

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

FORM 10-K

(Mark One)

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

For the fiscal year ended December 31, 1998

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

For the Transition period from to

Commission File Number 1-7845

LEGETT & PLATT, INCORPORATED
(Exact name of Registrant as specified in its charter)

Missouri 44-0324630
(State or other jurisdiction of (I.R.S. employer identification no.)
incorporation or organization)

No. 1 Leggett Road 64836
Carthage, Missouri (Zip code)
(Address of principal executive
offices)

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

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

Title of Each Class -----	Name of Each Exchange on Which Registered -----
Common Stock, \$.01 par value	New York Stock Exchange Pacific Stock Exchange
Preferred Stock Purchase Rights	New York Stock Exchange Pacific Stock Exchange

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (Sec. 229.405 of this chapter) is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this form 10-K or any amendment to this Form 10-K.

The aggregate market value of the voting stock held by nonaffiliates of the Registrant was approximately \$3,989,690,000 on March 10, 1999.

There were 197,803,977 shares of the Registrant's common stock outstanding as of March 10, 1999.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Registrant's definitive Proxy Statement for its Annual Meeting of Shareholders to be held May 12, 1999, are incorporated by reference into Part III of this report.

PART I

Item 1. Business.

The Company is a manufacturer of a wide range of engineered products. It was incorporated in 1901 as the successor to a partnership formed in 1883 at Carthage, Missouri. That partnership was a pioneer in the development of steel coil bedsprings. The Company today serves markets for:

- . Residential Furnishings - components for bedding, furniture and other residential furnishings and related consumer products.
- . Commercial Furnishings - office and institutional furnishings components, retail store fixtures, displays and other commercial furnishings products and systems.
- . Aluminum Products - die castings, custom tooling and dies, machining, coating and other value added processes and aluminum raw materials.
- . Industrial Materials - drawn wire, specialty wire products and welded steel tubing.
- . Specialized Products - automotive seating suspension, lumbar support and control cable systems, specialized machinery and manufacturing equipment.

The term "Company," unless the context requires otherwise, refers to Leggett & Platt, Incorporated and its majority owned subsidiaries.

General Development of Business. In 1998 the Company acquired seventeen businesses with aggregate annualized sales of approximately \$300 million. Three additional businesses were acquired in the first two months of 1999. Eight businesses producing residential furnishings were acquired by the Company in 1998 and the first two months of 1999 with annualized sales of approximately \$140 million. Over the same period, the Company acquired five companies producing commercial furnishings which also have annualized sales of approximately \$140 million. During this same period, three businesses were acquired producing aluminum products with annualized sales of approximately \$35 million, one business producing industrial materials was acquired with approximately \$25 million in annualized sales and three businesses producing specialized products were acquired with annualized sales of approximately \$30 million.

Reference is also made to Note C of the Notes to Consolidated Financial Statements for further information about the Company's acquisitions.

Residential Furnishings. The Company's residential furnishings products include a broad line of components used by manufacturers to make finished bedding and residential furniture products. Examples of residential furnishings components manufactured by the Company include (i) innerspring and boxspring units for mattresses and boxsprings; (ii) foam, textile, fiber,

non-woven fabrics and other cushioning materials for bedding, furniture and industrial applications; (iii) springs and seating suspensions for chairs, sofas and other residential furniture; (iv) steel mechanisms and hardware for reclining chairs, sleeper sofas and other types of motion furniture; and (v) other furniture supplies.

The Company also manufactures or distributes finished residential furnishings. These finished products include bed frames; daybeds; bunk beds; headboards; adjustable electric beds; fashion beds, carpet underlay and non-slip products.

Most of the Company's customers for residential furnishings manufacture finished bedding (mattresses and boxsprings) or upholstered and non-upholstered furniture for residential use. Finished residential furnishings are sold to bedding and furniture manufacturers for resale or directly to retailers.

The Company's diverse range of components gives its residential furnishings manufacturer-customers access to a single source for most of their component needs. For example, a manufacturer of bedding can come to the Company for almost every component part of a mattress and boxspring, except the upholstering material. This same principle holds true for manufacturers of other residential furnishings such as upholstered recliner chairs, sofas and loveseats. Because the Company has the advantage of long production runs and numerous production and assembly locations, it can generally produce component products more efficiently than its customers. Therefore, components customers can focus on the design, style and marketing of their various residential furnishings products, rather than the production of components.

Commercial Furnishings. The Company manufactures a number of commercial furnishings products, including both finished products and components.

Finished commercial furnishings include point of purchase displays, store fixtures and shelving, racking, counters and carts used to store and handle materials. Point of purchase displays and store fixtures, made of wood, metal, wire and plastics, are used by customers including a wide variety of branded product manufacturers, distributors and retailers to display merchandise. The Company has the ability to provide custom designed full store fixture packages as well as more generic shelving used by large retailers, grocery stores, discount chains and the like. Commercial storage products provide for the efficient storage, organization and handling of materials used in food handling, health care and other applications. Customers for these products include restaurants, hospitals, and other businesses which have storage and handling needs.

Commercial furnishings components include chair controls (devices which allow office chairs to be adjusted as to height, tilt and swivel), chair bases, columns, backrests, casters and other components used by customers which manufacture office, institutional and other commercial furnishings.

Aluminum Products. The Company is engaged in die casting component parts used by a number of different industries. The die castings are primarily aluminum. Some zinc die castings are also produced.

The Company's die casting products are sold in a diverse group of industrial and consumer markets. Examples of significant aluminum product types include components of outdoor gas barbecue grills; outdoor lighting fixtures; cable and telecommunication products, covers, housings and other items used by computer and electronics manufacturers; end shields and other components used in the construction of electric motors; various components of consumer appliances such as waffle grids and blender bases; components of power tools; clean room flooring tiles; and parts for motorcycles, snowmobiles, ATVs, trucks and automobiles. The Company's larger customers for aluminum products include those manufacturing gas barbecue grills, electric motors, outdoor lights, cable line amplifiers, wireless communication systems, electronic devices, automobiles, motorcycles, trucks and outdoor furnishings products. The business of the Company's gas barbecue grill customers is somewhat seasonal with the bulk of shipments to these customers normally occurring during the first two quarters of the year.

The Company also manufactures and refurbishes dies (also known as molds or tools) for all types and sizes of die casting machines. These dies are sold to the Company's customers for die castings and others.

In addition, the Company operates two smelting locations where aluminum ingot and other forms of raw aluminum are produced from aluminum scrap. This aluminum is used by the Company's die casting operations and sold to unaffiliated customers.

Industrial Materials. The Company produces drawn steel wire and steel tubing as well as certain finished wire products. Drawn wire and tubing are important raw materials used widely in manufacturing the Company's products. Wire is used to make innersprings and box springs for the Company's bedding customers, different types of springs and seating constructions used by the Company's residential furniture manufacturer-customers, finished commercial furnishings products such as racks and displays and automotive products.

Steel tubing is used in many of the Company's products including motion furniture mechanisms, displays, shelving and storage products, and finished residential furnishings.

In addition to supplying the Company's needs for these materials, the Company sells drawn wire and tubing products to a diverse group of industrial customers such as manufacturers of automobiles, yard and garden equipment, recreational equipment, construction related products, mechanical springs and other formed wire consumer products.

Finished wire products using wire drawn by the Company include wire ties used to secure cotton bales and baling wire used to bale waste materials. Customers for these products include cotton gins, textile companies, recyclers and waste removal concerns. The Company also manufactures and sells tying heads of various types which tie wire used to secure baled material in various applications.

Specialized Products. Two smaller business units are engaged in manufacturing products for the automotive industry and manufacturing machinery used primarily by bedding manufacturers. In the automotive area the Company manufactures seating suspension, lumbar support and control cable systems. In the machinery area the Company manufactures machinery

that quilts fabrics used to cover mattresses and other furniture, coilers used to fabricate springs of various types, sewing machines specifically designed for the assembly of bedding, material handling systems and other related products. Subcontractors to automobile manufacturers as well as the manufacturers themselves are the primary customers for the Company's automotive products. Manufacturers of bedding are the primary customers for the Company's machinery.

The Company's products are sold and distributed primarily through its own sales personnel.

Reference is made to Note K of the Notes to Consolidated Financial Statements for further information concerning sales of each of the Company's business segments.

Foreign Operations. Foreign sales are a small portion of the Company's business. However, foreign sales are growing and the Company is cautiously proceeding to expand in foreign locations where opportunities present themselves.

The Company has several operations in Canada producing primarily components used by manufacturers of residential bedding and furniture as well as commercial furnishings. The Company's international operations outside Canada are primarily located in Europe and Mexico and involve (i) the sale of machinery and equipment designed to manufacture the Company's innersprings, certain other spring products and bedding and other products manufactured by the Company's customers, (ii) the licensing of patents owned and presently maintained by the Company in foreign countries, (iii) aluminum die casting, and (iv) the production of seating components, wire innersprings and boxspring units.

Reference is made to Note K of the Notes to Consolidated Financial Statements for further information concerning the Company's operations outside of the United States.

Raw Materials. The Company uses a variety of raw materials in manufacturing its products. Some of the Company's most important raw materials include steel rod from which steel wire is drawn, woven and nonwoven fabrics, aluminum ingot, aluminum scrap, angle iron, coil and sheet steel, dimension lumber, textile scrap, foam chemicals, foam scrap, and plastic. Substantially all of the Company's requirements for steel wire, an important material in many of the Company's products are supplied by Company-owned wire drawing mills. Examples of products produced using steel wire include residential furnishings such as innersprings and box springs, commercial furnishings such as displays, shelving and racks and automotive seating systems. The Company also produces, at various locations, for its own consumption and for sale to customers not affiliated with the Company slit coil steel, welded steel tubing, textile fibers, dimension lumber and aluminum ingot from scrap aluminum. Numerous supply sources for the raw materials used by the Company are available. The Company did not experience any significant shortages of raw materials during the past year.

Patents and Trademarks. The Company holds numerous patents concerning its various product lines. No single patent or group of patents is material to the Company's business as a whole. Examples of the Company's more significant trademarks include SEMI-FLEX(TM), LOK-Fast(TM) and DYNA-Lock(TM) (boxspring components and foundations); Mira-Coil(R) and Lura-

Flex(TM) (mattress innersprings); Nova-Bond(R) and Flexnet(TM) (insulators for mattresses); ADJUSTA-MAGIC (adjustable electric beds); Wallhugger(R) and Hi-Style(TM) (recliner chairs); SUPER SAGLESS(R) (motion and sofa sleeper mechanisms) and No-Sag(R) (sinuous wire).

Research and Development. The Company maintains research, engineering and testing centers at Carthage, Missouri, and also does research and development work at several of its other facilities. The Company is unable to precisely calculate the cost of research and development because the personnel involved in product and machinery development also spend portions of their time in other areas. However, the Company believes the cost of research and development was approximately \$12 million in 1998, \$10 million in 1997 and \$9 million in 1996.

Employees. The Company has approximately 27,000 employees of whom approximately 21,000 are engaged in production. Approximately 28% of the Company's production employees are represented by labor unions. The Company did not experience any material work stoppage related to the negotiation of contracts with labor unions during 1998. Management is not aware of any circumstances which are likely to result in a material work stoppage related to the negotiations of any contracts expiring during 1999.

One of the Company's subsidiaries is involved in an unfair labor complaint filed by the National Labor Relations Board prior to the Company's acquisition of the subsidiary. An administrative decision has been rendered against the subsidiary, which has been upheld by the courts. The Company is currently pursuing actions to resolve this matter.

Competition. There are many companies offering products which compete with those manufactured and sold by the Company. The markets for the Company's products are highly competitive in all aspects. Given the diverse range of components and other products produced by the Company, the number of the companies competing with respect to any class or type of product varies over the Company's product range. There are also a number of maker-users (vertically integrated manufacturers) of many of the products the Company manufactures. The primary competitive factors in the Company's business include price, product quality and customer service.

To the best of the Company's knowledge, it is the largest supplier in the United States of a diverse range of components to the residential furnishings industry.

Backlog. The Company's relationship with its customers and its manufacturing and inventory practices do not provide for the traditional backlog associated with some manufacturing entities and no backlog data is regularly prepared or used by management.

Government Regulation. The Company's various operations are subject to federal, state, and local laws and regulations related to the protection of the environment, worker safety, and other matters. Environmental regulations include those relating to air and water emissions, underground storage tanks, waste handling, and the like. While the Company cannot forecast policies that may be adopted by various regulatory agencies, management believes that compliance with these various laws and regulations will not have a material adverse effect on the

consolidated financial condition or results of operations of the Company.

Item 2. Properties.

The Company's most important physical properties are its manufacturing plants. Facilities manufacturing, assembling or distributing residential furnishings products are located in approximately thirty states as well as Canada, Europe, Asia and Mexico. Commercial furnishings manufacturing plants and distribution facilities are located in California, Colorado, Florida, Georgia, Illinois, Indiana, Michigan, Missouri, North Carolina, Ontario, Texas, Wisconsin and the United Kingdom. Fifteen die casting facilities are located in Arkansas, California, Massachusetts, Minnesota, Missouri, Pennsylvania, Tennessee, Washington, Wisconsin and Mexico, three die and tooling production facilities in Alabama, Minnesota and Missouri and two smelting operations in Alabama. Industrial Materials are produced at six wire drawing mills and three welded steel tubing mills. Automotive products and machinery are produced in facilities in the United States and Europe.

Most of the Company's major manufacturing plants are owned by the Company. The Company also conducts certain operations in leased premises. Terms of the leases, including purchase options, renewals and maintenance costs, vary by lease. For additional information regarding lease obligations, reference is made to Note G of the Notes to Consolidated Financial Statements.

Properties of the Company include facilities which, in the opinion of management, are suitable and adequate for the manufacture, assembly and distribution of its products. These properties are located to allow quick and efficient deliveries and necessary service to the Company's diverse customer base.

Item 3. Legal Proceedings.

The Company is a defendant in various workers' compensation, product liability, vehicle accident, employment, intellectual property, labor practices and other claims and legal proceedings, the resolution of which management believes will not have a material adverse effect on the consolidated financial condition or results of operations of the Company in the ordinary course of business.

The Company is party to a small number of proceedings in which a governmental authority is a party and which involve laws regulating the discharge of materials into the environment. These proceedings deal primarily with waste disposal site remediation. Management believes that potential monetary sanctions, if imposed in any or all of these proceedings, or any capital expenditures or operating expenses attributable to these proceedings, will not have a material adverse effect on the consolidated financial condition or results of operations of the Company.

Item 4. Submission of Matters to a Vote of Security Holders.

Not Applicable.

PART II

Item 5. Market For the Registrant's Common Equity and Related Shareholder Matters.

STOCK MARKET AND OWNERSHIP DATA

The Company's common stock is listed on the New York and Pacific stock exchanges with the trading symbol LEG. The table below highlights quarterly and annual stock market information for the last two years.

	Price Range		Volume of Shares Traded	Dividend Declared
	High	Low		
1998:				
Fourth Quarter	\$25.125	\$16.875	16,458,000	\$.08
Third Quarter	28.750	19.063	14,293,900	.08
Second Quarter	28.344	24.688	20,038,900	.08
First Quarter	27.938	20.438	20,547,400	.075
	-----	-----	-----	----
For the Year	\$28.750	\$16.875	71,338,200	\$.315
	=====	=====	=====	=====
1997:				
Fourth Quarter	\$22.282	\$19.250	14,870,000	\$.07
Third Quarter	23.875	20.875	16,259,800	.07
Second Quarter	21.500	16.125	11,769,000	.065
First Quarter	18.688	15.750	15,622,600	.065
	-----	-----	-----	----
For the Year	\$23.875	\$15.750	58,521,400	\$.27
	=====	=====	=====	=====

Price and volume data reflect composite transactions and prices as reported daily by The Wall Street Journal.

Restatements have been made to reflect a two-for-one stock split distributed on June 15, 1998.

The Company had 14,879 shareholders of record on March 10, 1999.

During the fourth quarter of 1998 the Company issued no shares of its common stock in transactions which qualified for exemption from registration under the Securities Act by virtue of Regulation D and Section 4(2) of the Securities Act.

Item 6. Selected Financial Data.

SELECTED FINANCIAL DATA

Selected Financial Data
Leggett & Platt, Incorporated and Subsidiaries

(Unaudited)
(Dollar amounts in millions, except per share data)

	1998	1997	1996	1995	1994
Summary of Operations					
Net sales	\$3,370.4	\$2,909.2	\$2,466.2	\$2,256.9	\$2,009.1
Earnings from continuing operations	248.0	208.3	153.0	134.3	119.5
Earnings per share from continuing operations					
Basic	1.25	1.09	.84	.76	.69
Diluted	1.24	1.08	.83	.75	.68
Cash dividends declared per share	.315	.27	.23	.19	.155

Summary of Financial Position

Total assets	\$2,535.3	\$2,106.3	\$1,712.9	\$1,478.1	\$1,327.0
Long-term debt	574.1	466.2	388.5	380.6	364.1

Merger related costs of \$16.4 after-tax, or \$.09 per basic and diluted share are included in 1996 earnings from continuing operations. Previously reported per share data have been restated to reflect a two-for-one stock split distributed on June 15, 1998.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Previously reported share and per share amounts have been restated for a June 15, 1998 two-for-one stock split.

Capital Resources and Liquidity

The Company's financial position reflects management's capital policy guidelines. These guidelines are intended to ensure that corporate liquidity is adequate to support the Company's projected growth rate. Also, liquidity is necessary so that financing of the Company's ongoing operations will be adequate in periods of economic adversity. In a normal operating environment, management intends to direct capital to strategic acquisitions and other investments that provide opportunities for expansion and enhanced profitability.

The expansion of capital resources -- debt and equity -- is planned to allow the Company to take advantage of favorable capital market conditions, rather than respond to short-term needs. Such financial flexibility is considered more important than short-term maximization of earnings per share through excessive leverage. Therefore, management continuously provides for available credit in excess of near-term projected cash needs and has maintained a guideline for long-term debt as a percentage of total capitalization in a range of 30% to 40%.

Total Capitalization

The following table shows the Company's total capitalization at the end of the three most recent years. Also, the table shows the amount of unused committed credit available through the Company's revolving bank credit agreements and the amount of cash and cash equivalents at the end of the three most recent years.

(Dollar amounts in millions)	1998	1997	1996
Long-term debt outstanding:			
Scheduled maturities.....	\$ 574.1	\$ 402.9	\$ 332.4
Average interest rates.....	6.6%	6.8%	7.7%
Average maturities in years.....	6.2	6.6	7.0
Revolving credit/commercial paper.....	--	63.3	56.1
Total long-term debt.....	574.1	466.2	388.5
Deferred income taxes and other liabilities.....	123.0	93.6	90.5
Shareholders' equity.....	1,436.8	1,174.0	941.1
Total capitalization.....	\$2,133.9	\$1,733.8	\$1,420.1
Unused committed credit.....	\$ 300.0	\$ 240.0	\$ 215.0
Cash and cash equivalents.....	\$ 83.5	\$ 7.7	\$ 3.7

Cash provided by operating activities was \$354.9 million, \$288.3 million and \$238.1 million for 1998, 1997 and 1996, respectively, or a three year total of \$881.3 million. The increase in cash provided by operating activities principally reflects earnings improvements.

Long-term debt outstanding was 26.9% of total capitalization at the end of 1998 and 1997 and 27.4% at the end of 1996. As shown in the table above, obligations having scheduled maturities are the base "layer" of the Company's debt capital. At the end of 1998, these obligations consisted primarily of the Company's privately placed medium-term notes and tax-exempt industrial development bonds. In the first and second quarters of 1998, the Company issued a total of \$176 million in medium-term notes. Proceeds from the notes were used to repay commercial paper outstanding and to provide financing for future growth at favorable rates. A portion of the financing for future growth is temporarily held in cash and cash equivalents at December 31, 1998. In the second quarter of 1998, the Company's senior debt rating was upgraded to single A+ from single A by Standard & Poor's.

In the second quarter of 1997, the Company issued \$100 million of medium-term notes to repay commercial paper outstanding. In June 1996, the Company also issued \$100 million in medium-term notes. Proceeds from these notes provided a majority of the funds required to redeem, at 113% of par value, all of the Pace Holdings, Inc. (Pace) publicly owned senior notes that were to mature in almost seven years and had fixed interest rates of 10.625%. Funds required to refinance the balance of the senior notes and Pace's revolving credit initially were provided through the Company's revolving credit/commercial paper arrangements. In August 1996, the Company issued \$25 million in medium-term notes to repay a portion of revolving credit/commercial paper outstanding.

The second "layer" of the Company's debt capital consists of revolving bank credit agreements and commercial paper issuances. Management has negotiated bank credit agreements and established commercial paper programs to continuously support the Company's projected growth and to maintain highly flexible sources of debt capital. The credit under these arrangements has been a long-term obligation. If needed, however, the credit is available for short-term borrowings and repayments. At the end of 1998, the Company had no revolving credit or commercial paper outstanding. Additional details of long-term debt, including scheduled maturities, revolving credit and commercial paper are discussed in Note F of the Notes to Consolidated Financial Statements.

Uses of Capital Resources

The Company's internal investments to modernize and expand manufacturing capacity totaled \$363.2 million in the last three years. In 1999, management anticipates internal investments will approximate \$155 million. During the last three years, the Company employed \$378.4 million in cash (net of cash acquired) and issued 24.5 million shares of common stock in acquisitions, including 10.3 million shares in 1996 to acquire Pace. During 1998, seventeen businesses were acquired for \$117.1 million in cash (net of cash acquired) and 2.9 million shares of common stock. About one-half of the 1998 acquisition investments (cash and stock) were made in the Commercial Furnishings segment. Additional details of acquisitions are discussed in Note C of the Notes to Consolidated Financial Statements. Additions, by segment, to property, plant and equipment and purchases of long-lived assets are shown in Note K of the Notes to Consolidated Financial Statements.

Company purchases of its common stock totaled \$13.5 million in 1998, \$5.7 million in 1997, and \$10.1 million in 1996. These purchases were made primarily for employee stock plans, to replace shares issued in purchase acquisitions and to satisfy contractual obligations. In 1998, the Company's Board of Directors authorized management, at its discretion, to buy up to 500,000 shares of Leggett stock for use in employee benefit plans. The authorization is continuously replenished as shares acquired are reissued for these benefit plans. In addition, management is authorized, again at its discretion, to repurchase any shares issued in acquisitions accounted for as purchases.

Cash dividends on the Company's common stock in the last three years totaled \$138.2 million.

Future commitments under lease obligations are described in Note G and contingencies are discussed in Note L of the Notes to Consolidated Financial Statements.

Short-term Liquidity

Working capital increased \$324.2 million in the last three years. To gain additional flexibility in capital management and to improve the return on shareholders' equity, the Company continuously seeks efficient use of working capital. The following table shows the annual turnover on average year-end working capital, trade receivables and inventories. The ratios may be affected by the timing of the Company's acquisitions.

	1998	1997	1996
	----	----	----
Working capital turnover (excluding cash and cash equivalents).....	5.5x	5.6x	5.7x
Trade receivables turnover.....	7.2	7.5	7.8
Inventory turnover.....	5.4	5.4	5.2

No segment's working capital requirements vary significantly from the consolidated ratios, except Aluminum Products. Aluminum Products' receivables turnover is lower than the other segments due principally to the seasonal nature of its gas barbecue grill business.

Results of Operations

Discussion of Consolidated Results

The results of operations during the last three years reflect various elements of the Company's long-term growth strategy, along with general economic trends and the specific market conditions. The Company's growth strategy continues to include internal initiatives and acquisitions which broaden product lines and provide for increased market penetration and operating efficiencies. With a continuing emphasis on the development of new and improved products and advancements in production technologies, the Company is able to consistently offer high quality products, competitively priced.

Trends in the general economy were very favorable during the last three years. In each year, acquisitions accounted for more of the Company's sales growth than other factors. The balance of the Company's sales growth during this period primarily reflected increases in unit volumes. Aluminum prices decreased in 1998 and during the latter part of 1998, certain product lines in Residential Furnishings and Industrial Materials were experiencing selling price declines. Residential Furnishings accounted for 39.7% of the 1998 increase in consolidated sales, and Commercial Furnishings accounted for 34.4% of the 1998 increase. In 1997, Residential Furnishings accounted for 42.7% of the consolidated sales increase over 1996 and Commercial Furnishings accounted for 26.3% of the increase.

The following table shows various measures of earnings as a percentage of sales for the last three years. It also shows the effective income tax rate and the coverage of interest expense by pre-tax earnings plus interest.

	1998	1997	1996
	----	----	----
Gross profit margin.....	25.9%	25.4%	25.3%
EBIT (Earnings before interest and taxes) margin			
- - before non-recurring items.....	12.7	12.5	12.3
- - after non-recurring items.....	12.7	12.5	11.3
Net profit margin			
- - before non-recurring items.....	7.4	7.2	6.9
- - after non-recurring items.....	7.4	7.2	5.7
Effective income tax rate.....	37.3	37.5	38.7
Interest coverage ratio.....	11.3x	11.5x	9.3x

The Company's gross profit margins improved in each of the last two years. The increase in 1998 reflected several favorable factors. These included continued increases in production efficiencies, increased sales of products with above average margins, lower material and other costs and better manufacturing overhead absorption. The EBIT margin also increased due to these factors, offset somewhat by higher selling costs in acquired companies as a percentage of sales. The slight increase in the 1997 gross profit and EBIT margins versus 1996, primarily reflected the Company's continuing sales growth in products with above average margins, increased production efficiencies and better manufacturing overhead absorption. The segment results discussion below identifies specific reasons by segment for changes in margins. Other factors, including a more favorable distribution of income, resulted in a lower effective income tax rate in 1997 compared to the prior year, improving net profit margin.

In 1996, non-recurring costs were associated with the Pace acquisition (Aluminum Products segment) and are discussed in Note C of the Notes to Consolidated Financial Statements.

Discussion of Segment Results

A description of the products included in each segment, segment sales, segment earnings before interest and taxes (EBIT) and other segment data appear in Note K of the Notes to Consolidated Financial Statements. Following is a comparison of EBIT margins (Segment EBIT divided by Total Segment Sales):

	1998	1997	1996
	----	----	----
Residential Furnishings	11.1%	10.8%	10.9%
Commercial Furnishings	17.8%	18.4%	18.7%
Aluminum Products	6.5%	10.1%	8.7%
Industrial Materials	11.7%	9.9%	9.5%
Specialized Products	11.5%	11.2%	8.4%

Residential Furnishings sales increased 11.6% in 1998, principally from acquisitions, although volume growth was also a significant factor. EBIT increased 15.6% in 1998 versus 1997, and EBIT margin increased slightly as higher volume improved operating efficiencies and raw material costs were lower. For 1997, Residential Furnishings sales were up 13.3% due primarily to acquisitions. EBIT improved in 1997 by 11.6%, while EBIT margin declined slightly. Integration of certain bedding components' acquisitions had a negative

impact on 1997 EBIT margin.

Commercial Furnishings sales in 1998 increased 34.5% over the prior year due primarily to acquisition activity. EBIT improved 30.2% in 1998, but EBIT margin declined due to product mix and the fact that the Company has not yet fully realized the integration benefits of the substantial acquisition activity in this segment. In 1997, Commercial Furnishings sales improved 33.4%, principally from significant acquisition activity. EBIT in 1997 was 30.6% higher than 1996, but EBIT margin declined somewhat. Product mix, integration issues related to new acquisitions and lower results in certain store display and fixture markets impacted EBIT margin.

In 1998, Aluminum Products sales increased 13.5%, principally from acquisitions. A major die casting customer's restructuring and inventory reduction, and reduced production in smelting facilities due to lower prices of aluminum and availability of aluminum scrap, lowered the sales improvement. Segment EBIT declined 26.9% and EBIT margin was reduced as the impact of acquisitions was more than offset by the die cast customer and smelting production issues referred to above, and production inefficiencies in certain die cast facilities. Aluminum Products sales in 1997 improved 27.6% over 1996, as a result of acquisitions and increased volume. EBIT improved 47.7% and EBIT margin increased in 1997, reflecting the acquisitions, improved volume and production efficiencies.

In 1998, Industrial Materials sales were 1.1% higher than 1997, reflecting acquisition-related sales and improved steel tubing volume. These factors were substantially offset by selling price declines on drawn wire and lower specialty wire product sales in the cotton industry. EBIT improved 19.3% in 1998 and EBIT margin was better principally reflecting lower raw material prices and improved operating efficiencies, partially offset by selling price declines. Industrial Materials sales in 1997 increased 9.5% over 1996 due primarily to volume improvement. EBIT improved 13.6% in 1997, and EBIT margins were somewhat higher as the increased volume resulted in production efficiencies and better overhead absorption.

Specialized Products sales increased 39.5% in 1998 due primarily to acquisitions. EBIT improved 42.6%, reflecting acquisition growth and higher machinery sales. EBIT margin was up slightly from improved efficiencies in both automotive and machinery operations. In 1997, Specialized Products sales increased 23.5% reflecting acquisitions. EBIT grew 64.5% in 1997 versus 1996 reflecting the acquisitions and improved automotive operations. Also, EBIT margin was higher in 1997 due to improved automotive operations, particularly in Europe.

New Financial Accounting Standards Board Statements

During 1998, the Financial Accounting Standards Board (FASB) issued a new accounting standard on "Accounting for Derivative Instruments and Hedging Activities" (FASB No. 133). This new accounting standard will become effective for 2000 financial reporting. FASB No. 133 is not expected to have a major effect on the Company's financial statements since the Company has not engaged in significant hedging or other activities involving derivative instruments in the past and has no current plans to use such instruments extensively in the future.

Year 2000 Readiness Disclosure

The "Year 2000" issue refers to older computer programs that used only two digits to represent the year, rather than four digits. As a result, these older computer programs may not process information or otherwise function properly when using the year "2000", since that year will be indistinguishable from the year "1900". These computer programs are found in information processing applications and in timing devices for certain machinery and equipment.

To monitor Year 2000 issues, the Company implemented a Corporate level Year 2000 Steering Committee (the Steering Committee). The Steering Committee meets regularly to review the Company's progress, and to consider other actions that may be necessary for Year 2000 issues.

In addition, the Company has engaged a large, reputable consulting firm to perform certain procedures to review the Company's planning, implementation and readiness for the Year 2000 issues at certain major locations. The results of the consulting firm's preliminary and follow-up studies have been reviewed with the Company's Audit Committee of the Board of Directors. The Company has responded, or is in the process of responding, to issues raised by the consulting firm's studies.

The Company recognized the Year 2000 issue several years ago, and has been working since to correct this problem in its computer systems. The majority of the Company's information processing is centralized at its Corporate Offices. All of these critical central systems have been converted to Year 2000 compliant software, and individual system testing is substantially complete.

Many of the Company's international and certain domestic operations do not use some or any of the Corporate Offices' centralized systems. All of these non-central system locations have active projects underway to convert their systems to Year 2000 compliant software by no later than the Third Quarter 1999. Also, adequate testing of these non-central system conversions is expected to be completed by that date.

In total, combining both central system and non-central system locations, management estimates that the Year 2000 systems conversion effort is over 80% complete as of December 31, 1998.

All locations of the Company have been instructed to review their facilities for Year 2000 issues. Potential internal and third-party risks were

identified for the operating locations to consider. Inventories of computer equipment, communications with key suppliers, correspondence with customers, obtaining machinery and equipment compliance certificates and other facility testing related to Year 2000 issues are in various stages of completion at the Company's approximately 300 locations around the world. These efforts are expected to be complete at all significant locations prior to the year 2000.

Since the Company has been working on Year 2000 issues for several years, the costs of mitigating these issues, which costs have not been material in the past, were expensed in ongoing operations. No material costs are expected from the remaining Year 2000 compliance efforts. Costs of all the Company's system conversion and implementation efforts, which include those efforts related to the Year 2000 issue, were less than \$6 million in 1998. It is not practical to segregate past or anticipated capital expenditures between Year 2000 compliance and expenditures which occur normally to keep operations technologically competitive. However, management believes that past or expected future capital requirements related to Year 2000 compliance issues are not significant to its operations.

The Company manufactures a broad line of products in over 150 major manufacturing sites around the world. Raw materials and critical outside services are generally available from numerous supply sources including, in some cases, the Company's own vertically integrated operations. The Company's revenues are not dependent upon any single customer or any few customers. Therefore, the impact to the Company of any individual operating location or third-party risk involving Year 2000 is relatively small. It is reasonable to assume that the Company will experience a few, hopefully isolated, disturbances to its operations early in the year 2000. While reasonable actions have been taken, and will continue to be taken in the future, to mitigate such disruption, the magnitude of all Year 2000 disturbances cannot be predicted. In addition, any widespread Year 2000 failures, particularly in North America, in industries such as financial services, communications, transportation and electrical or other utilities could significantly and adversely impact the Company's operations.

Efforts to date have been concentrated on mitigating Year 2000 disturbances. The Steering Committee plans in 1999 to discuss and evaluate the reasonable potential risks, and determine the extent of contingency planning and resources that are appropriate. Any such contingency actions and resources would be planned to be in place in sufficient time for the year 2000.

Forward-Looking Statements

This report and other public reports or statements made from time to time by the Company or its management may contain "forward-looking" statements concerning possible future events, objectives, strategies, trends or results. Such statements are identified either by the context in which they appear or by use of words such as "anticipate," "believe," "estimate," "expect," or the like.

Readers are cautioned that any forward-looking statement reflects only the beliefs of the Company or its management at the time the statement is made. In addition, readers should keep in mind that, 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, the Company does not have and does not undertake any duty to update any forward-looking statement to reflect events or circumstances after the date on which the statement was made. For all of these reasons, forward-looking statements should not be relied upon as a prediction of actual future events, objectives, strategies, trends or results.

It is not possible to anticipate and list all of the risks, uncertainties and developments which may affect the future operations or performance of the Company, or which otherwise may cause actual events or results to differ from forward-looking statements. However, some of these risks and uncertainties include the following: general economic and market conditions and risks, such as the rate of economic growth in the United States, inflation, government regulation, interest rates, taxation, and the like; risks and uncertainties which could affect industries or markets in which the Company participates, such as growth rates and opportunities in those industries, or changes in demand for certain products, etc.; and factors which could impact costs, including but not limited to the availability and pricing of raw materials, the availability of labor and wage rates, and fuel and energy costs. As indicated above, the consequences of the Year 2000 issues cannot be accurately predicted; therefore, actual consequences will remain at least to some extent uncertain.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

Disclosures About Market Risk Leggett & Platt, Incorporated and Subsidiaries

(Unaudited)
(Dollar amounts in millions)

Interest Rate

The table below provides information about the Company's debt obligations sensitive to changes in interest rates. The Company has no other significant financial instruments sensitive to changes in interest rates. The Company has not in the past used any derivative financial instruments to hedge its exposure to interest rate changes. Substantially all of the debt shown in the table below is denominated in United States dollars (U.S. \$). The fair value of fixed rate debt exceeded its carrying value by \$23 and \$10 at December 31, 1998 and 1997, respectively. The fair value of fixed rate debt was calculated using the U.S. Treasury Bond rate as of December 31, 1998 and 1997 for similar remaining maturities, plus an estimated "spread" over such Treasury securities

representing the Company's interest costs under its medium-term note program. The fair value of variable rate debt is not significantly different from its recorded amount.

Long-term debt as of December 31	Scheduled Maturity Date						1998	1997
	1999	2000	2001	2002	2003	Thereafter		
Principal fixed rate debt	\$35.0*	\$15.0	\$50.0	\$75.0	\$114.5	\$226.7	\$516.2	\$350.2
Average interest rate	6.77%	5.65%	7.22%	7.18%	6.27%	6.72%	6.71%	6.92%
Principal variable rate debt	-	-	5.9	5.1	3.3	19.4	33.7	97.1
Average interest rate	-	-	3.74%	3.70%	5.78%	4.48%	4.36%	5.54%
Miscellaneous debt							29.4	23.6
Total debt							579.3	470.9
Less: current maturities *							(5.2)	(4.7)
Total long-term debt							\$574.1	\$466.2

* The 1999 scheduled maturity is not included in current maturities, as the Company intends to refinance this note on a long-term basis either through reissuance or unused credit available under its revolving credit agreements.

Exchange Rate

The Company has not typically hedged foreign currency exposures related to transactions denominated in other than its functional currencies, although such transactions have not been material in the past. The Company does hedge firm commitments for certain machinery purchases, and occasionally may hedge amounts due in foreign currencies related to its acquisition program. The decision by management to hedge any such transactions is made on a case-by-case basis. The amount of forward contracts outstanding at December 31, 1998 was approximately \$3 (pay U.S. \$/receive Canadian Dollars) and the highest amount during 1998 was approximately \$4.5 (\$3 pay U.S. \$/receive Canadian Dollars and \$1.5 pay U.S. \$/receive Swiss Francs).

The Company views its investment in foreign subsidiaries as a long-term commitment and does not hedge any translation exposures. The investment in a foreign subsidiary may take the form of either permanent capital or notes. The Company's net investment (excluding goodwill) in foreign subsidiaries subject to translation exposure at December 31 is as follows:

Functional currency	1998	1997
Canadian Dollar	\$142.9	\$131.5
European currencies	66.1	50.3
Other	(.2)	.2
	\$208.8	\$182.0

Commodity Price

The Company does not use derivative commodity instruments to hedge its exposures to changes in commodity prices. The principal commodity price exposure is aluminum, of which the Company had an estimated \$48 and \$46 (at cost) in inventory at December 31, 1998 and 1997, respectively. The Company has purchasing procedures and arrangements with customers to mitigate its exposure to aluminum price changes. No other commodity exposures are significant to the Company.

Item 8. Financial Statements and Supplementary Data.

The Consolidated Financial Statements and supplementary data included in this Report are listed in Item 14 and begin immediately after Item 14.

Item 9. Changes In And Disagreements With Accountants On Accounting And Financial Disclosure.

Not applicable.

PART III

Item 10. Directors And Executive Officers Of The Registrant.

Reference is made to the section entitled "Election of Directors" and "Compliance with Section 16(a) of the Securities Exchange Act of 1934" in the Company's definitive Proxy Statement for the Company's Annual Meeting of Shareholders to be held on May 12, 1999, said sections being incorporated by reference, for a description of the directors of the Company.

The following table sets forth the names, ages and positions of all executive officers of the Company. Executive officers are normally elected annually by the Board of Directors at the Meeting of Shareholders.

Name	Age	Position
------	-----	----------

- ----
Harry M. Cornell, Jr.

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Chairman of the Board and Chief Executive Officer

Name - - - - -	Age - - -	Position - - - - -
Felix E. Wright	63	President and Chief Operating Officer and Director
David S. Haffner	46	Executive Vice President and Director
Bob L. Gaddy	58	Senior Vice President - Chairman and Chief Executive Officer, Aluminum Products and Director
Karl G. Glassman	40	Senior Vice President - President, Residential Furnishings
Michael A. Glauber	55	Senior Vice President - Finance and Administration (Principal Financial Officer)
Robert G. Griffin	47	Senior Vice President
Robert A. Jefferies, Jr.	57	Senior Vice President - Mergers, Acquisitions and Strategic Planning and Director
Jack D. Crusa	44	Vice President - President, Industrial Materials
Ernest C. Jett	53	Vice President - General Counsel and Secretary
Allan J. Ross	52	Vice President, Accounting (Principal Accounting Officer)

Subject to the employment agreements and severance benefit agreements listed as Exhibits to this Report, officers serve at the pleasure of the Board of Directors.

Harry M. Cornell, Jr. has served as the Company's Chief Executive Officer, Chairman of the Board and Chairman of the Board's Executive Committee for more than the last five years.

Felix E. Wright has served as the Company's President and Chief Operating Officer for more than the last five years.

David S. Haffner was elected Executive Vice President in 1995. He previously served as Senior Vice President and President-Furniture and Automotive Components Group from 1992 to 1995.

Bob L. Gaddy joined the Company in May, 1996 with the Company's acquisition of Pace Industries, Inc. At that time he was elected a Senior Vice President of the Company. From 1984 to 1993, Mr. Gaddy was President and Chief Operating Officer of Pace Industries, Inc. and since 1993 has served as Chairman of the Board and Chief Executive Officer of Pace Industries, Inc. Mr. Gaddy presently serves as Chairman and Chief Executive Officer of all the Company's aluminum products operations.

Karl G. Glassman has been employed by the Company for more than the last five years, became Vice President and President - Bedding Components in 1995 and became a Senior Vice President - President Residential Furnishings in 1999.

Michael A. Glauber has served as the Company's Senior Vice President, Finance and Administration for more than the last five years.

Robert G. Griffin has been employed by the Company for more than the last five years, was named Vice President and Director of Mergers, Acquisitions and Strategic Planning in 1995, President - Commercial Fixtures and Display Group in 1998 and Senior Vice President in 1999.

Robert A. Jefferies, Jr. has served as the Company's Senior Vice President, Mergers, Acquisitions and Strategic Planning for more than the last five years.

Jack D. Crusa has served the Company as Vice President and President - Automotive Components for the last five years and became President - Industrial Materials in 1999.

Ernest C. Jett was appointed General Counsel in 1997, and was elected Vice President and Secretary in 1995. He previously served the Company as Assistant General Counsel from 1979 to 1995 and as Managing Director of the Legal Department from 1991 to 1997.

Allan J. Ross has served the Company as Vice President, Accounting since April, 1993. In May, 1996 Mr. Ross was designated by the Board of Directors as the Company's Principal Accounting Officer.

Item 11. Executive Compensation.

The section entitled "Executive Compensation and Related Matters" in the Company's definitive Proxy Statement for the Company's Annual Meeting of Shareholders to be held on May 12, 1999, is incorporated by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management.

The section entitled "Ownership of Common Stock" in the Company's definitive Proxy Statement for the Company's Annual Meeting of Shareholders to be held on May 12, 1999, is incorporated by reference.

Item 13. Certain Relationships And Related Transactions.

The subsection entitled "Related Transactions" of the section entitled "Executive Compensation and Related Matters" in the Company's definitive Proxy Statement for the Company's Annual Meeting of Shareholders to be held on May 12, 1999 is incorporated by reference.

PART IV

Item 14. Exhibits, Financial Statement Schedules and Reports on Form 8-K.

1. Financial Statements and Financial Statement Schedule Covered by Report of Independent Accountants.

The Financial Statements listed below are included in this Report:

- . Consolidated Statements of Earnings for each of the years in the three year period ended December 31, 1998
- . Consolidated Balance Sheets at December 31, 1998 and 1997
- . Consolidated Statements of Cash Flows for each of the years in the three year period ended December 31, 1998
- . Consolidated Statements of Changes in Shareholders' Equity for each of the years in the three year period ended December 31, 1998
- . Notes to Consolidated Financial Statements
- . Schedule for each of the years in the three year period ended December 31, 1998

Schedule II - Valuation and Qualifying Accounts and Reserves

All other information schedules have been omitted as the required information is inapplicable, not required, or the information is included in the financial statements or notes thereto.

- 2. Exhibits - See Exhibit Index.
- 3. Reports on Form 8-K filed during the last quarter of 1998:
Form 8-K filed as of December 1, 1998 regarding adoption of Shareholder Protection Rights Plan

Consolidated Statements of Earnings
 Leggett & Platt, Incorporated and Subsidiaries

(Dollar amounts in millions, except per share data)

Year ended December 31	1998	1997	1996
Net sales	\$3,370.4	\$2,909.2	\$2,466.2
Cost of goods sold	2,498.9	2,171.4	1,842.7
Gross profit	871.5	737.8	623.5
Selling, distribution and administrative expenses	422.8	358.8	303.5
Amortization of excess cost of purchased companies and other intangibles	21.8	17.3	16.4
Merger expense	-	-	26.6
Other income, net of other deductions	2.2	.8	.6
Earnings before interest, income taxes and extraordinary item	429.1	362.5	277.6
Interest expense	38.5	31.8	30.0
Interest income	5.0	2.6	2.1
Earnings before income taxes and extraordinary item	395.6	333.3	249.7
Income taxes	147.6	125.0	96.7
Net earnings before extraordinary item	248.0	208.3	153.0
Extraordinary item from the extinguishment of debt	-	-	12.5
Net earnings	\$248.0	\$208.3	\$140.5
Earnings per share			
Net earnings before extraordinary item - basic	\$ 1.25	\$ 1.09	\$.84
Net earnings before extraordinary item - diluted	\$ 1.24	\$ 1.08	\$.83
Net earnings - basic	\$ 1.25	\$ 1.09	\$.78
Net earnings - diluted	\$ 1.24	\$ 1.08	\$.77

The accompanying notes are an integral part of these financial statements.

Consolidated Balance Sheets
 Leggett & Platt, Incorporated and Subsidiaries

(Dollar amounts in millions, except per share data)

December 31	1998	1997
	-----	-----
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 83.5	\$ 7.7
Accounts and notes receivable, less allowance of \$13.5 in 1998 and \$11.5 in 1997	503.1	438.6
Inventories		
Finished goods	251.7	228.0
Work in process	56.2	50.3
Raw materials and supplies	185.5	170.0
LIFO reserve	(7.2)	(15.1)
	-----	-----
Total inventories	486.2	433.2
Other current assets	64.3	65.1
	-----	-----
Total current assets	1,137.1	944.6
Property, Plant and Equipment - at cost		
Machinery and equipment	915.5	767.8
Buildings and other	470.6	397.3
Land	48.9	47.2
	-----	-----
Total property, plant and equipment	1,435.0	1,212.3
Less accumulated depreciation	614.6	519.1
	-----	-----
Net property, plant and equipment	820.4	693.2
Other Assets		
Excess cost of purchased companies over net assets acquired, less accumulated amortization of \$50.8 in 1998 and \$38.2 in 1997	498.9	394.0
Other intangibles, less accumulated amortization of \$25.3 in 1998 and \$24.1 in 1997	29.7	31.6
Sundry	49.2	42.9
	-----	-----
Total other assets	577.8	468.5
	-----	-----
TOTAL ASSETS	\$2,535.3	\$2,106.3
	=====	=====

	1998	1997
	-----	-----
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	\$ 134.8	\$ 128.7
Accrued expenses	168.8	166.4
Other current liabilities	97.8	77.4
	-----	-----
Total current liabilities	401.4	372.5
Long-Term Debt	574.1	466.2
Other Liabilities	48.1	40.8
Deferred Income Taxes	74.9	52.8
Shareholders' Equity		
Capital stock		
Preferred stock - authorized, 100,000,000 shares; none issued		
Common stock - authorized, 300,000,000 shares of \$.01 par value; issued 197,766,091 and 192,759,120 shares in 1998 and 1997, respectively	2.0	1.0
Additional contributed capital	396.1	311.9
Retained earnings	1,058.7	871.3
Accumulated other comprehensive income	(18.2)	(10.1)
Less treasury stock - at cost (82,580 and 4,774 shares in 1998 and 1997, respectively)	(1.8)	(.1)
	-----	-----
Total shareholders' equity	1,436.8	1,174.0
	-----	-----
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$2,535.3	\$2,106.3
	=====	=====

The accompanying notes are an integral part of these financial statements.

Consolidated Statements of Cash Flows
 Leggett & Platt, Incorporated and Subsidiaries

(Dollar amounts in millions)

Year ended December 31	1998	1997	1996
	-----	-----	-----
Operating Activities			
Net earnings	\$ 248.0	\$ 208.3	\$ 140.5
Adjustments to reconcile net earnings to net cash provided by operating activities			
Depreciation	106.1	88.3	75.8
Amortization	21.8	17.3	16.4
Merger expense (non-cash portion)	-	-	24.4
Extraordinary item (non-cash portion)	-	-	4.0
Stock and deferred compensation	10.8	7.9	14.2
Deferred income tax expense (benefit)	17.3	(1.5)	(13.4)
Other	(3.6)	(2.1)	.5
Other changes, excluding effects from purchases of companies			
(Increase) in accounts receivable, net	(31.5)	(52.1)	(17.0)
(Increase) in inventories	(6.6)	(15.0)	(7.5)
(Increase) in other current assets	(7.2)	(5.1)	(2.1)
(Decrease) increase in current liabilities	(.2)	42.3	2.3
	-----	-----	-----
Net Cash Provided by Operating Activities	354.9	288.3	238.1
Investing Activities			
Additions to property, plant and equipment	(147.6)	(119.4)	(96.2)
Purchases of companies, net of cash acquired	(117.1)	(171.6)	(89.7)
Other	6.7	8.2	(3.1)
	-----	-----	-----
Net Cash Used for Investing Activities	(258.0)	(282.8)	(189.0)
Financing Activities			
Additions to debt	269.7	214.8	292.9
Payments on debt	(216.9)	(164.7)	(309.4)
Dividends paid	(59.9)	(48.0)	(30.3)
Issuances of common stock	5.0	6.6	5.0
Purchase of common stock	(13.5)	(5.7)	(10.1)
Other	(5.5)	(4.5)	(1.7)
	-----	-----	-----
Net Cash Used for Financing Activities	(21.1)	(1.5)	(53.6)
	-----	-----	-----
Increase (Decrease) in Cash and Cash Equivalents	75.8	4.0	(4.5)
Cash and Cash equivalents - Beginning of Year	7.7	3.7	8.2
	-----	-----	-----
Cash and Cash Equivalents - End of Year	\$ 83.5	\$ 7.7	\$ 3.7
	=====	=====	=====
Supplemental Information			
Interest paid	\$ 36.5	\$ 30.3	\$ 28.8
Income taxes paid	142.6	124.4	92.8
Liabilities assumed of acquired companies	118.9	81.1	47.3
Common stock issued for acquired companies	66.8	52.0	58.3
Common stock issued for employee stock plan	26.4	27.4	39.4
	=====	=====	=====

The accompanying notes are an integral part of these financial statements.

Consolidated Statements of Changes in Shareholders' Equity
 Leggett & Platt, Incorporated and Subsidiaries

(Dollar amounts in millions, except per share data)
 Year ended December 31

	1998	1997	1996
	-----	-----	-----
Common Stock			
Balance, beginning of period	\$ 1.0	\$.9	\$.9
Common stock issued	-	.1	-
Two-for-one stock split	1.0	-	-
	-----	-----	-----
Balance, end of period	\$ 2.0	\$ 1.0	\$.9
	=====	=====	=====
Additional Contributed Capital			
Balance, beginning of period	\$ 311.9	\$ 240.2	\$164.0
Common stock issued	87.3	74.6	90.2
Treasury stock issued	(6.2)	(9.7)	(5.7)
Treasury stock purchased	-	-	(9.6)
Tax benefit related to stock options	4.1	6.8	1.3
Two-for-one stock split	(1.0)	-	-
	-----	-----	-----
Balance, end of period	\$ 396.1	\$ 311.9	\$240.2
	=====	=====	=====
Retained Earnings			
Balance, beginning of period	\$ 871.3	\$ 704.4	\$601.6
Net earnings for the year	248.0	208.3	140.5
Retained earnings of pooled companies at date of acquisition	1.7	9.2	3.6
Cash dividends declared (per share: 1998 - \$.315; 1997 - \$.27; 1996 - \$.23)	(62.3)	(50.6)	(41.3)
	-----	-----	-----
Balance, end of period	\$1,058.7	\$ 871.3	\$704.4
	=====	=====	=====
Treasury Stock			
Balance, beginning of period	\$ (.1)	\$ (.2)	\$ (14.7)
Treasury stock purchased	(19.7)	(17.3)	(3.0)
Treasury stock issued	18.0	17.4	17.5
	-----	-----	-----
Balance, end of period	\$ (1.8)	\$ (.1)	\$ (.2)
	=====	=====	=====
Accumulated Other Comprehensive Income			
Balance, beginning of period	\$ (10.1)	\$ (4.2)	\$ (5.0)
Foreign currency translation adjustment	(8.1)	(5.9)	.8
	-----	-----	-----
Balance, end of period	\$ (18.2)	\$ (10.1)	\$ (4.2)
	=====	=====	=====
Total Shareholders' Equity	\$1,436.8	\$1,174.0	\$941.1
	=====	=====	=====
Comprehensive Income			
Net earnings	\$ 248.0	\$ 208.3	\$140.5
Foreign currency translation adjustment (net of tax: 1998 - \$2.2; 1997 - \$1.1; 1996 - \$.2)	(8.1)	(5.9)	.8
	-----	-----	-----
Total Comprehensive Income	\$ 239.9	\$ 202.4	\$141.3
	=====	=====	=====

The accompanying notes are an integral part of these financial statements.

Notes to Consolidated Financial Statements
Leggett & Platt, Incorporated and Subsidiaries

(Dollar amounts in millions, except per share data)

December 31, 1998, 1997 and 1996

A-Summary of Significant Accounting Policies

PRINCIPLES OF CONSOLIDATION: The consolidated financial statements include the accounts of Leggett & Platt, Incorporated (Leggett & Platt) and its majority-owned subsidiaries (the Company). All significant intercompany transactions and accounts have been eliminated in consolidation.

CASH EQUIVALENTS: Cash equivalents include cash in excess of daily requirements which is invested in various financial instruments with original maturities of three months or less.

INVENTORIES: All inventories are stated at the lower of cost or market. Cost includes materials, labor and production overhead. Cost is determined by the last-in, first-out (LIFO) method for approximately 50% and 55% of the inventories at December 31, 1998 and 1997, respectively. The first-in, first-out (FIFO) method is principally used for the remainder. The FIFO cost of inventories at December 31, 1998 and 1997 approximated replacement cost.

DEPRECIATION, AMORTIZATION AND ASSET IMPAIRMENT: Property, plant and equipment are depreciated by the straight-line method. The rates of depreciation range from 7% to 25% for machinery and equipment, 3% to 7% for buildings and 12% to 33% for other items. Accelerated methods are used for tax purposes. The excess cost of purchased companies over net assets acquired is amortized by the straight-line method over forty years. Other intangibles are amortized by the straight-line method over their estimated lives. The rates of amortization range from 5% to 33%. In accordance with FASB Statement No. 121, long-lived assets, including intangibles, are evaluated for probable recovery of their carrying amount. Appropriate adjustment, using current market values, estimates of discounted future cash flows and other methods, is made when recovery of the carrying amount is not reasonably assured.

CONCENTRATION OF CREDIT RISKS, EXPOSURES AND FINANCIAL INSTRUMENTS: The Company engages in manufacturing, marketing, and distributing engineered products for markets served by the Company as described in Note K. The Company's operations are principally in the United States, although the Company also has manufacturing subsidiaries in Canada, Europe, Mexico and China and marketing and distribution operations in other areas.

The Company performs ongoing credit evaluations of its customers' financial conditions and generally requires no collateral from its customers, some of which are highly leveraged. The Company maintains allowances for potential credit losses and such losses have generally been within management's expectations.

From time to time, the Company will enter into forward exchange contracts to hedge equipment purchases and other transactions in foreign currencies. The amounts outstanding under the forward contracts at any point in time are not significant to the Company. The Company has minimal continuing exposures to other foreign currency transactions and interest rate fluctuations.

The carrying value of cash and short-term financial instruments approximates fair value due to the short maturity of those instruments. The fair value of long-term debt exceeds the carrying value by approximately \$23.

OTHER RISKS: The Company obtains insurance for workers' compensation, automobile, product and general liability, property loss and medical claims. However, the Company has elected to retain a significant portion of expected losses through the use of deductibles. Provisions for losses expected under these programs are recorded based upon the Company's estimates of the aggregate liability for claims incurred. These estimates utilize the Company's prior experience and actuarial assumptions that are provided by the Company's insurance carriers.

ESTIMATES: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

INCOME TAXES: The Company provides for taxes on undistributed earnings of foreign subsidiaries where appropriate. The tax effect of most distributions would be significantly offset by available foreign tax credits.

STOCK-BASED COMPENSATION: The Company applies the intrinsic value based method of accounting prescribed by APB Opinion No. 25 and related interpretations in accounting for stock-based compensation plans. Accordingly, compensation cost for stock options is measured as the excess, if any, of the quoted market price of the Company's stock at the date of grant over the amount an employee must pay to acquire the stock.

FOREIGN CURRENCY TRANSLATION: The functional currency for most foreign operations is the local currency. The translation of foreign currencies into U.S. dollars is performed for balance sheet accounts using current exchange rates in effect at the balance sheet date and for income and expense accounts using monthly average exchange rates. The cumulative effects of translating the functional currencies into the U.S. dollar are included in comprehensive income. Foreign entities whose functional currency is the U.S. dollar are not significant.

B-Stock Split

On June 15, 1998, the Company distributed a two-for-one stock split in the form of a stock dividend. This resulted in the issuances of 98,289,297 additional shares of common stock and 34,096 shares held in treasury. All share and per share amounts have been restated to reflect the split.

C-Acquisitions

During 1998, the Company acquired sixteen businesses in transactions accounted for as purchases. These transactions required the use of \$117.1 in cash, net of cash acquired, and 2,741,480 shares of common stock valued at \$59.8. The excess of the purchase price over the fair value of the net assets acquired increased goodwill by \$121.8. The Company also issued 183,892 shares to acquire one business in a transaction accounted for as a pooling of interests. The Company elected not to restate its financial statements as the effect of this pooling was not material. These acquired businesses manufacture and distribute products primarily to the commercial furnishings and residential furnishings markets, as well as the other markets the Company serves.

The unaudited pro forma consolidated net sales for the years ended December 31, 1998 and 1997 as though the 1998 acquisitions had occurred on January 1 of each year presented were \$3,440.2 and \$3,189.9, respectively. The unaudited pro forma consolidated net earnings and earnings per share are not materially different from the amounts reflected in the accompanying financial statements. These pro forma amounts are not necessarily indicative of either results of operations that would have occurred had the purchases been made on January 1 of each year or of future results of the combined companies.

During 1997, the Company acquired the assets of 28 companies in exchange for \$171.6 in cash, net of cash acquired, and 2,180,100 shares of common stock valued at \$38.7 in transactions accounted for as purchases. The excess of the purchase price over the fair value of the net assets acquired increased goodwill by \$116.0. These companies manufacture and distribute products to residential furnishings, commercial furnishings and other markets. The Company also issued 3,736,960 shares to acquire two businesses in transactions accounted for as poolings of interests. The Company elected not to restate its financial statements as the effect of these poolings was not material. These businesses manufacture and distribute products to aluminum products markets.

On May 13, 1996, the Company issued 10,268,184 shares of common stock to acquire Pace Holdings, Inc. (Pace) in a transaction accounted for as a pooling of interests. Pace is a leading manufacturer and marketer of non-automotive aluminum die cast components. Previously issued financial statements were restated to reflect the pooling.

In connection with a 1993 leveraged buyout transaction, Pace adopted an employee stock option/bonus plan that provided for the granting of options, under certain conditions, at an exercise price of \$.01 per Pace share. In May 1996, prior to the acquisition, options were granted and exercised under the plan resulting in compensation expense of \$12 before taxes. Other merger expense, including costs for the accrual of commitments under contracts no longer benefiting the Company and legal and environmental issues, was \$14.6 before taxes in 1996.

Following the acquisition, the Company issued a tender offer to all holders of the Pace 10.625% senior notes. In June 1996, the notes were redeemed at approximately 113% of par value, plus accrued interest. The cash required for the redemption was provided through the issuance of medium-term notes and the Company's revolving credit agreements. The Company recognized an extraordinary charge, net of related tax benefits, of \$12.5 from the extinguishment of debt.

Also during 1996, the Company acquired the assets of twelve companies in transactions accounted for as purchases. These transactions required the use of \$89.7 in cash, net of cash acquired, and 4,256,248 shares of common stock and common stock equivalents valued at \$54.5. The excess of the purchase price over the fair value of the net assets acquired increased goodwill by \$86.6. In addition, the Company issued 1,124,858 shares to acquire another business in a transaction accounted for as a pooling of interests. The Company elected not to restate its financial statements as the effect of this pooling was not material. These acquired businesses manufacture and distribute products to residential furnishings, commercial furnishings and other markets.

The results of operations of the above acquired companies, except the 1996 Pace pooling, have been included in the consolidated financial statements since the dates of acquisition.

The terms of certain of the Company's acquisition agreements provide for additional consideration to be paid if the acquired company's results of operations exceed certain targeted levels. Such additional consideration may be paid in cash or shares of the Company's common stock, and is recorded when earned as additional purchase price. The maximum amount of additional consideration remaining at December 31, 1998 is approximately \$50 and will be payable, if earned, through 2002.

D - Earnings Per Share

Basic and diluted earnings per share were calculated as follows:

	1998 -----	1997 -----	1996 -----
Basic			
Weighted average shares outstanding, including shares issuable for little or no cash	197,682,147	190,268,516	181,072,718
	-----	-----	-----
Net earnings before extraordinary item	\$248.0	\$208.3	\$153.0
	=====	=====	=====
Earnings per share - basic	\$1.25	\$1.09	\$.84
	=====	=====	=====
Diluted			
Weighted average shares outstanding, including shares issuable for little or no cash	197,682,147	190,268,516	181,072,718
Additional dilutive shares principally from the assumed exercise of outstanding stock options	2,987,686	2,921,108	2,616,656
	-----	-----	-----
	200,669,833	193,189,624	183,689,374
	=====	=====	=====
Net earnings before extraordinary item	\$248.0	\$208.3	\$153.0
	=====	=====	=====
Earnings per share - diluted	\$1.24	\$1.08	\$.83
	=====	=====	=====

E-Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities at December 31 consist of the following:

	1998	1997
	-----	-----
Accrued expenses		
Wages and commissions payable	\$ 36.0	\$ 41.8
Workers' compensation, medical, auto and product liability insurance	45.5	46.5
Income taxes	5.9	10.9
Other	81.4	67.2
	-----	-----
	\$168.8	\$166.4
	=====	=====
Other current liabilities		
Outstanding checks in excess of book balances	\$ 46.5	\$ 41.9
Current maturities of long-term debt	5.2	4.7
Other	46.1	30.8
	-----	-----
	\$ 97.8	\$ 77.4
	=====	=====

F-Long-Term Debt

Long-term debt, weighted average interest rates and due dates at December 31 are as follows:

	1998 -----	1997 -----
Medium-term notes, fixed interest rates of 6.8% and 7.0% for 1998 and 1997, respectively, due dates through 2008	\$491.0	\$325.0
Commercial paper, variable interest rate of 6.6% for 1997, due date in 1998	-	63.3
Industrial development bonds, principally variable interest rates of 4.5% and 4.2% for 1998 and 1997, respectively, due dates through 2030	38.9	38.9
Other, partially secured	49.4	43.7
	-----	-----
	579.3	470.9
Less current maturities	5.2	4.7
	-----	-----
	\$574.1	\$466.2
	=====	=====

The current revolving credit agreements provide for a maximum line of credit of \$300. For any revolving credit agreement, the Company may elect to pay interest based on 1) the bank's base lending rate, 2) LIBOR, 3) an adjusted certificate of deposit rate, or 4) the money market rate, as specified in the revolving credit agreements. Agreement amounts of \$217.5 and \$82.5 will terminate at July 31, 2002 and August 31, 1999, respectively, at which time all outstanding balances will become due.

Medium-term notes that mature in the current year are classified as long-term debt since the Company intends to refinance them on a long-term basis either through continued issuance or unused credit available under the revolving credit agreements.

The revolving credit agreements and certain other long-term debt contain restrictive covenants which, among other restrictions, limit the amount of additional debt and require net earnings to meet or exceed specified levels of funded debt.

Maturities of long-term debt for each of the five years following 1998 are:

Year ended December 31

1999	\$ 5.2
2000	18.0
2001	60.4
2002	117.7
2003	123.6

G-Lease Obligations

The Company conducts certain operations in leased premises and also leases most of its automotive and trucking equipment and some other assets. Terms of the leases, including purchase options, renewals and maintenance costs, vary by lease.

Total rental expense entering into the determination of results of operations was \$29.6, \$27.3 and \$24.3 for the years ended December 31, 1998, 1997 and 1996, respectively.

Future minimum rental commitments for all long-term noncancelable operating leases are as follows:

Year ended December 31

1999	\$16.2
2000	11.5
2001	8.0
2002	5.2
2003	2.6
Later years	2.6

	\$46.1
	=====

The above lease obligations expire at various dates through 2010. Certain leases contain renewal and/or purchase options. Aggregate rental commitments above include renewal amounts where it is the intention of the Company to renew the lease.

H-Capital Stock

STOCK ACTIVITY

Activity in the Company's stock accounts for each of the three years ended December 31 is as follows:

	Common Stock	Treasury Stock
	-----	-----
Balance, January 1, 1996	178,814,206	(1,289,078)
Shares issued	5,413,366	1,494,066
Treasury stock purchased	-	(217,528)
	-----	-----
Balance, December 31, 1996	184,227,572	(12,540)
Shares issued	8,531,548	930,280
Treasury stock purchased	-	(922,514)
	-----	-----
Balance, December 31, 1997	192,759,120	(4,774)
Shares issued	5,006,971	779,695
Treasury stock purchased	-	(857,501)
	-----	-----
Balance, December 31, 1998	197,766,091	(82,580)
	=====	=====

The Company issues shares for employee stock plans and acquisitions. The Company purchases its common stock to meet the requirements of the employee stock purchase and incentive plans, to replace shares issued in purchase acquisitions and to satisfy contractual obligations. The Company will also receive shares in stock-for-stock option exercises.

STOCK OPTIONS

At December 31, 1998, the Company had 13,836,912 common shares authorized for issuance under stock option plans. Generally, options become exercisable in varying installments, beginning 6 to 18 months after the date of grant, and have a maximum term of 5-15 years. Options may be issued with exercise prices at or below market price. Compensation cost charged against income related to the Company's stock option grants for each of the years ending December 31, 1998, 1997 and 1996 was \$8.9, \$6.6 and \$13.7, respectively. Compensation cost includes amounts for options granted under the deferred compensation plan for certain executives, which allows the executive to elect stock options in lieu of future salary and bonuses. Had compensation cost for the Company's stock-based compensation plans been determined based on the estimated fair value of the options at the grant dates, consistent with the method of FASB Statement No. 123, the Company's net income and earnings per share would not be significantly reduced.

A summary of the Company's stock option plans as of December 31, 1998, 1997 and 1996, and changes during the years ending on those dates is presented below:

	Shares	Weighted Average Exercise Price per Share
	-----	-----
Outstanding at January 1, 1996	5,264,778	\$ 5.44
Granted	4,954,314	10.14
Exercised	(1,342,620)	5.61
Forfeited	(85,168)	10.45
	-----	-----
Outstanding at December 31, 1996	8,791,304	8.01
Granted	1,429,502	10.18
Exercised	(2,066,732)	6.45
Forfeited	(161,480)	11.76
	-----	-----
Outstanding at December 31, 1997	7,992,594	8.72
Granted	966,798	14.38
Exercised	(1,218,447)	9.05
Forfeited	(36,760)	16.85
	-----	-----
Outstanding at December 31, 1998	7,704,185	\$ 9.34
	-----	-----
Options exercisable at		
December 31, 1998	4,646,155	\$ 6.67
December 31, 1997	3,488,022	6.16
December 31, 1996	3,653,654	4.53

	1998	1997	1996
	-----	-----	-----
Weighted-average fair value of options:			
Granted at market price	\$5.66	\$4.44	\$2.53
Granted below market price	16.52	12.27	8.44
Weighted-average exercise price of options:			
Granted at market price	23.20	20.31	11.89
Granted below market price	3.17	4.54	6.76
Principal assumptions used in calculating fair value consistent with the method of FASB Statement No. 123:			
Risk-free interest rate	5.1%	6.0%	5.9%
Expected life in years	5.1	4.8	4.3
Expected volatility	20.0%	19.0%	19.0%
Expected dividend yield	1.5%	1.7%	1.7%

The following table summarizes information about stock options outstanding at December 31, 1998:

Range of Exercise Prices	Options Outstanding			Options Exercisable	
	Number Outstanding	Weighted-Average Remaining Contractual Life In Years	Weighted- Average Exercise Price	Number Exercisable	Weighted- Average Exercise Price
-----	-----	-----	-----	-----	-----
\$.01 - \$.25	1,538,563	6.9	\$.06	1,341,980	\$.06
1.81 - 5.69	986,911	1.9	3.82	705,284	3.68
7.75 - 9.84	665,782	2.3	8.04	631,378	7.99
10.00 - 12.94	2,922,593	2.4	11.05	1,576,278	11.21
13.06 - 15.44	553,270	7.2	13.69	344,865	13.69
16.06 - 18.06	74,738	3.0	16.42	23,570	16.48
20.00 - 21.50	427,828	3.9	21.20	22,800	21.34
22.09 - 25.63	534,500	4.2	23.53	-	-

The Company also has authorized shares for issuance in connection with certain employee stock benefit plans discussed in Note I.

PAR VALUE AMENDMENT

In 1993, the Company's shareholders approved an amendment to the Company's Restated Articles of Incorporation reducing the par value of Common Stock to \$.01 from \$1. The amendment provided that the stated capital of the Company would not be affected as of the date of the amendment. Accordingly, stated capital of the Company exceeds the amount reported as common stock in the financial statements by approximately \$39.

SHAREHOLDER PROTECTION RIGHTS PLAN

In 1989, the Company declared a dividend distribution of one preferred stock purchase right (a Right) for each share of common stock. The Rights were attached to and traded with the Company's common stock. The Rights became exercisable only under certain circumstances involving actual or potential acquisitions of the Company's common stock. The Rights expired in February 1999. The Company simultaneously issued substantially identical rights, which remain in existence until February 2009, unless they are exercised, exchanged or redeemed at an earlier date. Depending upon the circumstances, if these Rights become exercisable, the holder may be entitled to purchase shares of Series A junior preferred stock of the Company, shares of the Company's common stock or shares of common stock of the acquiring entity.

I-Employee Benefit Plans

The following table provides information at December 31 as to the Company sponsored defined benefit pension plans:

	1998	1997	1996
	-----	-----	-----
Change in Benefit Obligation			
Benefit obligation, beginning of period	\$ 89.5	\$ 69.2	\$ 62.5
Service cost	2.2	1.6	1.7
Interest cost	5.1	5.0	4.5
Plan participants' contributions	4.0	3.5	3.0
Actuarial losses	4.4	14.7	1.2
Benefits paid	(5.1)	(4.5)	(3.7)
	-----	-----	-----
Benefit obligation, end of period	100.1	89.5	69.2
Change in Plan Assets			
Fair value of plan assets, beginning of period	127.6	98.8	87.1
Actual return on plan assets	5.6	29.8	12.4
Plan participants' contributions	4.0	3.5	3.0
Benefits paid	(5.1)	(4.5)	(3.7)
	-----	-----	-----
Fair value of plan assets, end of period	132.1	127.6	98.8
Plan Assets in Excess of Benefit Obligations			
	32.0	38.1	29.6
Unrecognized net actuarial gains	(5.6)	(14.8)	(7.6)
Unrecognized net transition asset	(1.0)	(1.7)	(2.4)
Unrecognized prior service cost	(.3)	(.3)	(.3)
	-----	-----	-----
Prepaid pension cost	\$ 25.1	\$ 21.3	\$ 19.3
	=====	=====	=====
Components of Net Pension Income			
Service cost	\$ (2.2)	\$ (1.6)	\$ (1.7)
Interest cost	(5.1)	(5.0)	(4.5)
Expected return on plan assets	10.0	7.9	7.0
Amortization of net transition asset	.7	.7	.7
Recognized net actuarial gain	.4	--	--
	-----	-----	-----
Net pension income	\$ 3.8	\$ 2.0	\$ 1.5
	=====	=====	=====
Weighted Average Assumptions			
Discount rate	5.50%	6.00%	7.25%
Expected return on plan assets	8.00%	8.00%	8.00%
Rate of compensation increase	4.40%	5.20%	5.19%

Plan assets are invested in a diversified portfolio of equity, debt and government securities, including 1,176,000 shares of the Company's common stock at December 31, 1998.

Contributions to union sponsored, defined benefit, multiemployer pension plans were \$.2 in 1998, 1997 and 1996. These plans are not administered by the Company and contributions are determined in accordance with provisions of negotiated labor contracts. As of 1998, the actuarially computed values of vested benefits for these plans were primarily equal to or less than the net assets of the plans. Therefore, the Company would have no material withdrawal liability. However, the Company has no present intention of withdrawing from any of these plans, nor has the Company been informed that there is any intention to terminate such plans.

Net pension expense, including Company sponsored defined benefit plans, multiemployer plans and other plans, was \$.4, \$.8 and \$.4 in 1998, 1997 and 1996, respectively.

The Company has a contributory stock purchase/stock bonus plan (SPSB Plan), a non-qualified executive stock purchase program (ESPP) and an employees' discount stock plan (DSP). The SPSB Plan provides Company pre-tax contributions of 50% of the amount of employee contributions. The ESPP provides cash payments of 50% of the employees' contributions, along with an additional payment to assist employees in paying taxes on the cash payments. To the extent possible, contributions to the ESPP are invested in the Company's common stock through the DSP. In addition, the Company matches its contributions when certain profitability levels, as defined in the SPSB Plan and the ESPP, have been attained. The Company's total contributions to the SPSB Plan and the ESPP were \$6.9, \$5.8 and \$4.7 for 1998, 1997 and 1996, respectively.

Under the DSP, eligible employees may purchase a maximum of 16,000,000 shares of Company common stock. The purchase price per share is 85% of the closing market price on the last business day of each month. Shares purchased under the DSP were 894,445, 871,394 and 1,009,210 during 1998, 1997 and 1996, respectively. Purchase prices ranged from \$10 to \$23 per share. Since inception of the DSP in 1982, a total of 13,100,743 shares have been purchased by employees.

J-Income Taxes

The components of earnings before income taxes and extraordinary item are as follows:

Year ended December 31	1998	1997	1996
	-----	-----	-----
Domestic	\$340.8	\$292.2	\$218.0
Foreign	54.8	41.1	31.7
	-----	-----	-----
	\$395.6	\$333.3	\$249.7
	=====	=====	=====

Income tax expense is comprised of the following components:

Year ended December 31	1998	1997	1996
	-----	-----	-----
Current			
Federal	\$108.1	\$102.2	\$ 86.3
State and local	4.2	9.9	12.1
Foreign	18.0	14.4	11.7
	-----	-----	-----
	130.3	126.5	110.1
Deferred			
Federal	4.1	(5.5)	(12.8)
State and local	11.0	4.1	(.5)
Foreign	2.2	(.1)	(.1)
	-----	-----	-----
	17.3	(1.5)	(13.4)
	-----	-----	-----
	\$147.6	\$125.0	\$ 96.7
	=====	=====	=====

In addition to the above income tax expense, the Company recognized a current benefit from an extraordinary item of \$7.7 in 1996.

Deferred income taxes are provided for the temporary differences between the financial reporting basis and the tax basis of the Company's assets and liabilities. The major temporary differences that give rise to deferred tax assets or liabilities are as follows:

December 31	1998	1997
	-----	-----
Property, plant and equipment	\$(70.0)	\$(53.7)
Accrued expenses	51.3	55.2
Prepaid pension cost	(10.1)	(8.4)
Other, net	(20.8)	(14.0)
	-----	-----
	\$(49.6)	\$(20.9)
	=====	=====

Deferred tax assets and liabilities included in the consolidated balance sheet are as follows:

December 31	1998	1997
	-----	-----
Other current assets	\$ 25.3	\$ 31.9
Deferred income taxes	(74.9)	(52.8)
	-----	-----
	\$(49.6)	\$(20.9)
	=====	=====

A valuation allowance has not been provided for the deferred tax asset as the Company believes it will be realized through future taxable income and reversal of other timing differences.

Income tax expense, as a percentage of earnings before income taxes and extraordinary item, differs from the statutory federal income tax rate as follows:

Year ended December 31	1998	1997	1996
Statutory federal income tax rate	35.0%	35.0%	35.0%
Increases in rate resulting primarily from state and other jurisdictions	2.3	2.5	3.7
Effective tax rate	37.3%	37.5%	38.7%

K-Segment Information

The Company has primarily determined its reportable segments based upon the internal organization, which is generally focused on broad end-user markets for its diversified products. Residential Furnishings derives its revenues from bedding, furniture and other furnishings components and related consumer products. Commercial Furnishings derives its revenues from office and institutional furnishings components, retail store fixtures, displays and other commercial products and systems. The Aluminum Products segment derives its revenues from die castings, custom tooling and dies, machining and coating and aluminum raw materials (ingot). Industrial Materials derives its revenues from drawn wire, specialty wire products and welded steel tubing materials. Specialized Products is a combination of segments which derive their revenues from machinery and manufacturing equipment and automotive seating suspension, lumbar support and control cable systems.

The accounting principles used in the preparation of the segment information are the same as used for the consolidated financial statements, except that the segment assets and income reflect the FIFO basis of accounting for inventory. Certain inventories are accounted for using the LIFO basis in the consolidated financial statements. The Company evaluates performance based on earnings from operations before interest and income taxes (EBIT). Intersegment sales are made primarily at prices that approximate market-based selling prices. Centrally incurred costs are allocated to the segments based on estimates of services used by the segment. Certain general and administrative costs of the Company are allocated to the segments based on sales. Asset information for the segments includes only inventory, trade receivables, net property, plant and equipment and purchased intangibles. These segment assets are reflected in the segment information at their estimated average for the year. Long-lived assets as disclosed below include property, plant and equipment, goodwill and other intangibles, and long-term assets. Centrally incurred costs and allocated general and administrative costs include depreciation and other costs related to assets that are not allocated or otherwise included in the segment assets.

Summarized financial information concerning the Company's reportable segments is shown in the following tables:

Year ended December 31

	External Sales	Inter- Segment Sales	Total Sales	EBIT

1998				
Residential Furnishings	\$1,800.5	\$ 11.4	\$1,811.9	\$201.8
Commercial Furnishings	623.3	1.7	625.0	111.1
Aluminum Products	501.1	-	501.1	32.6
Industrial Materials	269.6	174.9	444.5	51.9
Specialized Products	175.9	43.0	218.9	25.1
Intersegment eliminations				(1.3)
Adjustment to LIFO method				7.9
	-----	-----	-----	-----
	\$3,370.4	\$231.0	\$3,601.4	\$429.1
=====				
1997				
Residential Furnishings	\$1,617.4	\$ 5.9	\$1,623.3	\$174.6
Commercial Furnishings	464.4	.3	464.7	85.3
Aluminum Products	441.4	-	441.4	44.6
Industrial Materials	259.7	180.1	439.8	43.5
Specialized Products	126.3	30.6	156.9	17.6
Intersegment eliminations				.3
Adjustment to LIFO method				(3.4)
	-----	-----	-----	-----
	\$2,909.2	\$216.9	\$3,126.1	\$362.5
=====				
1996				
Residential Furnishings	\$1,428.4	\$ 4.7	\$1,433.1	\$156.4
Commercial Furnishings	348.0	.4	348.4	65.3
Aluminum Products	345.8	-	345.8	30.2
Industrial Materials	241.0	160.7	401.7	38.3
Specialized Products	103.0	24.0	127.0	10.7
Intersegment eliminations				(2.4)
Adjustment to LIFO method				5.7
Merger costs				(26.6)
	-----	-----	-----	-----
	\$2,466.2	\$189.8	\$2,656.0	\$277.6
=====				

	Assets	Additions to Property, Plant and Equipment	Acquired Companies' Long-Lived Assets	Depreciation and Amortization

1998				
Residential Furnishings	\$ 983.1	\$ 55.0	\$ 64.7	\$ 58.8
Commercial Furnishings	469.8	9.7	116.1	21.4
Aluminum Products	404.4	42.6	24.5	17.9
Industrial Materials	204.5	7.3	10.4	12.7
Specialized Products	176.7	27.5	4.6	8.1
Unallocated assets	285.9	5.5		9.0
Adjustment to year-end vs. average assets	10.9			
	\$2,535.3	\$147.6	\$220.3	\$127.9
=====				
1997				
Residential Furnishings	\$ 869.1	\$ 41.5	\$ 67.7	\$ 49.9
Commercial Furnishings	315.0	13.3	75.7	15.4
Aluminum Products	353.3	23.9	11.1	13.6
Industrial Materials	179.9	18.3	2.8	11.5
Specialized Products	166.5	13.9	46.9	7.4
Unallocated assets	227.6	8.5		7.8
Adjustment to year-end vs. average assets	(5.1)			
	\$2,106.3	\$119.4	\$204.2	\$105.6
=====				
1996				
Residential Furnishings	\$ 772.5	\$ 39.3	\$ 77.3	\$ 43.5
Commercial Furnishings	192.6	14.6	49.1	10.9
Aluminum Products	301.6	18.7	4.9	15.3
Industrial Materials	168.5	9.3	8.6	10.5
Specialized Products	111.6	7.9	4.6	6.1
Unallocated assets	138.8	6.4		5.9
Adjustment to year-end vs. average assets	27.3			
	\$1,712.9	\$ 96.2	\$144.5	\$ 92.2
=====				

Revenues from external customers, by product line, are as follows:

Year ended December 31	1998	1997	1996

Residential Furnishings			
Bedding components	\$ 672.3	\$ 596.3	\$ 564.6
Residential furniture components	413.4	382.6	327.5
Finished & consumer products	466.1	419.3	377.5
Other residential furnishings products	248.7	219.2	158.8
	-----	-----	-----
	1,800.5	1,617.4	1,428.4
Commercial Furnishings			
Store displays, fixtures & storage products	369.7	236.9	138.0
Office furnishings & plastic components	253.6	227.5	210.0
	-----	-----	-----
	623.3	464.4	348.0
Aluminum Products			
Die cast products	423.3	355.3	272.8
Smelter, tool & die operations	77.8	86.1	73.0
	-----	-----	-----
	501.1	441.4	345.8
Industrial Materials			
Wire, wire products & steel tubing	269.6	259.7	241.0
Specialized Products			
Automotive products & specialized machinery	175.9	126.3	103.0
	-----	-----	-----
	\$ 3,370.4	\$ 2,909.2	\$ 2,466.2
	=====	=====	=====

The Company's operations outside of the United States are principally in Canada, Europe and Mexico, none of which are individually material to its consolidated operations. The geographic information that follows regarding sales is based on the area of manufacture.

Year ended December 31	1998	1997	1996

External sales			
United States	\$ 3,025.9	\$ 2,636.6	\$ 2,292.7
Foreign	344.5	272.6	173.5
	-----	-----	-----
	\$ 3,370.4	\$ 2,909.2	\$ 2,466.2
	=====	=====	=====
Long-lived assets			
United States	\$ 1,183.8	\$ 989.2	\$ 824.7
Foreign	214.4	172.5	124.9
	-----	-----	-----
	\$ 1,398.2	\$ 1,161.7	\$ 949.6
	=====	=====	=====

L-Contingencies

The Company is involved in various legal proceedings including matters which involve claims against the Company under employment, intellectual property, environmental and other laws. One of the Company's subsidiaries is involved in an unfair labor complaint filed by the National Labor Relations Board prior to the Company's acquisition of the subsidiary. An administrative decision has been rendered against the subsidiary, which has been upheld by the courts. The Company is currently pursuing actions to resolve this matter.

When it appears probable in management's judgement that the Company will incur monetary damages or other costs in connection with claims and proceedings, and the costs can be reasonably estimated, appropriate liabilities are recorded in the financial statements and charges are made against earnings. No claim or proceeding has resulted in a material charge against earnings, nor are the total liabilities recorded material to the Company's financial position. While the results of any ultimate resolution cannot be predicted, management believes the possibility of a material adverse effect on the Company's consolidated financial position, results of operations and cash flows from claims and proceedings is remote.

LEGGETT & PLATT, INCORPORATED AND SUBSIDIARIES

REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors and Shareholders of Leggett & Platt, Incorporated:

In our opinion, the financial statements listed in the index appearing under Item 14 present fairly, in all material respects, the financial position of Leggett & Platt, Incorporated and Subsidiaries at December 31, 1998 and 1997, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 1998 in conformity with generally accepted accounting principles. These financial statements are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with generally accepted auditing standards which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for the opinion expressed above.

/s/ PricewaterhouseCoopers, LLP

St. Louis, Missouri
February 3, 1999

Quarterly Summary of Earnings
 Leggett & Platt, Incorporated and Subsidiaries

(Unaudited)
 (Dollar amounts in millions, except per share data)

Year ended December 31, 1998	First	Second	Third	Fourth	Total
-----	-----	-----	-----	-----	-----
Net sales	\$793.2	\$855.4	\$884.1	\$837.7	\$3,370.4
Gross profit	202.3	219.3	228.8	221.1	871.5
Earnings before income taxes	92.7	100.8	104.4	97.7	395.6
Net earnings	57.9	63.4	65.2	61.5	248.0
	=====	=====	=====	=====	=====
Earnings per share					
Net earnings--basic	\$.29	\$.32	\$.33	\$.31	\$ 1.25
	=====	=====	=====	=====	=====
Net earnings--diluted	\$.29	\$.32	\$.32	\$.31	\$ 1.24
	=====	=====	=====	=====	=====
Year ended December 31, 1997					
Net sales	\$673.2	\$721.2	\$747.0	\$767.8	\$2,909.2
Gross profit	170.2	183.4	188.5	195.7	737.8
Earnings before income taxes	78.1	83.9	83.9	87.4	333.3
Net earnings	48.4	52.0	52.8	55.1	208.3
	=====	=====	=====	=====	=====
Earnings per share					
Net earnings--basic	\$.26	\$.28	\$.27	\$.28	\$ 1.09
	=====	=====	=====	=====	=====
Net earnings--diluted	\$.26	\$.27	\$.27	\$.28	\$ 1.08
	=====	=====	=====	=====	=====

Previously reported per share data have been restated to reflect a two-for-one stock split distributed on June 15, 1998.

LEGGETT & PLATT, INCORPORATED AND SUBSIDIARIES
 SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS AND RESERVES
 (Amounts in millions)

Column A ----- Description -----	Column B ----- Balance at Beginning of Period -----	Column C ----- Additions Charged to Cost and Expenses -----	Column D ----- Deductions -----	Column E ----- Balance at End of Period -----
Year ended December 31, 1998.....				
Allowance for doubtful receivables.....	\$ 11.5 =====	\$ 5.2 =====	\$ 3.2 (A) =====	\$ 13.5 =====
Year ended December 31, 1997.....				
Allowance for doubtful receivables.....	\$ 8.6 =====	\$ 5.6 =====	\$ 2.7 (A) =====	\$ 11.5 =====
Year ended December 31, 1996.....				
Allowance for doubtful receivables.....	\$ 7.5 =====	\$ 4.8 =====	\$ 3.7 (A) =====	\$ 8.6 =====

(A) Uncollectible accounts charged off, net of recoveries

RICHARD L. PEARSALL * Director

Richard L. Pearsall

DUANE W. POTTER * Director

Duane W. Potter

MAURICE E. PURNELL, JR. * Director

Maurice E. Purnell, Jr.

ALICE L. WALTON * Director

Alice L. Walton

FELIX E. WRIGHT * Director

Felix E. Wright

March 30, 1999

* By /s/ ERNEST C. JETT

Ernest C. Jett
Attorney-in-Fact pursuant to Power of
Attorney dated February 10, 1999

EXHIBIT INDEX

EXHIBIT NO.	DOCUMENT DESCRIPTION	SEQUENTIAL PAGE NO.
-----	-----	-----
3.1	Restated Articles of Incorporation of the Company as of May 13, 1987.	
3.2	Amendment to Restated Articles of Incorporation of the Company dated May 12, 1993.	
3.3	By-Laws of the Company with all amendments through March 15, 1999.	
4.1	Article III of Registrant's Restated Articles of Incorporation, filed as Exhibit 3.1 above, is incorporated by reference.	
4.2	Rights Agreement effective February 15, 1999 between Registrant and ChaseMellon Shareholder Services, LLC, pertaining to preferred stock rights distributed by Registrant, filed as Exhibit 1 to Registrant's Form 8-K filed December 1, 1998 is incorporated by reference.	
10.1(1)	Restated and Amended Employment Agreement between Harry M. Cornell, Jr. and Leggett & Platt, Incorporated dated as of August 14, 1996, filed as Exhibit 10.1 to Registrant's Form 10-K for the year ended December 31, 1996, is incorporated by reference.	
10.2(1)	Restated and Amended Employment Agreement between the Company and Felix E. Wright dated March 1, 1999.	
10.3(1)	Employment Agreement between the Company and Robert A. Jefferies, Jr. dated November 7, 1990, filed as Exhibit 10.3 to Registrant's Form 10-K for the year ended December 31, 1990, and Amendment No. 1 to Employment Agreement dated January 1, 1993, filed as Exhibit 10.3 to Registrant's Form 10-K for the year ended December 31, 1992, are incorporated by reference.	
10.4(1)	Severance Benefit Agreement between the Company and Harry M. Cornell, Jr. dated May 9, 1984 filed as Exhibit 10.4 to Registrant's Form 10-K for the year ended December 31, 1994, is incorporated by reference.	
10.5(1)	Severance Benefit Agreement between the Company and Felix E. Wright dated May 9, 1984 filed as Exhibit 10.5 to Registrant's Form 10-K for the year ended December 31, 1994, is incorporated by reference.	
10.6(1)	Severance Benefit Agreement between the Company and Robert A. Jefferies, Jr. dated May 9, 1984 filed as Exhibit 10.6 to Registrant's Form 10-K for the year ended December 31, 1994, is incorporated by reference.	
10.7(1)	Reference is made to Appendix B to Registrant's definitive Proxy Statement dated March 27, 1997 used in conjunction with Registrant's Annual Meeting of Shareholders held on May 14, 1997 for a copy of the Company's 1989 Flexible Stock Plan, as amended, which is incorporated by reference.	
10.8(1)	Summary description of the Company's Key Management Incentive Compensation Plan filed as Exhibit 10.7 to Registrant's Form 10-K for the year ended December 31, 1993, is incorporated by reference.	

- 10.9(1) Reference is made to description of certain long-term disability arrangements between Registrant and its salaried employees filed as Exhibit 10.7 to Registrant's Form 10-K for the year ended December 31, 1991, which is incorporated by reference.
- 10.10(1) Form of Indemnification Agreement approved by the shareholders of Registrant and entered into between Registrant and each of its directors and executive officers, filed as Exhibit 10.10 to Registrants Form 10-K for the year ended December 31, 1995, is incorporated by reference.
- 10.11(1) Reference is made to Appendix A to Registrant's definitive Proxy Statement dated March 27, 1997 used in conjunction with Registrant's Annual Meeting of Shareholders held on May 14, 1997, for a copy of the Company's Director Stock Option Plan, as amended, which is incorporated by reference.
- 10.12(1) Leggett & Platt, Incorporated Executive Stock Purchase Program adopted June 6, 1989 under the Company's 1989 Flexible Stock Plan, and effective as of July 1, 1989, as amended on November 13, 1991, filed as Exhibit 10.11 to Registrant's Form 10-K for the year ended December 31, 1991, is incorporated by reference.
- 10.13(1) Revised Employment Agreement between Bob L. Gaddy, Pace Industries, Inc. and Leggett & Platt, Incorporated, filed as Exhibit 10.13 to Registrant's Form 10-K for the year ended December 31, 1996, is incorporated by reference.
- 10.14(1) Registrant's Stock Award Program filed as Exhibit 10.20 of the Registrant's Form 10-K for the year ended December 31, 1997 is incorporated by reference.
- 10.15(1) The Company's Deferred Compensation Program.
- 10.16(1) The Company's Executive Deferred Stock Program.
- 10.17(1) Noncompetition Agreement, dated as of May 13, 1996 between Bob L. Gaddy and Leggett & Platt, Incorporated, filed as Exhibit 10.25 to Registrant's Form 10-K for the year ended December 31, 1996, is incorporated by reference.
- 10.18(1) Pace Industries, Inc., Revised and Restated Employee Incentive Compensation Plan, filed as Exhibit 10.27 to Registrant's Form 10-K for the year ended December 31, 1996, is incorporated by reference.
- 21 Schedule of Subsidiaries of Registrant.
- 23 Consent of Independent Accountants.
- 24 Power of Attorney executed by members of the Company's Board of Directors regarding this Form 10-K and certain registration statements.
- 27 Financial Data Schedule.
- 99 Power of Attorney executed by Robert G. Griffin appointing attorneys-in-fact for purposes of filing reports under Section 16(a) of the Securities Exchange Act of 1934.

- - - - -
 (1) Denotes management contract or compensatory plan or arrangement.

RESTATED ARTICLES OF INCORPORATION

LEGGETT & PLATT, INCORPORATED

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ARTICLE I

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

ARTICLE II

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

ARTICLE III

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

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

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

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

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

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

2. Preferred Stock. The Board of Directors is hereby authorized from time to time to provide by resolution for the issuance of shares of Preferred Stock in one or more classes and one or more series within any class not exceeding the aggregate number of shares of Preferred Stock authorized by these Restated Articles of Incorporation, as amended from time to time; and to determine with respect to each such class or series the voting power, if any (which voting powers if granted may be full or limited), designations, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions appertaining thereto, including without limiting the generality of the foregoing, the voting rights appertaining to shares of Preferred Stock of any class or series, the rate of dividend to which holders of Preferred Stock of any class or series may be entitled (which may be cumulative or noncumulative), the rights of holders of Preferred Stock of any class or series in the event of liquidation, dissolution or winding up of the affairs of the corporation, and the rights (if any) of holders of Preferred Stock of any class or series to convert or exchange such shares of Preferred Stock of such class or series for shares of any other class or series of capital stock of this corporation or any other corporation (including the determination of the price or prices or the rate or rates applicable to such right to convert or exchange and the adjustment thereof, the time or times during which the rights to convert or exchange shall be applicable and the time or times during which a particular price or rate shall be applicable).

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

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

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

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

(b) For purposes of this Section 4:

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

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

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

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

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

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

(i) shares of Common Stock;

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

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

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

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

(3) For a period of forty-five days from the date of the mailing of the Shareholder Notice to persons entitled thereto pursuant to this subsection (c), persons entitled to have shares of Common Stock redeemed pursuant to this Section 4 may, at their option, deposit certificates representing all or less than all shares of Common Stock held of record by them with the Redemption Agent together with written notice that the holder elects to have such shares redeemed pursuant to this Section 4. The Company shall redeem all shares delivered for redemption allowable under Missouri law, on a pro rata basis (except that no fractional shares shall be redeemed), and the shares so redeemed shall no longer be considered outstanding as of the close of business on the day certificates evidencing such shares are deposited in proper form with the Redemption Agent. Any shares not permitted to be redeemed under Missouri law shall be immediately returned to the depositing shareholder and shall remain issued and outstanding.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(C) the primary earnings per share of the Common Stock for the four full consecutive fiscal quarters of the corporation immediately preceding the Announcement Date multiplied by the price/earnings ratio of the Interested Shareholder. For purposes of this Section 6(b)(2)(i)(C) the "price/earnings ratio" shall be the ratio of (X) the per share Fair Market Value of all outstanding common stock of the Interested Shareholder on the Announcement Date to (Y) the primary earnings per share attributable to such common stock for the four full consecutive quarters of the Interested Shareholder immediately preceding the Announcement Date. If more than one Person constitutes the Interested Shareholder, the price/earnings ratio of the Person having the highest

price/earnings ratio shall be used for the computation required by this Section 6(b)(2)(i)(C). The Fair Market Value of non-cash consideration shall be determined as of the date of the consummation of the Business Combination.

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

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

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

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

(C) there shall have been an increase in such rate of dividends as is necessary to reflect any reclassification (including any reverse stock split), recapitalization, reorganization or any similar transaction which has the effect of reducing the number of outstanding shares of any class of common stock of the corporation, unless the failure to increase such annual rate is approved by a majority of all of the Continuing Directors; and

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

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

(v) A proxy or information statement describing the proposed Business Combination containing the views of all of the Continuing Directors and any investment advisor selected by a majority of all of the Continuing Directors and complying with the

requirements of the Securities Exchange Act of 1934 and the rules and regulations thereunder (or any subsequent provisions replacing such Act, rules or regulations) shall be mailed to shareholders of the corporation at least 30 days prior to the consummation of such Business Combination (whether or not such proxy or information statement is required to be mailed pursuant to such Act or subsequent provisions).

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

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

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

(2) "Announcement Date." See Section 6(b)(2)(i)(A).

(3) "Associate." The term "Associate" means:

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

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

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

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

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

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

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

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

(5) "Business Combination." Each of the following shall be deemed a "Business Combination":

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

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

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

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

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

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

(7) "Determination Date." See Section 6(b)(2)(i)(B).

(8) "Fair Market Value." "Fair Market Value" shall mean:

(i) in the case of equity or debt securities, the closing sale price on the date in question of such securities on the Composite Tape for New York Stock Exchange-Listed Stocks, or, if such securities are not quoted on the Composite Tape, on the New York

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

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

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

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

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

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

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

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

ARTICLE IV

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

ARTICLE V

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

ARTICLE VI

The duration of the corporation is perpetual.

ARTICLE VII

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

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

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

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

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

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

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

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

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

To borrow or raise moneys for any of the purposes of the corporation and, from time to time without limit as to amount, to draw, make, accept, endorse, execute and issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable or non-negotiable instruments and evidences of indebtedness, and to secure the payment of any thereof and of the interest thereon by mortgage upon or pledge, conveyance or assignment in trust of the whole or any part of the property of the corporation, whether at the time owned or thereafter acquired, and to sell, pledge or otherwise dispose of such bonds or other obligations of the corporation for its corporate purposes;

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

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

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

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

ARTICLE VIII

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

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

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

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

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

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

office with, or service for, the Corporation (provided such person has a stated term of office or service and completes such term); or (c) the effective date such person resigns his office or terminates his service (provided such person has a stated term of office or service but resigns prior to the expiration of such term).

ARTICLE IX

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

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

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

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

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

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

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

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

(b) Definitions for purposes of this Section 2.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE X

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

ARTICLE XI

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

ARTICLE XII

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

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

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

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

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

I.

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

II.

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

III.

The amendment is as follows:

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

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

IV.

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

V.

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

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

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

(CORPORATE SEAL)

LEGGETT & PLATT, INCORPORATED

ATTEST:

/s/ JOHN A. LYCKMAN

John A. Lyckman
Assistant Secretary

/s/ THOMAS D. SHERMAN

Thomas D. Sherman
Vice President

STATE OF MISSOURI)
) ss.
COUNTY OF NEWTON)

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

/s/ CINDY A. ADAMS

Cindy A. Adams, Notary Public

My Commission Expires: June 13, 1993

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BY-LAWS
OF
LEGGETT & PLATT, INCORPORATED

ARTICLE 1

MEETINGS OF SHAREHOLDERS

Section 1.1 Annual Meeting - Date, Place and Time. The annual meeting of the shareholders for the election of Directors and for the transaction of such other business as may properly come before the meeting shall be held on such date as the Board of Directors shall fix each year. The date of such meeting shall not be earlier than April 1 and not later than September 30 in each year. Each such annual meeting shall be held at such place, within or without the State of Missouri, and hour as shall be determined by the Board of Directors.

Section 1.2 Proper Business at Annual Meetings. At an annual meeting of the shareholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting, business must be (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors, (b) otherwise properly brought before the meeting by or at the direction of the Board of Directors, or (c) otherwise properly brought before the meeting by a shareholder.

For business to be properly brought before an annual meeting by a shareholder, such business proposed to be conducted must be, under the law, an appropriate subject for shareholder action, and the shareholder must have given timely notice thereof in writing to the Secretary of the Corporation. To be timely, a shareholder's notice must be delivered to or mailed and received at the principal executive offices of the Corporation not less than forty days nor more than seventy days prior to the meeting; provided, however, that in the event that less than fifty days' notice or prior public disclosure of the date of the meeting is given or made to shareholders, notice by the shareholder to be timely must be so received not later than the close of business on the tenth day following the date on which such notice of the date of the annual meeting was mailed or such public disclosure was made. A shareholder's notice to the Secretary shall set forth as to each matter the shareholder proposes to bring before the annual meeting (a) a brief description of the business desired to be brought before the annual meeting, (b) the name and address, as they appear on the Corporation's books, of the shareholder proposing such business, (c) the class and number of shares of the Corporation which are beneficially owned by the shareholder, (d) any material interest of the shareholder in such business and (e) such other information with respect to such matter and the shareholder proposing such matter as would be required to be included in a proxy statement filed pursuant to the proxy rules of the Securities and Exchange Commission.

Notwithstanding anything in the By-Laws to the contrary, no business shall be conducted at an annual meeting except in accordance with the procedures set forth in this Section. The presiding officer of an annual meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting and in accordance with the provisions of this Section, and if he should so determine, he shall so declare to the meeting, and any such business not properly brought before the meeting shall not be transacted. The presiding officer of a meeting shall have sole, absolute and complete authority and discretion to decide questions of compliance with the foregoing procedures, and his ruling thereon shall be final and conclusive.

Section 1.3 Special Meetings. Except as otherwise required by law, special meetings of the shareholders may be called only by the Chairman of the Board, the President or the Board of Directors. Business transacted at any special meeting shall be confined to the purposes stated in the notice thereof.

Section 1.4 Quorum. Except as otherwise required by law, the Restated Articles of Incorporation or these By-Laws, the holders of a majority of the shares entitled to vote at any meeting of the shareholders, present in person or by proxy, shall constitute a quorum and the act of the majority of such quorum shall be deemed the act of the shareholders.

If a quorum shall fail to attend any meeting, the presiding officer of the meeting may adjourn the meeting to another place, date or time not longer than ninety days after such adjournment.

At such adjourned meeting as which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 1.5 Qualification of Voters. The Board of Directors, in accordance with applicable law, may fix a record day prior to the day of holding any meeting of the shareholders as the time as of which the shareholders entitled to notice of and to vote at such meeting shall be determined. Only those persons who are holders of record of voting stock on any record date fixed by the Board of Directors shall be entitled to notice of, to attend and to vote at such meeting.

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

Section 1.7 Procedure. The Chairman of the Board, or in his absence the President or in his absence the Secretary of the Corporation, shall preside at an annual or special meeting of the shareholders. In the absence of all of the above named officers, the Board of Directors shall select the person to preside at any meeting of the shareholders. It shall be the duty of such presiding officer to preserve order and insure that the meeting is conducted in a businesslike and proper manner. The presiding officer shall have all sole, complete and absolute authority necessary to fully carry out his duties, including, without limitation, the power to postpone or adjourn the meeting from time to time if in his discretion such action is necessary or advisable to insure order, seek and receive advice of counsel, insure fair and complete voting or otherwise. The ruling of the presiding officer on any matter shall be final and conclusive. The presiding officer shall establish the order of business and such rules and procedures for the conduct of the meeting as in his sole, absolute and complete discretion he determines appropriate under the circumstances.

Section 1.8 Certification of Votes . If the object of a shareholders' meeting be to elect Directors or to take a vote of the shareholders on any proposition, then the Chairman of the Board or, in his absence, the President or other person presiding at such meeting shall appoint not less than two persons, who are not Directors, inspectors to receive and canvass the votes given at such meeting and certify the result to him.

Section 1.9 Transmittal of Notices. Except as provided otherwise in the By-Laws, notices to Shareholders shall be in writing and may be delivered in any reasonable manner including, but not limited to, U.S. mail, private courier, facsimile transmission, telex, telegram and hand delivery.

Notice by U.S. mail or private courier shall be deemed given when deposited with the postal service or courier. Notice by facsimile, telex or telegram shall be deemed given when transmitted.

ARTICLE 2.

DIRECTORS

Section 2.1 Number, Election & Removal. The whole Board of Directors shall consist of not less than three nor more than fifteen members, the exact number to be set from time to time by the Board of Directors. No decrease in the number of Directors shall shorten the term of any incumbent Director. In absence of the Board of Directors setting the number of directors, the number shall be eleven. The Directors shall be elected at the annual meeting of the shareholders, except as provided in Section 2.2 hereof, and each Director elected shall hold office until his successor is elected and qualified. Any Director or Directors may be removed only for cause and then only by the holders of a majority of the shares entitled to vote at an election of Directors, represented in person or by proxy, at any duly constituted meeting of the shareholders called for the purpose of removing any such Director or Directors.

Nominations for the election of Directors at any meeting of shareholders may be made by the Board of Directors or by any shareholder entitled to vote in the election of Directors generally. However, any shareholder entitled to vote in the election of Directors generally may nominate one or more persons for election as Directors at a meeting only if written notice of such shareholder's intent to make such nomination or nominations has been given, either by personal delivery or by United States certified mail, return receipt requested, postage prepaid, to the Secretary of the Corporation not later than (i) with respect to an election to be held at an annual meeting of shareholders, ninety days prior to the anniversary date of the previous year's annual meeting, and (ii) with respect to an election to be held at a special meeting of the shareholders for the election of Directors, the close of business on the tenth day following the date on which notice of such meeting is first given to shareholders. Each such notice shall set forth: (a) the name, address and principal occupation of the shareholder who intends to make the nomination and of the person or persons to be nominated; (b) a representation that the shareholder is a holder of record of stock of the Corporation entitled to vote at such meeting, together with the class and number of such shares, and intends to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice; (c) a description of all arrangements or understandings between the shareholder and each nominee and any other person or persons (naming such person or persons) pursuant to which the nomination or nominations are to be made by the shareholder; (d) such other information regarding such shareholder and each nominee proposed by such shareholder as would be required to be included in a proxy statement filed pursuant to the proxy rules of the Securities and Exchange Commission; and (e) the consent of each nominee to serve as a Director of the Corporation if so elected. The Corporation may require any proposed nominee to furnish such other information as may be reasonably required by the Corporation to determine the eligibility of such proposed nominee to serve as a Director of the Corporation. No person shall be eligible for election as a Director of the Corporation unless nominated in accordance with the procedures set forth herein. The presiding officer of a meeting shall, if the facts warrant, determine and declare to the meeting that a nomination was not made in accordance with the procedures prescribed by the By-Laws, and if he should so determine, he shall so declare to the meeting, and the defective nomination shall be disregarded. The presiding officer of a meeting shall have sole, absolute and complete authority and discretion to decide questions of compliance with the foregoing procedures, and his ruling thereon shall be final and conclusive.

Section 2.2 Qualification. Each Director upon reaching his seventieth birthday shall not thereafter stand for election to the Board of Directors at any meeting of shareholders. The application of this paragraph may be waived by the Board of Directors upon special request by the Chairman of the Board or the President.

No person shall be qualified to be elected and to hold office as a Director if such person is determined by a majority of the whole Board to have acted in a manner contrary to the best interests of the Corporation, including, but not limited to, violation of either State or Federal law, maintenance of interests not properly authorized and in conflict with the interests of the Corporation, or breach of any agreement between such Director and the Corporation relating to such Director's services as a Director, employee or agent of the Corporation.

Section 2.3 Regular and Special Directors' Meetings. Regular meetings of the Board of Directors may be held at such time and at such place as shall from time to time be determined by the Board. Special meetings of the Board of Directors may be called by the Chairman of the Board of Directors or the President, and shall be called by the Secretary on the written request of two or more Directors.

No notice of regular meetings of the Board of Directors need be given.

At least three days prior notice of any special meeting of the Board of Directors shall be given to each Director.

Notwithstanding the provisions of the immediately preceding paragraph of the section, the Chairman of the Board, the President, or the Secretary on the written request of two or more Directors may call a special meeting of the Board of Directors upon notice by telephone, telex, telegram, facsimile transmission or other means not later than the day preceding the date of the meeting.

Section 2.4 Committees. The Directors at any time may elect from their number an executive committee, audit committee, compensation committee and other committees, each of which shall consist of not less than two Directors. Each such committee shall have such powers and duties as shall be delegated to it by the Board of Directors. Each member of such committee shall hold office at the pleasure of the Directors and may be removed by the Directors at any time with or without cause. Vacancies occurring in any committee may be filled by the Directors. During any vacancy on a committee, the remaining members shall have full power to act as the committee. Each committee may prescribe its own rules for calling and holding meetings and its method of procedure, subject, however, to any rules prescribed by the Directors, and, if no such rules shall have been prescribed, the rules applicable to calling and holding of Directors' meeting shall apply to the committee meetings. A quorum for any meeting of a committee shall consist of not less than a majority of the members in office at the time and at each meeting of the committee at which a quorum is present, all questions and business shall be determined by the affirmative vote of not less than a majority of the members present. Except as the executive committee's powers and duties may be limited or otherwise prescribed by the Directors, the executive committee, during the intervals between the meetings of the Directors, shall possess and may exercise all of the powers of the Directors in the management and control of the business and property of the Corporation; including but not limited to the power and authority to authorize the issuance or sale of the stock of the Corporation.

The foregoing notwithstanding, no committee shall be empowered to elect Directors to fill vacancies among the Directors or on any committee of the Directors. Subject to said exceptions, persons dealing with the Corporation shall be entitled to rely upon any action of a committee with the same force and effect as though such action had been taken by the Directors. Subject to the rights of third persons, any action of a committee shall be subject to revision or alteration by the Directors.

Section 2.5 Compensation of Directors. Directors and members of any committee of the Board of Directors shall be entitled to such reasonable compensation and fees for their services as such as shall be fixed from time to time by resolution of the Board of Directors and shall also be entitled to reimbursement for any reasonable expenses incurred in attending meetings of the Board of Directors and any Committee thereof; provided, that nothing herein contained shall be construed to preclude any Director from serving the Corporation in any other capacity and receiving compensation therefor.

Section 2.6 Honorary Directors. In addition to the Directors of the Corporation, there may be as many Honorary or Advisory Directors and Directors Emeritus as the Board of Directors may appoint. Honorary or Advisory Directors and Directors Emeritus shall have no liability after they become such for the actions of the Board of Directors and shall not be required to attend any meeting of the Board of Directors, but shall be notified of all meetings of the Board of Directors in the same manner as the Directors, and if in attendance at such meetings, shall have all the rights and privileges of Directors, except the right to vote on matters before such meetings.

ARTICLE 3.

OFFICERS

Section 3.1 Officers. The principal executive officers of the Corporation shall be the Chairman of the Board, the President, one or more Vice Presidents (who may also be called executive vice president, senior executive vice president, group vice president, division vice president or the like), a Secretary and a Treasurer, all of which shall be elected by the Board of Directors. The Board may elect, or the Chairman of the Board may appoint, such other officers (including vice presidents and assistant or associate officers), as may be deemed necessary or appropriate from time to time. Such officers may include, but shall not be limited to, a chief financial officer, a general counsel, controller and director of internal audit. Any two or more offices may be held by the same person.

The officers of the Corporation shall have such authority and shall perform such duties as are customarily incident to their respective offices or as shall be specified from time to time by the Board of Directors or the Chairman of the Board, regardless of whether such authority and duties are customarily incident to such office.

Section 3.2 Removal. Any officer may be removed by the Board of Directors or the Chairman of the Board at any time, with or without cause, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer shall not of itself create contract rights.

ARTICLE 4.

CERTIFICATES FOR SHARES

Section 4.1 Issuance of Certificates. The Corporation shall deliver certificates representing all shares to which shareholders are entitled. Such certificates shall be signed by the Chairman of the Board or the President, and the Secretary or an Assistant Secretary of the Corporation, and may be sealed with the seal of the Corporation or a facsimile thereof. Each certificate representing shares shall state upon the face thereof that the Corporation is organized under the laws of the State of Missouri, the name of the person to whom issued, the number and class and the designation of the series, if any, which such certificate represents, and the par value of each share represented by such certificate or a statement that the shares are without par value.

Section 4.2 Lost or Destroyed Certificate. The Corporation, acting through any of its duly authorized officers or other duly authorized employees, may direct a new certificate or certificates to be issued in place of any certificate or certificates previously issued by the Corporation alleged to have been lost or destroyed, upon the filing of an affidavit of that fact by the person claiming the certificate to be lost or destroyed. When authorizing such issue of a new certificate or certificates, the Corporation may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost or destroyed certificate or certificates, or the owner's legal representative, to advertise the same in such manner as the Corporation shall require and/or to give the Corporation a bond in such sum as the Corporation may direct as indemnity against any claim that may be made against the Corporation with respect to the certificate alleged to have been lost or destroyed.

Section 4.3 Certificate Cancellation. Upon surrender to the Corporation or the transfer agent of the Corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, it shall be the duty of the Corporation to issue a new certificate to the person entitled thereto, to cancel the old certificate, and to record the transaction upon its books.

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

ARTICLE 5.

INDEMNIFICATION

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

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

(a) in such person's capacity as or arising out of such person's status as (i) a Director or officer of the Corporation; or (ii) a Director, officer, employee or agent of another Corporation, partnership, joint venture, trust or other enterprise when so serving at the request of the Corporation; or

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

Section 5.2 Indemnification of Employees, Agents, Etc. Each person who was or is an employee or agent of the Corporation, or who was or is serving at the request of the Corporation as a Director, officer, employee or agent of another Corporation, partnership, joint venture, trust or other

enterprise (including the heirs, executors, administrators or estate of each such person) may, at the discretion of the Board of Directors, be indemnified by the Corporation to the same extent as provided herein with respect to any person who was or is a Director or officer of the Corporation.

Section 5.3 Right of Directors and Officers to Advance of Expenses.

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

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

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

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

(a) The term "applicable law" means (i) Section 351.355 of The Missouri General and Business Corporation Law (other than Subsection 6 thereof and any other Subsection comparable in purpose to Subsection 6) as in effect on May 7, 1986 and as thereafter amended (but in the case of any such amendment, only to the extent such amendment permits the Corporation to provide broader indemnification rights than The Missouri General and Business Corporation Law permitted the Corporation to provide immediately prior to such amendment) and (ii) any other statutory indemnification provisions adopted after May 7, 1986.

(b) The term "Directors" or "officers" of the Corporation shall include the heirs, executors, administrators and estate of each such person who was a Director or officer, which heirs, executors, administrators and estate shall succeed to all of the indemnification and other rights of such Director or officer.

(c) The term "proceedings" shall mean any threatened, pending or completed action, suit or other proceeding (including those by or in the right of the Corporation) whether civil, criminal, administrative or investigative.

(d) The term "fines" shall include any excise taxes assessed on a person with respect to any employee benefit plan.

(e) The term "indemnification sources" shall refer jointly and severally to applicable law as defined above, this Article 5 and Article VIII of the Corporation's Restated Articles of Incorporation.

(f) The term "other enterprise" shall include employee benefit plans.

(g) The term "serving at the request of the Corporation" shall include any service as a Director, officer, employee or agent of the Corporation which imposes duties on, or involves services by, such Director, officer, employee or agent with respect to any employee benefit plan, its participants or beneficiaries.

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

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

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

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

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

ARTICLE 6.

GENERAL PROVISIONS

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

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

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

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

Section 6.5 Examination of Books. Any shareholder of record desiring to examine the books and records of the Corporation may do so during regular business hours at the office of the Corporation where such books and records are normally kept. No such shareholder, however, may remove any such books and records from such premises, and no such shareholder shall make alterations to such books or records, and in each instance of examination by such shareholder of such books or records, an officer or employee designated by an officer of the Corporation shall be present at all times during such examination, and the regular wage or salary of such officer or employee for the period of time spent in such examination shall be paid to the Corporation by such shareholder or shareholders making such examination. Notwithstanding any provision hereinabove to the contrary, no shareholder shall have the right to examine the books or the records of the Corporation if any officer of the Corporation determines, in his or her discretion, that such examination may be to the detriment or competitive disadvantage of the Corporation or if the purpose of such examination is improper.

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

August 6, 1998 - Amendment Adopted by the Board of Directors:

RESOLVED, that the second sentence of the second paragraph of Section 1.2 of the Company's By-Laws be amended to provide as follows:

"To be timely, a shareholder's notice must be delivered to or mailed and received at the principle executive offices of the Corporation not less than sixty days nor more than eighty days prior to the anniversary date on which the Corporation's proxy materials related to the previous year's annual meeting were first mailed."

RESOLVED FURTHER, that Section 1.2 of the Company's By-Laws as amended is designated as a Protected By-Law.

RESTATED AND AMENDED EMPLOYMENT AGREEMENT
 BETWEEN
 FELIX E. WRIGHT AND
 LEGGETT & PLATT, INCORPORATED

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RESTATED AND AMENDED
EMPLOYMENT AGREEMENT

This Amended and Restated Employment Agreement (the "Restated Agreement") is made as of March 1, 1999 by Leggett & Platt, Incorporated, a Missouri corporation (the "Company"), and Felix E. Wright (the "Executive").

RECITALS

- A. This Restated Agreement amends and restates in its entirety the Employment Agreement between the Company and the Executive dated May 1, 1981, as previously amended, supplemented or clarified (the "Employment Agreement").
- B. This Restated Agreement eliminates certain provisions of the Employment Agreement which have become inapplicable due to the passage of time, and integrates the Employment Agreement and all prior supplements or amendments into a single comprehensive document.
- C. The Company desires that the Executive remain in the employment of the Company. Accordingly, the Compensation Committee (the "Compensation Committee") of the Board of Directors of the Company (the "Board") has recommended the execution of this Restated Agreement and the Board has authorized the execution of the same.

AGREEMENT

NOW THEREFORE, for good and valuable consideration, the Company and the Executive do restate and agree as follows:

1. Employment

The Company hereby reaffirms its employment of the Executive as its President and Chief Operating Officer, and the Executive hereby confirms his employment in that capacity. Beginning on May 13, 1999, the Executive will, if so elected by the Board, become the Chief Executive Officer of the Company, Vice Chairman of the Board, and Vice Chairman of the Executive Committee. The Executive will no longer be the Chief Operating Officer after May 13, 1999, but shall continue to act as President of the Company until such time as the Board appoints a new President.

The Executive's employment under this Restated Agreement is subject to the terms and conditions set out below and will be carried out in Carthage, Missouri, at the Company's principal executive offices. However, the Executive acknowledges that the nature of his employment may require reasonable domestic and international travel from time to time.

2. Term

2.1 Term

The term of this Restated Agreement commenced on May 1, 1981 and shall end on October 1, 2002, unless terminated earlier in accordance with the provisions of this Restated Agreement. Upon mutual agreement between the Executive and the Company, the term of this Agreement may be extended for up to two additional one-year periods.

2.2 Early Termination

The term of this Restated Agreement may be terminated prior to expiration by reason of any of the following:

- (a) by the Executive (but not the Company) upon six (6) months prior written notice;
- (b) in accordance with the Severance Benefit Agreement between the Company and the Executive dated as of May 9, 1984, as amended from time to time (the "Severance Benefit Agreement"), a copy of which is attached as Exhibit A for information purposes only;
- (c) by the Executive's death;
- (d) in accordance with Section 7 hereof, upon the Executive's Total Disability (as hereinafter defined);
- (e) by the Executive pursuant to Section 8 hereof;
- (f) by the Company pursuant to Section 10 hereof; or
- (g) for other causes as provided elsewhere in this Restated Agreement.

3. Duties and Authority

The Executive shall devote his full business time to the affairs of the Company. However, this shall not be deemed to prevent the Executive from devoting such time (which shall not be substantial in the aggregate) to personal business interests that do not unreasonably interfere with the performance of the Executive's duties hereunder.

The Executive shall use his best efforts, skills and abilities to promote the Company's interests. The Executive shall serve as director (if so elected by the shareholders of the Company) and shall perform such duties at the Presidential level or above as may be assigned to him by the Board.

The direction and control exercised by the Board over the Executive shall be such as is customarily exercised by a board of directors over a vice chairman of the board and chief executive officer.

4. Compensation

4.1 Base Salary

The Executive shall be paid a base salary at an annual rate of \$660,000. Beginning on or about April 1, 2000 and April 1 of each successive year during the term of Executive's active performance of duties as Chief Executive Officer of the Company hereunder, the Compensation Committee of the Board shall appraise the Executive's performance during the previous calendar year, taking into account such factors as it deems appropriate. As a result of such appraisal, the then annual base salary of the Executive may be increased (but shall not be decreased) by such amount as the Compensation Committee determines is fair, just and equitable; provided, however, the percentage increase in the Executive's base salary shall always be at least equal to the then latest percentage increase over the previous year in the aggregate annual base salaries of the Company's five highest paid executive officers other than the Executive. In computing this percentage increase, the Compensation Committee shall disregard that part of any base salary increase attributable in the Committee's reasonable judgment to additional responsibilities assumed or to be assumed by any of such five highest paid executive officers. Further, in computing the percentage increase, the Compensation Committee shall make equitable adjustments in its computations so that the Executive will not be prejudiced by any reduction in the responsibilities of any of such five highest paid executive officers implemented during the immediately preceding year or to be implemented in the immediately following year.

The Executive's base salary shall be paid in equal bi-weekly installments.

All salary increases under this section will be made as of the beginning of the first payroll period in which the Company's other salaried employees generally receive merit related annual salary adjustments.

4.2 Annual Cash Bonus

For the year 1999, and each succeeding year during the term of this Agreement, the Executive shall be entitled to earn a cash bonus computed in accordance with the 1999 Key Officers Incentive Plan (the "Incentive Plan"). The amount of the Executive's bonus shall be determined by applying a bonus formula approved by the Compensation Committee to a percentage of Executive's annual salary on December 31 of each year ("target percentage"). The Executive's target percentage is 60%. The Compensation Committee shall be entitled to amend or supplement the guidelines from time to time whenever the Committee deems this to be in the best interests of the shareholders of the Company.

If the Executive's employment under this Restated Agreement is terminated before December 31 of any year, the Executive shall receive a prorated bonus for the year of

termination. This prorated bonus shall bear the same ratio to the actual bonus the Executive would have earned with respect to the year under the Incentive Plan as the number of days this Restated Agreement is in force during such year bears to 365.

4.3 Option Grant.

Prior to May 13, 1999, the Executive shall be granted non-qualified options to purchase 200,000 shares of the Company's common stock. The options shall (i) have an exercise price equal to the closing price of the Company's common stock on the New York Stock Exchange on the option grant date, (ii) vest and become exercisable over a 5-year period, 20% after the end of each year after grant, (iii) have a 10-year term and, once the options are vested and become exercisable, may be exercised during such ten-year period even if the Executive is no longer employed by the Company, and (iv) shall be subject to such other terms and conditions as are contained in the Company's standard form of non-qualified option agreement. If the Executive continues to be employed by the Company after October 1, 2002, the Compensation Committee will determine whether Executive will participate in company-wide stock option grants occurring after such date or otherwise receive additional stock option grants.

4.4 Vacations; Other Benefits

The Executive shall be entitled to a reasonable annual vacation (not less than an aggregate of four weeks in any calendar year) with full pay, benefits and allowances.

In addition to the salary, bonus and other payments to be made under this Restated Agreement, the Executive shall be entitled to participate (to the extent legally permitted) in any insurance, pension, profit sharing, stock bonus, stock option, stock purchase or other benefit plan of the Company now existing or hereafter adopted for the benefit of executive officers of the Company or the employees of the Company generally.

At the Company's expense, the Company shall provide office space, secretarial assistance, supplies and equipment fully adequate to enable the Executive to perform the services contemplated by this Restated Agreement and at least comparable to that being provided to the Executive on the date hereof.

The Company shall provide the Executive with appropriate perquisites at least comparable to those provided to the Executive on the date hereof and, in all events, equal to such perquisites as may be made available from time to time to the Company's other executive officers.

In addition to the payments provided for in this Section 4 and elsewhere in this Restated Agreement, the Company may from time to time pay the Executive as a salary increase, a bonus or otherwise, such additional amounts as the Compensation Committee of the Board shall, in its discretion, determine.

Except as may be provided otherwise in this Restated Agreement or to the extent required by law, no benefits referred to in this section or provided for in other sections of this Restated Agreement shall be reduced by the Company as to the Executive without first securing his consent.

5. Expenses

The Company shall pay or reimburse the Executive for all transportation, hotel, living and related expenses incurred by the Executive on business trips away from the Company's principal office and for all other business and entertainment expenses reasonably incurred by him in connection with the business of the Company and its subsidiaries or affiliates.

6. Pension

6.1 Obligation to Make Pension Payments

When Executive's employment is hereafter terminated for any reason whatsoever, including Total Disability or death, the Company shall make cash payments to the Executive (herein the "Pension Payments") as provided in this Section 6.

6.2 Commencement and Duration of Pension Payments

The Pension Payments shall begin on the first day of the first month immediately following the later of: (i) the Executive's termination of employment, or (ii) the expiration of the consulting period set out in Section 9. All Pension Payments shall be made in equal monthly installments and once commenced shall continue during the life of the Executive. If the Executive dies before Pension Payments begin or within 15 years from the first monthly Pension Payment, then the monthly Pension Payments shall thereafter be made during the remainder of the 15-year period to the Executive's Designee (as hereinafter defined).

The Executive's "Designee" shall be Martha F. Wright or such other person or other legal entity designated by the Executive to the Company after the date hereof. The Executive may change the Designee from time to time by an amending designation to the Company. In the absence of a valid designation, or if the Designee dies before the Executive, then the Designee shall be deemed to be the estate of the Executive.

6.3 Amount of Annual Pension Payments

The Executive's annual Pension Payments shall be 35% of the Executive's Five-Year Average Compensation. "Five-Year Average Compensation" shall be computed by dividing 5 into the highest amount of total compensation accrued by the Company with respect to the Executive for services rendered by the Executive in any period of five consecutive calendar years (which may include the year of termination). Such compensation shall include salaries, bonuses and special awards unless provided otherwise below (whether in cash or in kind), but shall not include pensions, retirement allowances, severance pay, fees under consulting contracts, director's fees, distributions under Company benefit plans, the value of fringe benefits and the like. Additionally, in computing Five-Year Average Compensation the following provisions shall apply:

- (a) all salaries, bonuses and special awards shall be deemed "accrued" with respect to a given year even though actually paid in a later year, provided the same stem from the Executive's performance of services

during the given year (e.g., bonuses for the year 1999 paid in February 2000, or any salary or bonus which the Executive elects to defer until later years pursuant to the Company's Deferred Compensation Program);

- (b) if the Executive elects to receive stock options in lieu of salary or bonus under the Company's Deferred Compensation Program or any other plan the Company may hereafter adopt, the compensation "accrued" shall be the amount of salary or bonus foregone;
- (c) all stock and cash awards previously or hereafter issued to the Executive under the Company's 1989 Flexible Stock Plan will be excluded;
- (d) all payments previously or hereafter made to the Executive to offset the effect of tax law limitations on the Executive's participation in the Leggett & Platt Retirement Plan will be excluded; and
- (e) all bonuses, awards and other payments made to the Executive (i) to reimburse Executive for, or provide the Executive with funds to pay, income taxes which become payable by the Executive as a result of exercise of non-qualified stock options or (ii) to induce the Executive to make, or to compensate Executive for making, disqualifying dispositions of Company stock acquired in the exercise of incentive stock options, will be excluded.

The annual Pension Payments under this section shall be reduced by all amounts paid to Executive under any disability income insurance policies which are attributable to premiums paid by the Company (all such amounts are referred to as "Pension Reduction Amounts").

6.4 Insurance During Retirement or Disability

During the 15-year period following Executive's termination of employment (or, if longer, until Executive's death), the Company will pay, or arrange insurance coverages to pay, all of Executive's and his dependents' medical and hospitalization expenses which are not covered by Medicare or other government health insurance. However, the payments and coverages provided by the Company will not exceed the payments and coverages that Executive and his dependents would have received under the Company's medical plan applicable to them immediately prior to termination of Executive's employment. The Company will also reimburse the Executive and his dependents for premiums they pay for Medicare and other government health insurance.

The Company will provide life insurance coverage to the Executive at least equal to the coverage provided to him immediately prior to termination of his employment.

The Company will pay to Executive and his dependents an amount sufficient to pay income taxes on all amounts or benefits received under this Section 6.4 which are required to be included in income for tax purposes.

6.5 Conversion of Pension Payments into Options

The Executive may elect to convert all or a portion of the present value of his Pension Payments into Options at the times set out below and in manner set out on Exhibit B:

- (a) within 60 days before or after termination of Executive's employment with the Company;
- (b) within 90 days after a "Change in Control" (as defined in the Severance Benefit Agreement);
- (c) at any time if (i) the Company's price/earnings ratio, as reported in the Wall Street Journal, is at least 14, (ii) such ratio is at least 80% of the price/earnings ratio for the Standard & Poors 500 index, as also reported in the Wall Street Journal and (iii) the Company's common stock is trading at a price which is at least 85% of the 3-year high;
- (d) at any time within three months after the Company has sold, for its own account, its common stock in an underwritten, primary public offering;
- (e) at such other time or times either before or after termination of employment as the Compensation Committee may, in its sole discretion, agree with Executive.

"Option" means an Option to purchase shares of the Company's common stock, the general terms and conditions of which are set out on Exhibit B. The formula for determining the number of Option shares is also set out on Exhibit B.

The present value of the Pension Payments to be converted into Options shall be determined by an independent actuary of the Company. The discount rate applied by the actuary shall be determined by the Chief Financial Officer using a rate equal to the Company's cost of funds for obligations of similar duration.

The Executive shall exercise his election to convert all or a portion of the Pension Payments into Options by delivering an election notice (the "Election Notice") to the Compensation Committee. The Election Notice shall designate the portion of Pension Payments to be converted into Options. Promptly after receipt of the Election Notice, the Company shall deliver to Executive an agreement evidencing the Company's obligations as respects the Options. The agreement shall incorporate all of the terms and conditions of the Options set out on Exhibit B and contain such additional terms and conditions determined by the Compensation Committee as are consistent with Exhibit B and necessary to implement Executive's election. Limitations or restrictions on the time of election, purchase or sale of Company securities or other matters may be added to the Option agreement to reduce the risk of violation of Section 16 of the Securities Exchange Act of 1934.

Upon the grant of an Option, the Company's obligations to make all or any part of the Pension Payments shall be extinguished to the extent such Pension Payments were used as a basis for conversion into Options. Thus, for example, if the Executive elected to convert all of his accrued Pension Payments into Options on January 1, 2000, the number of Options

received would be based on 35% of his Five Year Average Compensation (see Section 6.3). If the annual Pension payments accrued were \$400,000 at this time, the Company's obligation for future annual Pension Payments would be extinguished to the extent of \$400,000. If the Executive continued to be employed until January 1, 2003 and his annual Pension Payments would have been \$500,000 at that time, he would receive annual Pension payments equal to \$100,000 (i.e., \$500,000 minus \$400,000) over the pension period.

In no event shall the Company be required to issue Options under this Section 6.5 if, under the tax laws then in force, such issuance or subsequent exercise of the Options will result in materially increasing the Company's tax liabilities when compared to making Pension Payments.

7. Disability

7.1 Definition of "Total Disability"

The Executive shall be deemed to have a "Total Disability" if he is unable, for a continuous period of four or more months, to perform substantially all of the material personal services to be rendered by him under this Restated Agreement.

During the continuance of any Total Disability, the Board may elect to relieve the Executive of all of his duties hereunder by Board resolution delivered to the Executive, or the Executive may elect to cease performing all of his duties hereunder by notice delivered to the Company. Thereupon, Executive's duties and responsibilities under this Restated Agreement shall cease 60 days following delivery of the Board resolution or the Executive's notice, as the case may be; provided, however, that all other provisions of this Restated Agreement, including the Executive's cash compensation and other benefits, shall continue in full force until 14 months from the first day of the four month or longer continuous period that culminated in the Total Disability ("Disability Termination Date"). If Executive continues to have a Total Disability on the Disability Termination Date, his employment under this Restated Agreement shall be terminated.

7.2 Offset Payments

The Company's obligation to continue the Executive's cash compensation from the date of a Total Disability to the Disability Termination Date shall be reduced by (a) all amounts paid to Executive under disability income insurance policies made available to the Executive by the Company and (b) by all amounts received by the Executive from Social Security disability benefits.

8. Executive's Option to Terminate Agreement

Not later than six months after the occurrence of any of the following events the Executive may elect to terminate his employment under this Restated Agreement by sending notice of termination to the Company:

- (a) The Executive shall not be elected and continue as director of the Company, or Chief Executive Officer of the Company or a Member of the Board's Executive Committee;

- (b) The Company is merged or consolidated with another corporation and the Company is not the survivor;
- (c) The Company is dissolved;
- (d) Substantially all of the assets of the Company are sold to any other person;
- (e) A public tender offer is made for the shares of the Company and the offeror acquires at least 40% of the outstanding common shares of the Company; or
- (f) A proxy contest is waged and the person waging the contest acquires working control of the Company.

The Executive's employment obligations under this Restated Agreement shall terminate on the date of termination specified in the Executive's notice to the Company, which date must be within 60 days of the date of the notice.

9. Consulting Agreement

Upon the expiration of the term of this Restated Agreement or the termination of the Executive's employment for any reason other than death, Total Disability, or discharge for cause, either the Company or the Executive shall have the option to arrange for the Executive to render consulting services to the Company on the following terms and conditions:

- (a) The party wishing to invoke the provisions of this section shall send notice thereof to the other party within 120 days after termination of employment.
- (b) Beginning on the first day of the first month immediately following the sending of the notice and continuing for a period of two years thereafter, the Executive shall render such consulting services to the Company as the Company may reasonably request from time to time. Consulting services shall be limited to the Executive's consideration, review and/or rendering of advice regarding plans or ideas or specific limited questions or problems proposed by the Company and consultation on any major matters of policy affecting the Company, it being understood that none of the foregoing is to generate substantial research, traveling or deliberation time by the Executive.
- (c) In consideration for the consulting services to be rendered by the Executive, the Company shall pay the Executive during the first and second years of consultation an amount equal to 60% of the Executive's Five-Year Average Compensation (as defined in Section 6.3).
- (d) Consulting fees payable hereunder shall be paid each year in bi-weekly installments. In addition, the Company shall promptly pay or reimburse the Executive for all out-of-pocket costs incurred by him in rendering consulting services under this section.

- (e) All payments made under this section shall be in addition to any Pension Payments or other payments made to the Executive under this Restated Agreement.
- (f) During the period Executive is rendering consulting services, he shall be entitled to use the same office space and to receive secretarial service which is at least equal to that received immediately prior to his termination of full-time employment.

10. Termination by the Company

10.1 Termination For Cause

The Company may terminate the Executive's employment pursuant to this Restated Agreement by discharging the Executive for cause. The term "for cause" shall be limited to the following events:

- (a) The Executive's conviction of any crime involving money or other property of the Company or any of its affiliates or of any other crime (whether or not involving the Company or any of its affiliates) that constitutes a felony in the jurisdiction involved; or
- (b) The Executive's continuing, repeated, willful violation of specific written directions of the Board (or the board of any affiliate of the Company of which the Executive is an officer) which directions are consistent with this Restated Agreement and which violation continues following the Executive's receipt of such written directions; or
- (c) The Executive's continuing, repeated, willful failure to perform his duties hereunder; provided, however, that no discharge shall be deemed for cause under this subsection (c) unless the Executive first receives written notice from the Board (or of the board of any affiliate of the Company of which the Executive is an officer) advising the Executive of the specific acts or omissions alleged to constitute a failure to perform his duties, and such failure continues after the Executive shall have had a reasonable opportunity to correct the acts or omissions so complained of.

In no event shall the alleged incompetence of the Executive in the performance of his duties under this Restated Agreement be deemed grounds for discharge for cause.

10.2 Termination Without Cause

The Board, at any time and without cause, may relieve the Executive of his duties under this Restated Agreement upon three months prior written notice to the Executive; provided that such action by the Board pursuant to this Section 10.2 shall not be deemed a termination of the Executive's employment and shall not relieve the Company of any of its financial obligations to the Executive as set forth in this Restated Agreement. Notwithstanding

the foregoing sentence, if the Executive's duties are terminated pursuant to this Section 10.2, the Executive's employment shall thereafter be terminated upon the earlier of (i) Executive's death or (ii) the Disability Termination Date (as defined in Section 7.1).

11. Confidential Information

The Executive shall not at any time (whether during the term of this Restated Agreement or thereafter) disclose to any person any confidential information or trade secrets of the Company.

If any of the restrictions contained in this section or elsewhere in this Restated Agreement shall be deemed unenforceable by reason of the extent, duration, or geographical scope thereof or otherwise, then the Executive and the Company contemplate that the appropriate court will reduce such extent, duration, geographical scope or other provisions hereof and enforce the restrictions set out in this section and elsewhere in their reduced form for all purposes in the manner contemplated hereby.

12. Nonassignability

This Restated Agreement and the benefits hereunder are personal to the Company and are not assignable by it; provided, however, this Restated Agreement and the benefits hereunder may be assigned by the Company to any person acquiring all or substantially all of the assets of the Company or to any corporation into which the Company may be merged or consolidated. In the event of an assignment of this Restated Agreement to any person acquiring all or substantially all of the assets of the Company or to any corporation into which the Company may be merged or consolidated, the title, responsibilities and duties assigned to the Executive by such successor person or corporation shall be the title, responsibilities and duties of a senior executive officer of such successor person or corporation.

The provisions of this Restated Agreement shall be binding on and inure to the benefit of the Executive, his assignees, executors, and administrators.

13. Miscellaneous

13.1 Waivers

No waiver by either party of any breach or nonperformance of any provision of this Restated Agreement shall be deemed to be a waiver of any preceding or succeeding breach or nonperformance of the same or any other provision hereof.

13.2 Notices

All notices, waivers, designations or other communications (herein collectively "notices") that either party is required or permitted to give hereunder shall be in writing and delivered as follows:

If to the Executive:

If to the Company:

Felix E. Wright
2195 County Road 110
Carthage, Missouri 64836

Leggett & Platt, Incorporated
No. 1 Leggett Road
Carthage, Missouri 64836
Attention: Secretary

subject to the right of either party at any time to designate a different location for the delivery of notices.

13.3 Survival of Provisions

The provisions set out in Sections 6, 9 and 11 shall survive the expiration or termination of this Restated Agreement, as shall all other provisions hereof which provide for or contemplate performance by either the Executive or the Company following the termination hereof.

By way of example, if Executive's employment is terminated after the term of this Agreement (as defined in Section 2.1), then either he or the Company shall have the option to arrange for Executive's consulting services as described in Section 9.

13.4 Restatement

This Restated Agreement shall replace and supersede in the entirety the Employment Agreement and all supplements, amendments or clarifications to the Employment Agreement prior to date hereof.

13.5 Split Dollar Life Insurance

On February 21, 1977, the Company and the Executive entered into a split dollar life insurance agreement (the "Split Dollar Agreement") pertaining to a policy on the life of the Executive in the amount of \$100,000. The Split Dollar Agreement shall continue in full force in accordance with its terms and shall not be affected by this Restated Agreement.

IN WITNESS WHEREOF, the Company and the Executive have signed this Restated Agreement as of the day and year first above written.

"EXECUTIVE"

"COMPANY"

LEGGETT & PLATT, INCORPORATED

Felix E. Wright

By: _____
Name: _____
Title: _____

Leggett & Platt, Incorporated

Deferred Compensation Program (the "Program")

1. General.

1.1 The purpose of the Program is to provide selected Participants the opportunity to defer into the future compensation to which the Participant is not yet entitled.

1.2 The Program shall be administered by the Compensation Committee of the Company's Board of Directors. The Compensation Committee may delegate its administrative authority, except as respects Section 16 Officers, to any Company officer or committee of Company employees.

2. Definitions.

2.1 "Cash Deferral" means the deferral of Compensation pursuant to the Program into an obligation of the Company to pay on a future date or dates the deferred Compensation plus interest or earnings thereon determined in the manner set out in the instrument evidencing the Company's obligation. The general terms and conditions applicable to Cash Deferrals are set out on Exhibit A.

2.2 "Committee" means the Compensation Committee of the Board of Directors of the Company or, except as to Section 16 Officers, any persons to whom the administrative authority has been delegated.

2.3 "Common Stock" means the Company's common stock, \$.01 par value.

2.4 "Company" means Leggett & Platt, Incorporated and all of its subsidiaries.

2.5 "Compensation" means salary, incentive compensation plan bonuses, special bonuses, bonuses payable under the Company's Executive Stock Purchase Program, and all other forms of cash compensation which may become payable to a Participant except to the extent excluded by the Committee.

2.6 "Deferred Compensation" means any Compensation which would have become payable to a Participant but for the Participant's election to defer such Compensation pursuant to the Program.

2.7 "Lost Retirement Benefit Amount"--see Section 5.2.

2.8 "Option" means an option to purchase shares of Common Stock issued pursuant to the Program. The general terms and conditions of the Options are set out on Exhibit B.

2.9 "Participant" means (i) all Section 16 Officers and (ii) such other employees of the Company as shall be selected by the Committee.

2.10 "Section 16 Officers" means all officers of the Company subject to the requirements of Section 16 of the Securities Exchange Act of 1934.

3. Election to Defer.

3.1 Each Participant shall be given the option to elect to defer all or a portion of the Participant's Compensation which will become payable to the Participant in the next calendar year. Compensation may be deferred into either a Cash Deferral or Option. The foregoing notwithstanding, Section 16 Officers may not elect to receive a Option except as provided in Section 6.

3.2 Elections shall be made on forms approved by the Committee and the Company's Legal Department. The election must be made before the Participant is entitled to receive the Compensation deferred and in any event must be made on or before December 31 of the calendar year preceding the year in which the Deferred Compensation would have normally become payable. Elections may be modified or withdrawn until such time as an original election could no longer be made.

3.3 If Compensation payable after giving effect to a deferral election will be insufficient to pay all required deductions and payments in connection with Company benefit plans and any required tax or other governmental withholdings, arrangements suitable to the Company for the collection of the deductions and payments mentioned above must be made at the time the relevant agreement evidencing the Cash Deferral or Option is entered into. Deferred Compensation shall not be paid and Options may not be exercised unless all required deductions and payments have been paid.

3.4 Election forms distributed to Participants shall be accompanied by explanatory materials and other documentation which shall be determined by the Committee and the Legal Department to comply with all applicable disclosure requirements and otherwise explain the features of the Program.

4. Implementation of Deferral.

4.1 Upon receipt and acceptance of an election to defer Compensation the Company shall deliver to the Participant an agreement evidencing the Company's obligations as respects the Deferred Compensation.

4.2 These agreements shall incorporate all of the terms and conditions of the Cash Deferral (Exhibit A) or the Options (Exhibit B) and contain such additional terms and conditions determined by the Committee to be consistent with Exhibits A or B and necessary to implement the Participant's election.

5. Company Benefit Plans.

5.1 It is intended that the deferral of Compensation pursuant to the Program shall not affect other Company benefit plans or programs in which the Participant is participating or may be eligible to participate.

5.2 The following shall apply as respects the types of benefits listed below.

- . Retirement Plan--The principal amount payable by the Company under a Cash Deferral agreement or the amount used to calculate the number of shares subject to Options shall be increased by the Lost Retirement Benefit Amount. The Lost Retirement Benefit Amount is (i) the present value, if any, by which the Participant's retirement benefit under the Company's Retirement Plan would be reduced as a result of the deferral of Compensation under the Program less (ii) the present value of Participant contributions not made to the Retirement Plan as a result of deferral of Compensation.

- . Executive Stock Purchase Program--The amount of payroll deductions for required payments of Participant under the Company's Executive Stock Purchase Program shall be calculated as if no deferral had occurred.
- . Discount Stock Plan--The Discount Stock Plan provides that the elected amount of contribution expressed as a percentage of compensation shall be calculated as if no deferral had occurred.
- . Life Insurance and Disability Benefits--To the extent the level of benefits is based upon a Participant's compensation, Deferred Compensation shall be included for purposes of determining benefits.

5.3 Participant shall be required to continue to make contributions and payments as respects all Company benefit plans in which the Participant is participating, except the Retirement Plan, in the amounts required as if no deferral had occurred. To the extent there is not sufficient Compensation after deferral from which to withhold required contributions and payments the Participant must make arrangements suitable to the Company for payment of the required amounts. The use of Company common stock to satisfy such obligations shall be considered by the Committee and may be approved in appropriate circumstances. Shares used to satisfy these obligations shall be valued in the manner provided by the Committee.

6. Special Provisions Applicable To Section 16 Officers.

6.1 Only the Compensation Committee of the Company's Board of Directors or the Flexible Stock Plan Committee shall have the power to make determinations and interpretations as respects any Section 16 Officer.

6.2 All election forms and agreements pertaining to Section 16 Officers shall be reviewed and approved by the Company's Legal Department.

6.3 Limitations or restrictions on the time of election, purchase or sale of Company securities or other matters shall be added to all forms and agreements pertaining to Section 16 Officers as shall be necessary to reduce the risk of violation of Section 16 of the Securities Exchange Act of 1934.

7. Miscellaneous.

7.1 The Company shall not be responsible for the tax consequences of any election to defer Compensation. Participants shall consult with their own tax advisors and satisfy themselves as to the tax consequences of their own deferral election before making any elections under the program.

7.2 If a Participant elects a Cash Deferral, then in any year following the election the Participant may request that the Committee grant an Option in lieu of the Cash Deferral including all accrued interest. In such case, the Committee may in its sole discretion, but shall in no way be obligated to, grant to the Participant an Option on such date and upon such modified terms and conditions as the Committee shall select.

7.3 By written notice to the Company a Participant may discontinue the deferral of all amounts of Deferred Compensation (except incentive compensation plan bonuses) not vested as of the date of such notice. The deferral discontinuance shall be effective as soon as administratively practical after receipt of the notice. This Section 7.3 shall not be applicable to any Section 16 Officer holding an unvested Option.

7.4 Determinations by the Committee in connection with the interpretation or implementation of the Program shall be binding on all Participants subject to the claims procedure set out in Exhibit A.

7.5 Neither the Program nor any elections pursuant to the Program, nor any agreements issued under the Program shall constitute or be evidence of any agreement or understanding, express or implied, that the Company will employ or retain the Participant for any period of time, or at any particular rate of compensation.

7.6 A Participant may file a form designating one or more beneficiaries who shall be entitled to the Deferred Compensation or to exercise an Option in the event of the Participant's death. A Participant may change or revoke a designation of a beneficiary at any time or from time to time without obtaining the consent of the beneficiary and the Company shall have no duty to notify such person of the change. If notice of beneficiary is not on file or if no person designated is living at the time of the Participant's death, then the Participant's estate shall be deemed to be his designated beneficiary.

LEGGETT & PLATT, INCORPORATED
DEFERRED COMPENSATION PROGRAM

EXHIBIT A

Cash Deferral

Set out below are the general terms and conditions applicable to an election to defer Compensation into an obligation of the Company to pay the Deferred Compensation in cash at a later date.

1. The Company's obligation shall be evidenced by a written agreement between the Company and the Participant.
2. The Company's obligation shall be a mere promise by it to pay money in the future and the Participant shall have the status of a general unsecured creditor of the Company.
3. Interest shall be paid on the Deferred Compensation from the date the Deferred Compensation would have been payable at an above market rate established by the Company's Senior Vice President Finance and Administration or other officer serving as the Company's chief financial officer.
4. At the discretion of the Committee the amount payable by the Company as respects Deferred Compensation may be determined in such alternative manner as may be proposed by the Participant.
5. Deferred Compensation vests at the time the Participant would have been entitled to receive the Compensation but for the election to defer.
6. The date or dates of payment of the Deferred Compensation plus accrued interest or other earnings ("Total Deferred Benefits") shall be as set out in the Participant's election form; provided, however, that the date of the initial payment of the Deferred Compensation shall not be earlier than two years after the deferral election is made or such other date as the Committee may specify. The Committee may in its discretion establish maximum deferral periods and maximum pay out periods.
7. The Participant may elect to change the period over which the Deferred Compensation is to be paid. Only one election will be permitted except with the consent of the Committee. The election may be made only during the period beginning six months prior to the day the first payment of Deferred Compensation is to be made and ending on the 15th day before the first payment of Deferred Compensation is to be made.
8. Upon the request of the Participant, or in the event of the disability or death of the Participant, Participant's guardian, legal representative, designated beneficiary, executor or estate, the Committee may at its sole discretion make a full lump sum payment or partial lump sum payment of unpaid vested Deferred Compensation together with any accrued interest to Participant or Participant's estate or beneficiary.
9. Unless authorized by the Committee, the Company's obligation, as respects Deferred Compensation, may not be transferred, assigned, pledged, or hypothecated by the Participant during his lifetime.

10. Subject to and in accordance with the specific procedures contained in the applicable regulations under ERISA then in effect:

- a. In the event that Total Deferred Benefits are not paid to the Participant (or any beneficiary in the case of the Participant's death), and if such person believes he is entitled to receive such benefits, a claim shall be made in writing to the Committee within 60 days after written notice from the Committee denying the benefits. The claim shall be reviewed by the Committee. If the claim is approved or denied, in full or in part, the Committee shall provide a written notice of approval or denial within 90 days with, in the case of a denial, the specific reasons for the denial and specific reference to the provisions of the Program upon which the denial is based. A claim shall be deemed denied if the Committee does not take any action within such 90-day period.
- b. If a claim is denied or deemed denied under (a) above and a review is desired, the Participant (or beneficiary in the case of the Participant's death) shall notify the Committee in writing within 60 days of the receipt of notice of denial or the date on which the claim is deemed to be denied, as the case may be. In requesting a review, the claimant may review the Program or any document relating to it and submit any written issues and comments he may deem appropriate. The Committee shall then review the claim and provide a written decision within 60 days. This decision, if adverse to the claimant, shall state the specific reasons for the decision and shall include reference to specific provisions of the Program on which the decision is based. The Committee's decision on review shall be final.

LEGGETT & PLATT, INCORPORATED
DEFERRED COMPENSATION PROGRAM

EXHIBIT B

Options

Set out below are the general terms and conditions applicable to Options pursuant to the Program. Capitalized terms have the meaning assigned to them in the Program.

1. Flexible Stock Plan, Non-Qualified Options. All Options shall be granted under the Company's 1989 Flexible Stock Plan, as amended, and shall be subject to all the terms and conditions of that plan.

All Options shall be non-statutory options not entitled to special tax treatment under (S)422 of the Internal Revenue Code of 1986, as amended to date.

2. Option Grant Dates. Options shall be granted as of the date selected by the Committee which date shall not be later than the last day on which an election to defer Compensation could be made.

3. Option Formula. Unless the option agreement or Committee provides otherwise, the number of shares granted to any Participant shall be equal to the nearest number of whole shares determined under the following formula:

$$\frac{\text{COMPENSATION FOREGONE}}{\text{FAIR MARKET VALUE-OPTION PRICE}} \times 1.176$$

"Compensation Foregone" shall mean the Compensation which the Participant elected to forgo plus the Lost Retirement Benefit Amount, if any. "Fair Market Value" shall mean the lowest per share closing price during December of the year immediately preceding the year in which the deferred Compensation would have been earned.

4. Option Price. The "Option Price" per share for each share covered by an Option shall be 20% of Fair Market Value.

5. Limited Transferability.

5.1 Except as provided in Sections 5.2, 5.3 or unless otherwise allowed by the Committee, no Option or interest therein may be transferred, assigned, pledged or hypothecated by the Participant during his lifetime, whether by operation of law or otherwise, or be made subject to execution, attachment or similar process and shall be exercised during the lifetime of the Participant only by him or, in the case of disability, his guardian or legal representative.

5.2 A Participant may not transfer all or a part of the Options by way of bona fide gift without the consent of the Committee. The donee of a gift shall hold the Options subject to all the terms and conditions of the Program and the agreement evidencing the Options. A gift to a minor shall not be permitted except pursuant to the Uniform Transfers to Minors Act or similar legislation. In the event a gift is made it will be recognized by the Company only if the donor gives written notice to the Company of the gift, identifying the donee's name and address.

5.3 Options may be transferred by will or the laws of descent and distribution.

6. Term of Options. Options shall have a term of fifteen years from the Grant Date.

7. Vesting. Options shall be vested in the Participant according to a schedule provided for in each option agreement. The vesting schedule shall reasonably tie the vesting of options to the time Compensation which the Participant elected to forego would have been earned. Options not vested shall terminate immediately at the time a Participant's employment with the Company terminates for any reason.

8. Exercise of Option. Options shall be exercisable at the later of (i) 12 months after the Grant Date specified by the Committee in the Option grant or (ii) the date the option vests. However, despite any later specified date for exercise, any vested Option shall become exercisable in full upon the death of the Participant or his total and permanent disability. No Option shall be exercisable after the expiration of its term.

An Option may be exercised only by delivering a written notice to the Company accompanied by payment of the full option price for the shares purchased. Unless otherwise prohibited by the option agreement, such consideration may be paid by delivery of shares of Common Stock (held for at least 6 months) or a combination of cash and shares of Common Stock. Any such shares shall be valued at the fair market value of such shares on the day immediately preceding the date of exercise. Options may be exercised in full or in part for whole shares (no fractional shares will be issued) and any exercisable portion not exercised may be later exercised subject to the Expiration Date. The written notice shall specify the number of shares the Participant then desires to purchase. No shares shall be delivered in connection with the exercise of an Option unless all amounts required to satisfy tax and any other required withholdings have been paid to the Company by or on behalf of the Participant.

If any Option has not been fully exercised on the last day of the term ("Expiration Date"), the unexercised portion of the option shall be deemed exercised on such Expiration Date. In such event, shares of Common Stock shall not be issued until the option price and any other required amounts have been paid.

Upon the death of a Participant, his Options shall be exercisable by the person or persons entitled to do so under his will or by written designation filed with the Company, or, if the Participant shall fail to make testamentary disposition of the Options or shall die intestate, by the Participant's legal representative or representatives. All Options must be exercised prior to the end of the term. Any exercise by a representative shall be subject to the provisions of the Program.

9. Modification, Extension and Renewal of Options. The Committee shall have the power to modify, extend or renew outstanding Options and authorize the grant of new Options in substitution therefor, provided that any such action may not have the effect of altering or impairing any rights or obligations of any Option previously granted without the consent of the Participant.

10. No Shareholders' Rights. A Participant shall have no rights as a shareholder with respect to the shares covered by his Options until the date of the issuance to him of a stock certificate therefor, and no adjustment will be made for dividends or other rights for which the record date is prior to the date such certificate is issued.

LEGETT & PLATT, INCORPORATED
EXECUTIVE DEFERRED STOCK PROGRAM
(Effective as of August 6, 1998)

ARTICLE I--PURPOSE

The Program is intended to attract, motivate and retain executives of the Company and its subsidiaries and affiliates by providing an opportunity and an incentive for them to defer the receipt of compensation otherwise payable currently. The Program is established pursuant to the Leggett & Platt, Incorporated 1989 Flexible Stock Plan ("Plan").

ARTICLE II--DEFINITIONS

The following capitalized terms used in the Program shall have the respective meanings set forth in this Article. (Terms not defined herein shall have the meanings set forth in the Plan.)

- 2.1 "Dividend Equivalent" means the amount equal to the cash dividend payable on a share of Common Stock.
- 2.2 "Mature Common Stock" means Common Stock that has been held by the Participant for at least six months and is "mature" as provided for in Emerging Issues Task Force (EITF) Issue No. 97-5, as amended.
- 2.3 "Option Deferral Election" means an election to defer the receipt of Profit Shares otherwise transferable to the Participant upon exercise of a Stock Option in the form(s) provided by the Committee.
- 2.4 "Participant" means one who participates in the Program.
- 2.5 "Program" means the Leggett & Platt, Incorporated Executive Deferred Stock Program, as from time to time amended.
- 2.6 "Profit Shares" means (1) the number of Common Stock shares acquired by Stock Option exercise, minus (2) the number of Mature Common Shares used to exercise the Stock Option.
- 2.7 "Stock Account" means the account maintained for each Participant in accordance with Article VII hereof, for bookkeeping purposes only. Amounts credited to the Stock Account shall be expressed in the form of Stock Units.
- 2.8 "Stock Option(s)" means a non-qualified stock option to purchase share(s) of Common Stock.
- 2.9 "Stock Unit" means a unit of account deemed to equal a single share of Common Stock.

- 2.10 "Unforeseeable Circumstances" means a financial requirement of the Participant resulting from unforeseeable circumstances arising as a result of events beyond the control of the Participant as determined by the Committee.

ARTICLE III--ADMINISTRATION

- 3.1 Committee. Except as otherwise provided in the Program, the Committee shall have full power to construe and interpret the Program, establish and amend rules for its administration, establish eligibility and perform all other acts relating to the Program. The Company, or any persons designated by the Committee, shall be responsible for administering the Program, including without limitation receiving Option Deferral Elections, maintaining account balances, distributing benefits, and performing other duties concerning operation of the Program.
- 3.2 Adjudication. Any decision made, or action taken, by the Committee arising out of the interpretation and administration of the Program shall be final and conclusive.

ARTICLE IV--PARTICIPATION

- 4.1 Eligibility. Participation in the Program shall be limited to a select group of management or highly compensated employees of the Company and its affiliates and subsidiaries who are selected by the Committee or its designee(s).
- 4.2 Filing an Election. An Option Deferral Election must be filed with the Committee at least six months before the exercise of the relevant Stock Option. Once filed, the Participant may not exercise such Stock Option during the period beginning on the day the Option Deferral Election is filed and ending six months after such day. An Option Deferral Election may be revoked by the Participant during this six-month period if the Option Deferral Election would prohibit the Participant from exercising a Stock Option prior to its expiration (including without limitation expiration due to termination of employment, death, or disability) or if a Change of Control has occurred.
- 4.3 Irrevocable. An Option Deferral Election shall be irrevocable once filed with the Committee except as provided in Section 4.2 and Articles VII and VIII hereof.

ARTICLE V--ELECTIVE DEFERRALS

- 5.1 Compensation Subject to Deferral. When a Participant exercises a Stock Option for which an Option Deferral Election is in effect, the payment of Profit Shares otherwise transferable to the Participant shall be deferred in accordance with the terms prescribed therein. An Option Deferral Election shall require the Participant to pay the exercise price for the relevant Stock Option with shares of Mature Common Stock (with fractional shares to be paid in cash).
- 5.2 Deferral into Stock Units. The Participant's Stock Account shall be credited with the number of Stock Units equal to the number of shares of Profit Shares deferred.

- 5.3 Vesting. A Participant shall have a non-forfeitable and fully vested right with respect to the Stock Units allocated to the Participant's Stock Account (and the Dividend Equivalents thereon) pursuant to an Option Deferral Election.

ARTICLE VI--MAINTENANCE OF STOCK ACCOUNTS

- 6.1 Dividend Equivalents. Except as otherwise provided in an Option Deferral Election, with respect to any cash dividend paid on Common Stock, each Participant's Stock Account shall be credited with the number of Stock Units (including fractions thereof) equal to
- (a) the product of the number of Stock Units credited to the Stock Account on the record date for such dividend times the Dividend Equivalent, divided by
 - (b) the Fair Market Value (for the day such dividend was paid) of a share of Common Stock.
- 6.2 Change in Capitalization. In the event of a stock dividend, stock split, merger, consolidation or other recapitalization of the Company affecting the number of outstanding shares of Common Stock, the number of Stock Units credited to a Participant's Stock Account shall be appropriately adjusted.

ARTICLE VII--DISTRIBUTIONS

- 7.1 Timing and Form of Payment. Payment of amounts credited under the Program shall be made to the Participant in the time and manner specified on the applicable Option Deferral Election. Payment of Stock Units from a Stock Account shall be made with a corresponding number of whole shares of Common Stock. Any fractional Stock Units shall be rounded to the nearest whole share. A Participant's Stock Account shall be reduced by the number of Stock Units distributed from the Stock Account.
- 7.2 Distribution for Unforeseeable Circumstances. A Participant may receive early payment of all or part of the balance of such Participant's Stock Account to the extent reasonably needed to satisfy Unforeseeable Circumstances. A request for an early payment under this Section shall be made in accordance with the procedures adopted by the Committee.
- 7.3 Change of Control. Within two weeks after a Change of Control, the Committee shall pay to each Participant in a single sum the value of his or her Stock Account in shares of Common Stock.
- 7.4 Measurement Date for Distributions. Any distribution of Common Stock shall be based on the number of Stock Units credited to the Participant's Stock Account as of the applicable measurement date. The measurement date for distributions shall be the business day immediately preceding the day the event occurs triggering the distribution (e.g., death, disability, termination of employment, lapse of time, Change of Control) or such other day as agreed upon between the Participant and the Committee.

ARTICLE VIII--AMENDMENT OR TERMINATION

The Committee may amend, modify or terminate the Program or Option Deferral Election at any time for any or no reason; provided, however, no amendment, modification or termination shall, without consent of the Participant, adversely affect any Option Deferral Election previously filed or such Participant's right to payment from the Stock Account. Notwithstanding anything contained herein or in the Option Deferral Election to the contrary, the Committee may accelerate the payment of all or any portion of a Participant's Stock Account if it in good faith reasonably determines that the Company would be denied a deduction under the Internal Revenue Code for Stock Units otherwise payable to a Participant under this Program.

ARTICLE IX--MISCELLANEOUS

- 9.1 Unsecured Right. Any right to receive a payment under the Program shall be no greater than that of an unsecured general creditor of the Company. No Participant shall have the right to exercise any of the rights or privileges of a shareholder with respect to the Stock Units.
- 9.2 Transferability. No amount payable under the Program may be assigned, transferred, encumbered or subject to any legal process for the payment of any claim against a Participant. However, with the consent of the Committee, a Participant may transfer all or any portion of his or her Stock Account by way of a bona fide gift. The donee of the gift shall hold the Stock Account subject to the terms and conditions of the Program and the Option Deferral Election.
- 9.3 No Right to Continued Employment. Participation in the Program shall not give any employee any right to remain in the employ of the Company or any subsidiary.
- 9.4 Withholding. The Company shall withhold to the extent required by law all applicable income and other taxes from amounts deferred or paid under the Program.
- 9.5 Governing Law. The Program shall be construed, governed and enforced in accordance with Missouri law.
- 9.6 Compliance with Other Laws. The Committee may impose additional restrictions upon Participants to the extent necessary to comply with applicable laws.

SCHEDULE OF SUBSIDIARIES OF REGISTRANT
DOMESTIC SUBSIDIARIES

Name of Organization -----	Country or State of Incorporation -----	Percentage of Voting Interest -----
AMERICAN INNERSPRING CO.	California	100%
AMERICAN WOODWORKS, INC.	South Carolina	100%
B&C DIE CAST, INC.	Arkansas	100%
CAMBRIDGE TOOL & MFG. CO., INC.	Massachusetts	100%
CAMEO FIBERS CORPORATION	Delaware	100%
COLLIER-KEYWORTH, INC.	North Carolina	100%
CREST-FOAM CORP.	New Jersey	100%
CREST-HOOD FOAM COMPANY, INC.	Delaware	100%
CULP-GADSDEN, INC.	Alabama	100%
CUMULUS FIBRES OF FLORIDA, INC.	Delaware	100%
CUMULUS FIBRES, INC.	North Carolina	100%
DRESHER, INC.	Delaware	100%
GRIBETZ INTERNATIONAL, INC.	Delaware	100%
HANES CNC SERVICES CO.	North Carolina	100%
HANES COMPANIES - NEW JERSEY, INC.	Delaware	100%
HANES COMPANIES, INC.	North Carolina	100%
INTERNATIONAL STORAGE SYSTEMS CORPORATION	Florida	100%
IREDELL FIBER, INC.	North Carolina	100%
L&P ACQUISITION COMPANY - 18	Delaware	100%
L&P ACQUISITION COMPANY - 29	Delaware	100%
L&P ACQUISITION COMPANY - 31	Delaware	100%
L&P ACQUISITION COMPANY - 32	Delaware	100%
L&P ACQUISITION COMPANY - 33	Delaware	100%

SCHEDULE OF SUBSIDIARIES OF REGISTRANT

DOMESTIC SUBSIDIARIES

Name of Organization -----	Country or State of Incorporation -----	Percentage of Voting Interest -----
L&P ACQUISITION COMPANY - 35, INC.	Ohio	100%
L&P ACQUISITION COMPANY - 38	Illinois	100%
L&P ACQUISITION COMPANY - 8	Delaware	100%
L&P CENTRAL ASIA TRADING COMPANY	Delaware	100%
L&P FINANCIAL SERVICES CO.	Delaware	100%
L&P INTERNATIONAL HOLDINGS COMPANY	Delaware	100%
L&P MANUFACTURING, INC.	Delaware	100%
L&P MEDICAL, INC.	Missouri	100%
L&P PARTNERS HOLDINGS, INC.	Delaware	100%
L&P PROPERTY MANAGEMENT COMPANY	Delaware	100%
L&P TEXPRO, INC.	Delaware	100%
L&P TRANSPORTATION CO.	Delaware	100%
L&P WESTERN SPRING CO.	Delaware	100%
LEAVING TAOS, INC.	Delaware	100%
LEGGETT & PLATT ASIA MARKETING, INC.	Delaware	100%
LEGGETT & PLATT INTERNATIONAL DEVELOPMENT CO.	Delaware	100%
LEGGETT & PLATT INTERNATIONAL SERVICE CORPORATION	Delaware	100%
LEGGETT & PLATT TURKEY, INC.	Delaware	100%
LEGGETT AND PLATT INTERNATIONAL CORPORATION	Missouri	100%
LEGGETT WIRE COMPANY	Delaware	100%
MASTERBLEND, INC.	Mississippi	100%
MATREX FURNITURE COMPONENTS, INC.	North Carolina	100%
METROCK STEEL & WIRE COMPANY, INC.	Alabama	100%
MG LOAN COMPANY	Delaware	100%
MILLER MANUFACTURING & LUMBER SALES, INC.	Missouri	100%

SCHEDULE OF SUBSIDIARIES OF REGISTRANT

DOMESTIC SUBSIDIARIES

Name of Organization -----	Country or State of Incorporation -----	Percentage of Voting Interest -----
MISSISSIPPI SPRING CO., INC. (THE)	Mississippi	100%
MO-TECH CORPORATION	Minnesota	100%
NAGLE INDUSTRIES, INC.	Michigan	100%
OCONTO METAL FINISHING, INC.	Delaware	100%
PACE INDUSTRIES AIRO DIE CAST, INC.	Pennsylvania	100%
PACE INDUSTRIES DIE CAST PRODUCTS, INC.	California	100%
PACE INDUSTRIES PUGET DIVISION, INC.	Arkansas	100%
PACE INDUSTRIES, INC.	Arkansas	100%
PACIFIC FAIRMONT CORPORATION	California	100%
PARTHENON CNC SERVICES CO.	Delaware	100%
PHOENIX METAL TECHNOLOGIES LTD.	Kentucky	100%
PORTER INTERNATIONAL, INC.	Massachusetts	100%
PREMIER INTERNATIONAL COMPONENTS, INC.	Florida	100%
RODGERS WADE MANUFACTURING COMPANY	Texas	100%
SOUTHEASTERN MANUFACTURING CO., INC.	Florida	100%
SPUHL ANDERSON MACHINE COMPANY	Delaware	100%
SPUHL INTERNATIONAL, INC.	Delaware	100%
ST. PAUL METALCRAFT, INC.	Minnesota	100%
STEADLEY COMPANY	Missouri	100%
STEINER-LIFF TEXTILE PRODUCTS CO.	Delaware	100%
STYLELANDER METAL STAMPING, INC.	Mississippi	100%
SYD-REN INDUSTRIES, INC.	California	100%
SYNDICATE SYSTEMS, INC.	Indiana	100%
TALBOT INDUSTRIES, INC.	Missouri	100%
TARRANT INTERIORS, INC.	Texas	100%
UNIVERSAL STAINLESS, INC.	Colorado	100%

SCHEDULE OF SUBSIDIARIES OF REGISTRANT

DOMESTIC SUBSIDIARIES

Name of Organization -----	Country or State of Incorporation -----	Percentage of Voting Interest -----
VERTEX FASTENERS, INC.	Illinois	100%
WBSCO, INC.	New Mexico	100%
WICHITA WIRE, INC.	Kansas	100%

SCHEDULE OF SUBSIDIARIES OF REGISTRANT
FOREIGN SUBSIDIARIES

Name of Organization -----	of Incorporation -----	Voting Interest -----
1314116 ONTARIO INC.	Canada	100%
1324912 ONTARIO INC.	Canada	100%
9038-8315 QUEBEC, INC.	Canada	100%
ADMINISTRADORA SOAL S.A. DE C.V.	Mexico	100%
BOIS AISE DE ROBERVAL INC.	Canada	100%
BOIS J.L.P. INC.	Canada	100%
CARREIRO HOLDINGS S.A. DE C.V.	Mexico	100%
CARREIRO S.A. DE C.V.	Mexico	100%
COMERCIALIZADORA SOAL S.A. DE C.V.	Mexico	100%
FIBRAS ACOLCHABLES, SA DE CV	Mexico	100%
FIDES S. R. L.	Italy	100%
GATEWAY (TEXTILES) LIMITED	United Kingdom	100%
GATEWAY HOLDINGS LIMITED	United Kingdom	100%
INTER-SPRING LIMITED	United Kingdom	100%
J.A. WILSON DISPLAY LTD.	Canada	100%
L AND P MEXICO, S.A. DE C.V.	Mexico	100%
L&P AUTOMOTIVE EUROPE GMBH	Germany	100%
L&P DENMARK APS	Denmark	100%
L&P EUROPE LIMITED	United Kingdom	100%
L&P FAHRZEUG-UND MATRATZEN-KOMPONENTEN GESCHAFTSFUHRUNG GMBH	Germany	100%
L&P NETHERLANDS HOLDINGS B.V.	The Netherlands	100%
LEGGETT & PLATT (ALBERTA) LTD.	Canada	100%
LEGGETT & PLATT (BARBADOS) LTD.	Barbados	100%
LEGGETT & PLATT (GUANG ZHOU) CO. LTD.	China	100%

SCHEDULE OF SUBSIDIARIES OF REGISTRANT

LEGGETT & PLATT (SHANGHAI) CO. LTD.	China	100%
LEGGETT & PLATT (SOUTHEAST ASIA) PTE LTD.	Singapore	100%
LEGGETT & PLATT ADMINISTRADORA, S.A. DE C.V.	Mexico	100%
LEGGETT & PLATT CANADA HOLDINGS LTD.	Canada	100%
LEGGETT & PLATT DE GUADALAJARA, S.A. DE C.V.	Mexico	100%
LEGGETT & PLATT DE MEXICALI, S.A. DE C.V.	Mexico	100%
LEGGETT & PLATT DE MEXICO, S.A. DE C.V.	Mexico	100%
LEGGETT & PLATT FOREIGN SALES CORPORATION	Barbados	100%
LEGGETT & PLATT KOREA, LTD.	South Korea	100%
LEGGETT & PLATT LTD.	Canada	100%
LEGGETT & PLATT U.K. LIMITED	United Kingdom	100%
LES BOIS BLANCHET INC./BLANCHET LUMBER INC.	Canada	100%
M F KNITTING CO. LIMITED	United Kingdom	100%
MARSH, FERN & COMPANY LIMITED	United Kingdom	100%
NORTHEASTERN COMPONENTS (INTERNATIONAL) LTD.	United Kingdom	100%
PACE INDUSTRIES DE CHIHUAHUA, S.A. DE C.V.	Mexico	100%
PACE INDUSTRIES DE MEXICO, S.A. DE C.V.	Mexico	100%
PANYU YONG WANG HARDWARE & PLASTIC PRODUCTS LTD.	China	100%
PULLMAFLEX A.B.	Sweden	100%
PULLMAFLEX BENELUX N.V.	Belgium	100%
PULLMAFLEX ESPANOLA S.A.	Spain	100%
PULLMAFLEX INTERNATIONAL B.V. (NETHERLANDS)	Holland	100%
PULLMAFLEX INTERNATIONAL LIMITED	United Kingdom	100%
PULLMAFLEX U.K. LIMITED	United Kingdom	100%
S R HOLBOOK LIMITED	United Kingdom	100%

SCHEDULE OF SUBSIDIARIES OF REGISTRANT

SLOTEX INC.	Canada	100%
SPUHL A.G.	Switzerland	100%
SPUHL HOLDING A.G.	Switzerland	100%
TOLEDO FEDERUNGEN GMBH	Germany	100%
TOLEDO FJEDERINDLAEG A/S	Germany	100%
YOUNGFLEX A.G.	Switzerland	100%

Consent of Independent Accountants

We hereby consent to the incorporation by reference in the Registration Statements of Leggett & Platt, Incorporated, listed below, of our report dated February 3, 1999 herein of Leggett & Platt, Incorporated's Annual Report on Form 10-K for the year ended December 31, 1998.

1. Post-Effective Amendment No. 1 to Form S-8, Registration No. 33-15441, filed August 29, 1989.
2. Form S-8, Registration No. 33-44224, filed November 27, 1991.
3. Form S-8, Registration No. 33-45334, filed January 27, 1992.
4. Form S-8, Registration No. 33-45335, filed January 27, 1992.
5. Form S-8, Registration No. 33-45336, filed January 27, 1992.
6. Post-Effective Amendment No. 1 to Form S-8, Registration No. 33-45334, filed June 26, 1992.
7. Form S-8, Registration No. 33-67910, filed August 26, 1993.
8. Form S-8, Registration No. 33-54339, filed June 28, 1994.
9. Form S-8, Registration No. 33-54431, filed July 1, 1994.
10. Form S-8, Registration No. 333-69073, filed December 17, 1998.
11. Form S-3, Registration No. 333-49757, filed April 4, 1998.
12. Form S-3, Registration No. 333-60547, filed August 4, 1998.
13. Pre-Effective Amendment No. 1 to Form S-3, Registration No. 333-60547, filed August 11, 1998.
14. Form S-3, Registration No. 333-69071, filed December 17, 1998.

PricewaterhouseCoopers, LLP

St. Louis, Missouri
March 29, 1999

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors of LEGGETT & PLATT, INCORPORATED, a Missouri corporation (the "Corporaton"), does hereby nominate, constitute and appoint Harry M. Cornell, Jr., Michael A. Glauber, Robert A. Jefferies, Jr., and Ernest C. Jett, or any one of them, his true and lawful attorneys-in-fact, to sign in the name of and on behalf of the undersigned directors of the Corporation and to file with the Securities & Exchange Commission ("SEC") the Corporation's Annual Report on Form 10-K for the fiscal year ended December 31, 1998 and any other documents or further Amendments to said Annual Report, and to take such other action, all as said attorneys-in-fact, or any one of them, deem necessary or advisable to the end that such Annual Report or amendments thereto in respect of same, shall comply with the Securities Exchange Act of 1934, as amended, and the applicable rules of the SEC thereunder; and does hereby ratify and confirm all that said attorneys-in-fact, and each of them, may do by virtue hereof.

Additionally, each of the undersigned directors of the Corporation does hereby nominate, constitute and appoint Harry M. Cornell, Jr., Michael A. Glauber, Robert A. Jefferies, Jr. and Ernest C. Jett, or any one of them, his true and lawful attorneys-in-fact, to, from time to time, sign in the name of and on behalf of the undersigned directors of the Corporation and file with the SEC Registration Statements with respect to securities (including the Corporation's common stock, \$.01 par value, and the Preferred Stock Purchase Rights attached to and trading with such Common Stock) to be sold pursuant to the Corporation's Restated Employee Stock Purchase/Stock Bonus Plan, 1989 Discount Stock Plan, 1989 Flexible Stock Plan, Directors Stock Option Plan and any other employee benefit plans of the Corporation adopted or approved during calendar year 1999 and any other documents or further Amendments or Post-Effective Amendments to such Registration Statements (or any previous registration statements filed as respects any of the above-mentioned Plans) and to take such other action, all as said attorneys-in-fact, or any one of them, deem necessary or advisable and does hereby ratify and confirm all that said attorneys-in-fact, and each of them, may do by virtue hereof.

IN WITNESS WHEREOF, the undersigned have executed this Power of Attorney or a counterpart hereof, as of the 10th day of February, 1999.

/s/ RAYMOND F. BENTELE /s/ ROBERT A. JEFFERIES, JR.

Raymond F. Bentele Robert A. Jefferies, Jr.

/s/ HARRY M. CORNELL, JR. /s/ ALEXANDER M. LEVINE

Harry M. Cornell, Jr. Alexander M. Levine

/s/ R. TED ENLOE, III /s/ RICHARD L. PEARSALL

R. Ted Enloe III Richard L. Pearsall

/s/ RICHARD T. FISHER /s/ DUANE W. POTTER

Richard T. Fisher Duane W. Potter

/s/ BOB L. GADDY /s/ MAURICE E. PURNELL, JR.

Bob L. Gaddy Maurice E. Purnell, Jr.

/s/ DAVID S. HAFFNER /s/ ALICE L. WALTON

David S. Haffner Alice L. Walton

/s/ THOMAS A. HAYS /s/ FELIX E. WRIGHT

Thomas A. Hays Felix E. Wright

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE FINANCIAL STATEMENTS OF LEGGETT & PLATT, INCORPORATED FOR THE YEAR ENDED DECEMBER 31, 1998 (COMMISSION FILE NUMBER 1-7845) AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned does hereby nominate, constitute and appoint Ernest C. Jett, John A. Lyckman and John G. Moore or the designee of any one of them, his true and lawful attorneys-in-fact, to sign in the name of and on behalf of the undersigned and to file with the Securities and Exchange Commission Initial Statement of Beneficial Ownership on Form 3 and Statements of Change in Beneficial Ownership on Form 4 or Form 5 or any similar form promulgated by the Securities and Exchange Commission and any other documents or amendments to any said statement or form, and to take such other action, all as said attorneys-in-fact, or any one of them, deem necessary or advisable to the end that such forms or amendments thereto be properly and timely filed. This power of attorney shall be effective for a period of ten years from the date hereof.

IN WITNESS WHEREOF, the undersigned has executed this Power of Attorney as of the 11th day of March, 1999.

/s/ ROBERT G. GRIFFIN

Robert G. Griffin