt's Board of Directors declared a \$.46 per share fourth quarter dividend, two cents higher than last year's fourth quarter dividend

2023 STOCK REPURCHASES

- Repurchased .2 million shares, primarily surrendered for employee benefit plans at an average price of \$32.56
- Issued 1.0 million shares through employee benefit plans
- Shares outstanding at the end of the year were 133.4 million

RESTRUCTURING PLAN FINANCIAL IMPACTS

On January 16, we announced a restructuring plan to be implemented in our Bedding Products segment and to a lesser extent, in our Furniture, Flooring & Textile Products segment.

- Expect \$100 million of annual sales attrition after initiatives are fully implemented in late 2025
 - Approximately \$40 million of sales attrition expected to be recognized in 2024
- Annualized EBIT benefit of \$40–\$50 million expected to be realized after initiatives are fully implemented in late 2025
 - Approximately \$5–\$10 million of EBIT benefit expected to be realized in the second half of 2024
- Also expect to receive cash from the sale of real estate associated with the initiatives, with transactions largely complete by the end of 2025

³ Calculations impacted by rounding

- Approximately half of restructuring and restructuring-related costs expected to be incurred in 2024 and the remainder in 2025
 - Majority of cash costs anticipated to be incurred in 2024
 - Expect \$20–\$25 million of restructuring and restructuring-related costs in first half of 2024 (approximately half in cash costs)

| | Expected Restructuring Plan Financial Impacts (millions) | | |
|---|--|-------------------|-------------------|
| | 2024 | 2025 | Total |
| Net Cash Received from Real Estate Sales | \$ 0–\$10 | \$ 50–\$80 | \$ 60–\$80 |
| Total Costs | \$ 40–\$50 | \$ 25–\$35 | \$ 65–\$85 |
| Cash Costs | 25–30 | 5–10 | 30–40 |
| Non-Cash Costs | 15–20 | 20–25 | 35–45 |

2024 GUIDANCE

- **Sales** are expected to be \$4.35–\$4.65 billion, -2% to -8% versus 2023
 - Volume is expected to be down low to mid-single digits:
 - Volume at the midpoint:
 - Down high single digits in Bedding Products Segment
 - Up low single digits in Specialized Products Segment
 - Down low single digits in Furniture, Flooring & Textile Products Segment
 - Raw material-related price decreases and currency impact combined expected to reduce sales low single digits
- **EPS** is expected to be \$.95–\$1.25
 - Earnings expectations include:
 - \$.20 to \$.25 per share negative impact from restructuring costs
 - \$.10 to \$.15 per share gain from sales of real estate, consisting of idle real estate and real estate exited from restructuring initiatives
- **Adjusted EPS** is expected to be \$1.05–\$1.35
 - Decrease versus 2023 is primarily from:
 - Lower expected volume in our Bedding Products and Furniture, Flooring & Textile Products segments
 - Pricing responses related to global steel cost differentials
 - Modest metal margin compression
 - Several expense items that were abnormally low in 2023 and are expected to normalize in 2024
 - Decreases are partially offset by lower amortization resulting from the 2023 long-lived asset impairment
- Based on this framework, 2024 EBIT margin is expected to be 6.0%–6.8%; adjusted EBIT margin is expected to be 6.4%–7.2%
- Additional assumptions:
 - Depreciation and amortization \$135 million
 - Net interest expense \$85 million
 - Effective tax rate 25%
 - Fully diluted shares 138 million
 - Operating cash flow \$325–\$375 million
 - Capital expenditures \$100–\$120 million

- Dividends \$245 million
- Minimal acquisitions and share repurchases
- Expect to predominantly use commercial paper to repay \$300 million of 3.8%, 10-year notes maturing in November 2024

SEGMENT RESULTS – Fourth Quarter 2023 (versus 4Q 2022)

Bedding Products –

- Trade sales decreased 14%
 - Volume decreased 6% from continued demand softness in U.S. and European bedding markets, partially offset by higher trade sales in Steel Rod
 - Raw material-related selling price decreases reduced sales 9%
 - Currency benefit increased sales 1%
- EBIT decreased \$462 million, primarily from a \$444 million non-cash impairment of long-lived assets
- Adjusted¹ EBIT decreased \$20 million, primarily from metal margin compression and lower volume

Specialized Products –

- Trade sales increased 5%
 - Volume increased 3% from growth across the segment
 - Raw material-related selling price increases added 1%
 - Currency benefit added 1%
- EBIT increased \$6 million, primarily from higher volume

Furniture, Flooring & Textile Products –

- Trade sales decreased 6%
 - Volume decreased 4%, with declines across most of the segment partially offset by growth in Geo Components
 - Raw material-related selling price decreases, net of currency benefit, reduced sales 3%
 - Textiles acquisition added 1%
- EBIT decreased \$1 million from lower volume and other smaller items, mostly offset by a \$6 million gain from the sale of real estate and a \$4 million gain on net insurance proceeds from tornado damage
- Adjusted¹ EBIT decreased \$10 million from lower volume and other smaller items, partially offset by pricing discipline

SEGMENT RESULTS – Full Year 2023 (versus 2022)

Bedding Products –

- Trade sales decreased 17%
 - Volume decreased 8% from demand softness in the domestic bedding market, partially offset by higher trade sales in our Steel Rod business and growth in Specialty Foam
 - Raw material-related selling price decreases, net of currency benefit, reduced sales 9%
- EBIT decreased \$564 million, primarily from a \$444 million non-cash impairment of long-lived assets, partially offset by a \$5 million gain on the sale of real estate and a \$2 million gain on net insurance proceeds from tornado damage
- Adjusted¹ EBIT decreased \$127 million, primarily from metal margin compression and lower volume

Specialized Products –

- Trade sales increased 14%
 - Volume increased 8% with growth across the segment
 - Currency impact, net of raw material-related selling price increases, reduced sales 1%

- Hydraulic Cylinders acquisition, completed in August 2022, added 7%
- EBIT increased \$26 million, primarily from higher volume

Furniture, Flooring & Textile Products –

- Trade sales decreased 11%
 - Volume decreased 11% from declines across the segment
 - Raw material-related selling price decreases, net of currency benefit, reduced sales 2%
 - Textiles acquisitions added 2%
- EBIT decreased \$36 million, primarily from lower volume partially offset by pricing discipline, a \$7 million gain on net insurance proceeds from tornado damage, and a \$6 million gain on the sale of real estate
- Adjusted¹ EBIT decreased \$49 million, primarily from lower volume partially offset by pricing discipline

SLIDES AND CONFERENCE CALL

A set of slides containing summary financial information is available from the Investor Relations section of Leggett’s website at www.leggett.com. Management will host a conference call **at 7:30 a.m. Central** (8:30 a.m. Eastern) on Friday, February 9. The webcast can be accessed from Leggett’s website. The dial-in number is (201) 689-8341; there is no passcode.

FOR MORE INFORMATION: Visit Leggett’s website at www.leggett.com.

COMPANY DESCRIPTION: Leggett & Platt (NYSE: LEG) is a diversified manufacturer that designs and produces a broad variety of engineered components and products that can be found in many homes and automobiles. The 141-year-old Company is 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 applications; and aerospace tubing and fabricated assemblies.

FORWARD-LOOKING STATEMENTS: This press release contains “forward-looking statements,” which are identified by the context in which they appear or words such as “expect,” “assumptions,” and “guidance,” including, but not limited to the amount of the Company’s forecasted 2024 full-year volume; acquisition sales growth; sales, EPS, adjusted EPS; capital expenditures; depreciation and amortization; net interest expense; fully diluted shares; operating cash flow; EBIT margin; adjusted EBIT margin; effective tax rate; amount of dividends; raw material related price decreases; currency impact; volume in each of the Company’s segments; minimal acquisitions and share repurchases; gain from net insurance proceeds from tornado damage; gains from sale of real estate; the advancement of key product growth, the improvement of profitability, and the creation of enhanced value for our customers and shareholders; macroeconomic uncertainty and soft residential end market demand; use of commercial paper, operating cash and cash on hand to retire maturing debt; Restructuring Plan financial impacts including the timing and amount of sales attrition, EBIT benefit, proceeds from the sale of real estate, and cash and non-cash costs. Such forward-looking statements are expressly qualified by the cautionary statements described in this provision and reflect only the current beliefs, expectations, and assumptions of Leggett at the time the statement is made. Because all forward-looking statements deal with the future, they are subject to risks, uncertainties and developments which might cause actual events or results to differ materially from those envisioned or reflected 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. Some of these risks and uncertainties include: the preliminary nature of the estimates related to the Restructuring Plan, and the possibility that all or some of the estimates may change as the Company’s analysis develops, and additional information is obtained; our ability to timely implement the Restructuring Plan in a manner that will positively impact our financial condition and results of operation; our ability to timely dispose of real estate pursuant to the Restructuring Plan and obtain expected proceeds; the impact of the Restructuring Plan on the Company’s relationships with its employees, customers and vendors; our ability to accurately forecast future sales and earnings; factors that may cause the Company to be unable to achieve the expected benefits of the Restructuring Plan; the adverse impact on our sales, earnings, our liquidity impacting our ability to pay our obligations as they come due, margins, cash flow, costs, and financial condition caused by: global inflationary and deflationary impacts; macro-economic impacts; the demand for our products and our customers’ products; growth rates in the industries in which we participate and opportunities in those industries; our manufacturing facilities’ ability to and obtain necessary raw materials and parts, maintain appropriate labor levels and ship finished products to customers; the impairment of goodwill and long-lived assets; restructuring and restructuring-related costs in addition to the Restructuring Plan; our ability to access the commercial paper market or borrow under our revolving credit facility, including compliance with restrictive covenants that may limit our operational flexibility and our ability to timely pay our debt; adverse impact from supply chain shortages and disruptions; our ability to manage working capital; increases or decreases in our capital needs; our ability to collect receivables; market conditions; price and product

competition from competitors; cost and availability of raw materials due to supply chain disruptions or otherwise; labor and energy costs; cash generation sufficient to pay the dividend at current levels, or a Board decision to reduce or suspend the dividend; cash repatriation from foreign accounts; our ability to pass along raw material cost increases through increased selling prices; conflict between China and Taiwan; our ability to maintain profit margins if customers change the quantity or mix of our products; our ability to maintain and grow the profitability of acquired companies; political risks; changing tax rates; increased trade costs; risks related to operating in foreign countries; cybersecurity incidents; customer bankruptcies, losses and insolvencies; disruption to our steel rod mill and other operations and supply chain because of severe weather-related events, natural disaster, fire, explosion, terrorism, pandemic, governmental action, or otherwise; ability to develop innovative products; foreign currency fluctuation; the amount of share repurchases; the imposition or continuation of anti-dumping duties on innersprings, steel wire rod and mattresses; data privacy; climate change compliance costs and regulatory, market, technological and reputational impacts; our ESG obligations; litigation risks; and risk factors in the “Forward-Looking Statements” and “Risk Factors” sections in Leggett’s most recent Form 10-K and Form 10-Q filed with the SEC.

CONTACT: Investor Relations, (417) 358-8131 or invest@leggett.com
Cassie J. Branscum, Vice President, Investor Relations
Kolina A. Talbert, Manager, Investor Relations

RESULTS OF OPERATIONS

(In millions, except per share data)

| | FOURTH QUARTER | | | YEAR TO DATE | | |
|--|-------------------|----------------|--------|-------------------|-----------------|--------|
| | 2023 | 2022 | Change | 2023 | 2022 | Change |
| Trade sales | \$1,115.1 | \$1,195.8 | (7)% | \$4,725.3 | \$5,146.7 | (8)% |
| Cost of goods sold | 915.3 | 985.2 | | 3,871.5 | 4,169.9 | |
| Gross profit | 199.8 | 210.6 | (5)% | 853.8 | 976.8 | (13)% |
| Selling & administrative expenses | 121.1 | 109.8 | 10% | 465.4 | 427.3 | 9% |
| Amortization | 17.4 | 16.8 | | 69.0 | 66.8 | |
| Other (income) expense, net | 428.1 | (7.2) | | 409.8 | (2.3) | |
| Earnings (loss) before interest and taxes | (366.8) | 91.2 | NM | (90.4) | 485.0 | NM |
| Net interest expense | 19.5 | 22.2 | | 83.0 | 81.4 | |
| Earnings (loss) before income taxes | (386.3) | 69.0 | | (173.4) | 403.6 | |
| Income taxes | (88.9) | 16.2 | | (36.6) | 93.7 | |
| Net earnings (loss) | (297.4) | 52.8 | | (136.8) | 309.9 | |
| Less net income from noncontrolling interest | 0.1 | — | | — | (0.1) | |
| Net Earnings (Loss) Attributable to L&P | \$ (297.3) | \$ 52.8 | NM | \$ (136.8) | \$ 309.8 | NM |
| Earnings (loss) per diluted share | | | | | | |
| Net earnings (loss) per diluted share | \$ (2.18) | \$ 0.39 | NM | \$ (1.00) | \$ 2.27 | NM |
| Shares outstanding | | | | | | |
| Common stock (at end of period) | 133.4 | 132.6 | 0.6% | 133.4 | 132.6 | 0.6% |
| Basic (average for period) | 136.5 | 135.8 | | 136.3 | 136.1 | |
| Diluted (average for period) | 136.5 | 136.1 | 0.3% | 136.3 | 136.5 | (0.1)% |

CASH FLOW

(In millions)

| | FOURTH QUARTER | | | YEAR TO DATE | | |
|--|-----------------|-----------------|--------|-----------------|------------------|--------|
| | 2023 | 2022 | Change | 2023 | 2022 | Change |
| Net earnings (loss) | \$ (297.4) | \$ 52.8 | | \$ (136.8) | \$ 309.9 | |
| Depreciation and amortization | 44.8 | 45.5 | | 179.9 | 179.8 | |
| Working capital decrease (increase) | 63.7 | 136.9 | | 116.0 | (78.0) | |
| Impairments | 443.7 | — | | 443.7 | — | |
| Other operating activities | (108.7) | 11.9 | | (105.6) | 29.7 | |
| Net Cash from Operating Activities | \$ 146.1 | \$ 247.1 | (41)% | \$ 497.2 | \$ 441.4 | 13% |
| Additions to PP&E | (23.4) | (34.8) | | (113.8) | (100.3) | |
| Purchase of companies, net of cash | — | (20.8) | | — | (83.3) | |
| Proceeds from disposals of assets and businesses | 10.2 | 1.2 | | 23.4 | 4.2 | |
| Dividends paid | (61.3) | (58.4) | | (239.4) | (229.2) | |
| Repurchase of common stock, net | (0.5) | — | | (6.0) | (60.3) | |
| Additions (payments) to debt, net | 14.6 | (47.9) | | (107.1) | 5.0 | |
| Other | 5.9 | 3.9 | | (5.3) | (22.7) | |
| Increase (Decrease) in Cash & Equivalents | \$ 91.6 | \$ 90.3 | | \$ 49.0 | \$ (45.2) | |

FINANCIAL POSITION

(In millions)

| | Dec 31, | Dec 31, | Change |
|---|------------------|------------------|--------|
| | 2023 | 2022 | |
| Cash and equivalents | \$ 365.5 | \$ 316.5 | |
| Receivables | 637.3 | 675.0 | |
| Inventories | 819.7 | 907.5 | |
| Other current assets | 58.9 | 59.0 | |
| Total current assets | 1,881.4 | 1,958.0 | (4)% |
| Net fixed assets | 781.2 | 772.4 | |
| Operating lease right-of-use assets | 193.2 | 195.0 | |
| Goodwill | 1,489.8 | 1,474.4 | |
| Intangible assets and deferred costs, both at net | 288.9 | 786.3 | |
| TOTAL ASSETS | \$4,634.5 | \$5,186.1 | (11)% |
| Trade accounts payable | \$ 536.2 | \$ 518.4 | |
| Current debt maturities | 308.0 | 9.4 | |
| Current operating lease liabilities | 57.3 | 49.5 | |
| Other current liabilities | 361.1 | 390.8 | |
| Total current liabilities | 1,262.6 | 968.1 | 30% |
| Long-term debt | 1,679.6 | 2,074.2 | (19)% |
| Operating lease liabilities | 150.5 | 153.6 | |
| Deferred taxes and other liabilities | 207.8 | 348.8 | |
| Equity | 1,334.0 | 1,641.4 | (19)% |
| Total Capitalization | 3,371.9 | 4,218.0 | (20)% |
| TOTAL LIABILITIES & EQUITY | \$4,634.5 | \$5,186.1 | (11)% |

SEGMENT RESULTS 1

| (In millions) | FOURTH QUARTER | | | YEAR TO DATE | | |
|--|----------------|-----------|-----------------------|--------------|-----------|-----------------------|
| | 2023 | 2022 | Change | 2023 | 2022 | Change |
| Bedding Products | | | | | | |
| Trade sales | \$ 448.5 | \$ 522.4 | (14)% | \$1,964.7 | \$2,356.3 | (17)% |
| EBIT | (431.6) | 30.4 | NM | (344.2) | 219.6 | NM |
| EBIT margin | (96.2)% | 5.8% | NM | (17.5)% | 9.3% | NM |
| Gain on sale of real estate | — | — | | (5.4) | — | |
| Gain from net insurance proceeds from tornado damage | (1.3) | — | | (1.9) | — | |
| Long-lived asset impairment | 443.7 | — | | 443.7 | — | |
| Adjusted EBIT ³ | 10.8 | 30.4 | (64)% | 92.2 | 219.6 | (58)% |
| Adjusted EBIT margin ³ | 2.4% | 5.8% | -340 bps ² | 4.7% | 9.3% | -460 bps ² |
| Depreciation and amortization | 26.6 | 26.0 | | 103.9 | 104.1 | |
| Adjusted EBITDA | 37.4 | 56.4 | (34)% | 196.1 | 323.7 | (39)% |
| Adjusted EBITDA margin | 8.3% | 10.8% | -250 bps | 10.0% | 13.7% | -370 bps |
| Specialized Products | | | | | | |
| Trade sales | \$ 318.5 | \$ 302.8 | 5% | \$1,279.8 | \$1,118.3 | 14% |
| EBIT | 32.0 | 26.4 | 21% | 125.0 | 99.4 | 26% |
| EBIT margin | 10.0% | 8.7% | 130 bps | 9.8% | 8.9% | 90 bps |
| Depreciation and amortization | 9.4 | 10.1 | | 41.1 | 40.5 | |
| EBITDA | 41.4 | 36.5 | 13% | 166.1 | 139.9 | 19% |
| EBITDA margin | 13.0% | 12.1% | 90 bps | 13.0% | 12.5% | 50 bps |
| Furniture, Flooring & Textile Products | | | | | | |
| Trade sales | \$ 348.1 | \$ 370.6 | (6)% | \$1,480.8 | \$1,672.1 | (11)% |
| EBIT | 31.9 | 32.7 | (2)% | 128.6 | 165.0 | (22)% |
| EBIT margin | 9.2% | 8.8% | 40 bps | 8.7% | 9.9% | -120 bps |
| Gain on sale of real estate | (5.5) | — | | (5.5) | — | |
| Gain from net insurance proceeds from tornado damage | (4.0) | — | | (7.0) | — | |
| Adjusted EBIT ³ | 22.4 | 32.7 | (31)% | 116.1 | 165.0 | (30)% |
| Adjusted EBIT Margin ³ | 6.4% | 8.8% | -240 bps | 7.8% | 9.9% | -210 bps |
| Depreciation and amortization | 5.5 | 5.7 | | 22.5 | 23.2 | |
| Adjusted EBITDA | 27.9 | 38.4 | (27)% | 138.6 | 188.2 | (26)% |
| Adjusted EBITDA margin | 8.0% | 10.4% | -240 bps | 9.4% | 11.3% | -190 bps |
| Total Company | | | | | | |
| Trade sales | \$1,115.1 | \$1,195.8 | (7)% | \$4,725.3 | \$5,146.7 | (8)% |
| EBIT - segments | (367.7) | 89.5 | NM | (90.6) | 484.0 | NM |
| Intersegment eliminations and other | 0.9 | 1.7 | | 0.2 | 1.0 | |
| EBIT | (366.8) | 91.2 | NM | (90.4) | 485.0 | NM |
| EBIT margin | (32.9)% | 7.6% | NM | (1.9)% | 9.4% | NM |
| Gain on sale of real estate | (5.5) | — | | (10.9) | — | |
| Gain from net insurance proceeds from tornado damage | (5.3) | — | | (8.9) | — | |
| Long-lived asset impairment | 443.7 | — | | 443.7 | — | |
| Adjusted EBIT ³ | 66.1 | 91.2 | (28)% | 333.5 | 485.0 | (31)% |
| Adjusted EBIT margin ³ | 5.9% | 7.6% | -170 bps | 7.1% | 9.4% | -230 bps |
| Depreciation and amortization - segments | 41.5 | 41.8 | | 167.5 | 167.8 | |
| Depreciation and amortization - unallocated ⁴ | 3.3 | 3.7 | | 12.4 | 12.0 | |
| Adjusted EBITDA | \$ 110.9 | \$ 136.7 | (19)% | \$ 513.4 | \$ 664.8 | (23)% |
| Adjusted EBITDA margin | 9.9% | 11.4% | -150 bps | 10.9% | 12.9% | -200 bps |

LAST SIX QUARTERS

| Selected Figures (In Millions) | 2022 | | 2023 | | | |
|---|---------|---------|---------|---------|---------|---------|
| | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q |
| Trade sales | 1,294.4 | 1,195.8 | 1,213.6 | 1,221.2 | 1,175.4 | 1,115.1 |
| Sales growth (vs. prior year) | (2)% | (10)% | (8)% | (8)% | (9)% | (7)% |
| Volume growth (same locations vs. prior year) | (8)% | (12)% | (7)% | (6)% | (6)% | (3)% |
| Adjusted EBIT ³ | 113.2 | 91.2 | 89.3 | 92.1 | 86.0 | 66.1 |
| Cash from operations | 65.5 | 247.1 | 96.7 | 110.6 | 143.8 | 146.1 |
| Adjusted EBITDA (trailing twelve months) ³ | 726.8 | 664.8 | 616.2 | 565.5 | 539.2 | 513.4 |
| (Long-term debt + current maturities - cash and equivalents) / adj. EBITDA ^{3,5} | 2.63 | 2.66 | 2.88 | 3.10 | 3.15 | 3.16 |

Organic Sales (Vs. Prior Year) ⁶

| | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q |
|--|-------|-------|-------|-------|-------|-------|
| Bedding Products | (12)% | (19)% | (17)% | (18)% | (17)% | (14)% |
| Specialized Products | 19% | 5% | 8% | 12% | 3% | 5% |
| Furniture, Flooring & Textile Products | — % | (13)% | (15)% | (16)% | (14)% | (7)% |
| Overall | (3)% | (12)% | (11)% | (11)% | (11)% | (7)% |

¹ Segment and overall company margins calculated on net trade sales.

² bps = basis points; a unit of measure equal to 1/100th of 1%.

³ Refer to next page for non-GAAP reconciliations.

⁴ Consists primarily of depreciation of non-operating assets.

⁵ EBITDA based on trailing twelve months.

⁶ Trade sales excluding sales attributable to acquisitions and divestitures consummated in the last 12 months.

RECONCILIATION OF REPORTED (GAAP) TO ADJUSTED (Non-GAAP) FINANCIAL MEASURES ¹⁰

| Non-GAAP Adjustments ⁷ (In millions, except per share data) | Full Year | | 2022 | | 2023 | | | |
|--|------------------|--------------|--------------|--------------|--------------|---------------|---------------|--------------|
| | 2022 | 2023 | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q |
| Gain on sale of real estate | — | (10.9) | — | — | — | — | (5.4) | (5.5) |
| Gain from net insurance proceeds from tornado damage | — | (8.9) | — | — | — | (3.6) | — | (5.3) |
| Long-lived asset impairment | — | 443.7 | — | — | — | — | — | 443.7 |
| Non-GAAP Adjustments (Pretax) ⁸ | — | 423.9 | — | — | — | (3.6) | (5.4) | 432.9 |
| Income tax impact | — | (98.1) | — | — | — | 0.9 | 0.9 | (99.9) |
| Non-GAAP Adjustments (After Tax) | — | 325.8 | — | — | — | (2.7) | (4.5) | 333.0 |
| Diluted shares outstanding | 136.5 | 136.3 | 136.1 | 136.1 | 136.3 | 136.6 | 136.8 | 136.5 |
| EPS Impact of Non-GAAP Adjustments | — | 2.39 | — | — | — | (0.02) | (0.03) | 2.44 |
| Adjusted EBIT, EBITDA, Margin, and EPS ⁷ (In millions, except per share data) | Full Year | | 2022 | | 2023 | | | |
| | 2022 | 2023 | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q |
| Trade sales | 5,146.7 | 4,725.3 | 1,294.4 | 1,195.8 | 1,213.6 | 1,221.2 | 1,175.4 | 1,115.1 |
| EBIT (earnings before interest and taxes) | 485.0 | (90.4) | 113.2 | 91.2 | 89.3 | 95.7 | 91.4 | (366.8) |
| Non-GAAP adjustments (pretax) | — | 423.9 | — | — | — | (3.6) | (5.4) | 432.9 |
| Adjusted EBIT | 485.0 | 333.5 | 113.2 | 91.2 | 89.3 | 92.1 | 86.0 | 66.1 |
| EBIT margin | 9.4% | (1.9)% | 8.7% | 7.6% | 7.4% | 7.8% | 7.8% | (32.9)% |
| Adjusted EBIT Margin | 9.4% | 7.1% | 8.7% | 7.6% | 7.4% | 7.5% | 7.3% | 5.9% |
| EBIT | 485.0 | (90.4) | 113.2 | 91.2 | 89.3 | 95.7 | 91.4 | (366.8) |
| Depreciation and amortization | 179.8 | 179.9 | 44.1 | 45.5 | 45.4 | 44.7 | 45.0 | 44.8 |
| EBITDA | 664.8 | 89.5 | 157.3 | 136.7 | 134.7 | 140.4 | 136.4 | (322.0) |
| Non-GAAP adjustments (pretax) | — | 423.9 | — | — | — | (3.6) | (5.4) | 432.9 |
| Adjusted EBITDA | 664.8 | 513.4 | 157.3 | 136.7 | 134.7 | 136.8 | 131.0 | 110.9 |
| EBITDA margin | 12.9% | 1.9% | 12.2% | 11.4% | 11.1% | 11.5% | 11.6% | (28.9)% |
| Adjusted EBITDA Margin | 12.9% | 10.9% | 12.2% | 11.4% | 11.1% | 11.2% | 11.1% | 9.9% |
| Diluted EPS | 2.27 | (1.00) | 0.52 | 0.39 | 0.39 | 0.40 | 0.39 | (2.18) |
| EPS impact of non-GAAP adjustments | — | 2.39 | — | — | — | (0.02) | (0.03) | 2.44 |
| Adjusted EPS | 2.27 | 1.39 | 0.52 | 0.39 | 0.39 | 0.38 | 0.36 | 0.26 |
| Net Debt to Adjusted EBITDA ⁹ | Full Year | | 2022 | | 2023 | | | |
| | 2022 | 2023 | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q |
| Total debt | 2,083.6 | 1,987.6 | 2,141.0 | 2,083.6 | 2,117.8 | 2,024.6 | 1,971.9 | 1,987.6 |
| Less: cash and equivalents | (316.5) | (365.5) | (226.2) | (316.5) | (344.5) | (272.4) | (273.9) | (365.5) |
| Net debt | 1,767.1 | 1,622.1 | 1,914.8 | 1,767.1 | 1,773.3 | 1,752.2 | 1,698.0 | 1,622.1 |
| Adjusted EBITDA, trailing 12 months | 664.8 | 513.4 | 726.8 | 664.8 | 616.2 | 565.5 | 539.2 | 513.4 |
| Net Debt / Leggett Reported 12-month Adjusted EBITDA | 2.66 | 3.16 | 2.63 | 2.66 | 2.88 | 3.10 | 3.15 | 3.16 |

⁷ Management and investors use these measures as supplemental information to assess operational performance.

⁸ The \$432.9, (\$5.4), and (\$3.6) 2023 non-GAAP adjustments are included in the Other (income) expense, net line on the income statement.

⁹ Management and investors use this ratio as supplemental information to assess ability to pay off debt. These ratios are calculated differently than the Company's credit facility covenant ratio.

¹⁰ Calculations impacted by rounding.