



Leggett works.

Leggett & Platt

2000 Annual Report to Shareholders

Diverse manufacturing processes, materials and markets characterize Leggett's five business segments. Wire, tubing, coil and sheet steel, stainless steel, aluminum, plastics, foam, woven and non-woven construction fabrics, and dimension lumber are fabricated into vital components, sub-assemblies, and other products by 34,000 employee-partners in Leggett's 80 major manufacturing facilities.

Steady, logical, incremental business expansion creates leading market positions and profitable growth. A focused manufacturing enterprise, Leggett supplies various engineered products for numerous applications throughout North America and in select international locations.

Residential Furnishings

	2000	1996	CAGR
Sales	\$2,136	\$1,408	11%
% Total	47%	53%	

Profile: Leggett's beginnings stem from our 1885 patent of the steel coil bedspring. Today we are the leading worldwide supplier of components to the bedding and furniture industries. Our activities cover bedding components, furniture components, finished consumer products, and an eclectic set of products for manufacturers and retailers.

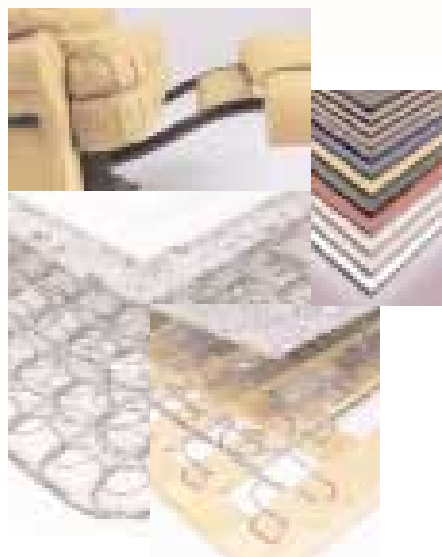
Business Model: We enjoy, and aim to extend, our significant leadership position. Our competitive advantage is based on lowest cost structure; enduring customer relationships; vertical production of key raw materials (wire, tubing, dimension lumber); R&D efforts that yield innovative and proprietary products; and, Leggett designed and manufactured proprietary production and automation machinery. Internal growth will continue as we deliver innovative products, reduce costs, and encourage customers to outsource additional component manufacturing.

Customer Groups:

- Bedding manufacturers
- Furniture manufacturers
- Retail stores and distributors

2000 Acquisitions: 8 firms with annual revenues of about \$75 million.

Product Groups: Springs, Cushioning, Bed Frames, Industrial Fabrics, Adjustable Beds, Mechanisms, Dimension Lumber



Commercial Furnishings

	2000	1996	CAGR
Sales	\$990	\$348	30%
% Total	22%	13%	

Profile: Our fastest growing segment encompasses three areas. We are the market leader in design and manufacture of a broad suite of retail store fixtures, including shelving systems, point of purchase displays, storage products, and utility vehicle rack systems. We are the leading independent producer of components for office furniture manufacturers. We also produce injection molded plastic components.

Business Model: Our aim is to be the primary, or "one stop", fixture supplier of choice for major retailers. To that end, in the last four years we acquired 29 businesses. Leggett now designs, manufactures, delivers and installs the broadest range of fixture products (of all types of materials) to all parts of the country. In office furniture and plastic components, we will continue to provide proprietary, innovative products to niche markets at lowest cost.

Customer Groups:

- Retail chains and specialty shops
- Brand name marketers and manufacturers
- Food service and healthcare providers
- Office furniture manufacturers
- Public utilities and municipalities

2000 Acquisitions: 6 firms with revenues of about \$175 million.

Product Groups: Gondolas, Shelving, Racks, Display Cases, P-O-P Displays, Chair Controls, Furniture Bases



Aluminum Products

	2000	1996	CAGR
Sales	\$546	\$361	11%
% Total	12%	13%	

Profile: Our aluminum group is the leading independent producer of non-automotive die castings in North America. We entered this area in the early 1970s when we acquired a small die caster of furniture bases. We more than doubled our size, and entered additional markets through a 1996 acquisition of a leading die casting firm.

Business Model: We strive for best customer service, lowest cost structure, and customer diversification. We create value for customers by offering flexible, tailor-made solutions that include varying degrees of component finishing and assembly. Cost advantages accrue from high volume purchasing; economies of scale; long production runs; efficient material usage; vertical tool and die operations; and superior quality control.

Customer Groups:

- Gas barbeque grill manufacturers
- Truck, motorcycle, off-road and recreational vehicle makers
- Telecom, electrical and outdoor lighting producers
- Diesel and small engine builders

2000 Acquisitions: 1 firm with revenue of about \$10 million.

Product Groups: Aluminum Die Castings, Magnesium and Zinc Die Castings



Industrial Materials

	2000	1996	CAGR
Sales	\$525	\$402	7%
% Total	11%	15%	

Profile: We are North America's leading supplier of drawn steel wire, and a significant supplier of welded steel tubing. We built our first wire mill in 1969 to ensure a consistent supply of quality wire for our bedding operations. Today our six wire mills produce over 800,000 tons of steel wire annually; half is sold to external customers. Similarly, we entered the steel tubing business in 1983, and currently have 3 major tubing plants producing for both internal use and sales to external customers.

Business Model: High quality and low cost make us the leading producer of these materials. We enjoy significant economies of scale; benefit from the consistent, internal demand of many Leggett businesses; and continuously improve productivity. We produce to tighter than industry specifications, and focus intently on meeting and exceeding customer needs.

Customer Groups:

- Other Leggett businesses
- Bedding and furniture makers
- Mechanical spring producers
- Auto interior manufacturers

2000 Acquisitions: 2 firms with total revenues of about \$45 million.

Product Groups: Steel Wire, Welded Steel Tubing



Specialized Products

	2000	1996	CAGR
Sales	\$371	\$152	25%
% Total	8%	6%	

Profile: Operations encompass two niche businesses. We are the leading worldwide supplier of automotive seating support and lumbar systems; and a leading supplier of control and power train cable systems. We also have a premier global position in wire forming equipment, industrial quilting and sewing machinery, and other specialized machinery we design, patent, and manufacture.

Business Model: Our competitive advantage derives from R&D efforts that yield innovative and proprietary products; economies of scale, vertical production of key raw materials (wire, plastics); and Leggett designed and manufactured proprietary production machinery.

Customer Groups:

- Tier 1 and 2 auto suppliers
- Bedding and furniture manufacturers

2000 Acquisitions: 4 firms with annual revenues of about \$145 million.

Product Groups: Auto Seat Suspension, Lumbar, Power Train and Control Cable Systems. Machinery for Wire Forming, Quilting and Automation.





financial highlights

(Dollar amounts in millions, except per share data)

Year ended December 31	2000	1999	% Change
Net sales	\$4,276.3	\$3,779.0	13.2%
Earnings before interest and income taxes (EBIT)	480.8	502.5	(4.3)
Net earnings	264.1	290.5	(9.1)
Cash provided by operations	440.8	370.8	18.9
Earnings before interest, income taxes, depreciation and amortization (EBITDA)	654.1	651.8	.4
Earnings per share			
Basic	\$ 1.33	\$ 1.46	(8.9)%
Diluted	1.32	1.45	(9.0)
Cash dividends declared per share	.42	.36	16.7
Book value per share	9.15	8.36	9.4
EBIT margin	11.2%	13.3%	
Net earnings margin	6.2	7.7	
Long-term debt as a percent of total capital	34.1	30.9	
Return on average total capital	11.2	13.6	
Return on average shareholders' equity	15.4	18.8	
Average shares outstanding (in millions)			
Basic	199.0	198.5	
Diluted	200.4	200.9	

LEGGETT & PLATT, INCORPORATED, is a Fortune 500 diversified manufacturer of engineered products. The company was founded in 1883 in Carthage, Missouri, where the home office has always been maintained. Leggett's common stock (Symbol LEG) is listed on the New York and Pacific Stock Exchanges, and is a component of the S&P 500 Index.

Leggett partners pictured on front cover; left to right, Carolyn Wofford, Phil Wyatt, Mark Sanchez, John Reynolds and Vanh Sivoraphet. Partners pictured at top of this page are Mick Stamm and Anna Alden.

In these pages we invite you to review Leggett's stellar 33-year track record as an investment that works for shareholders. You will find information about our goals and objectives, near-term challenges, competitive advantages, growth potential, and sound financial position. We hope you'll agree the long-term outlook for Leggett is exciting and bright.

Leggett & Platt

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Leggett had record sales and cash flows in 2000, and earnings per share were second only to 1999's record.

This performance was achieved despite a slowing economy, particularly in the second half of the year.

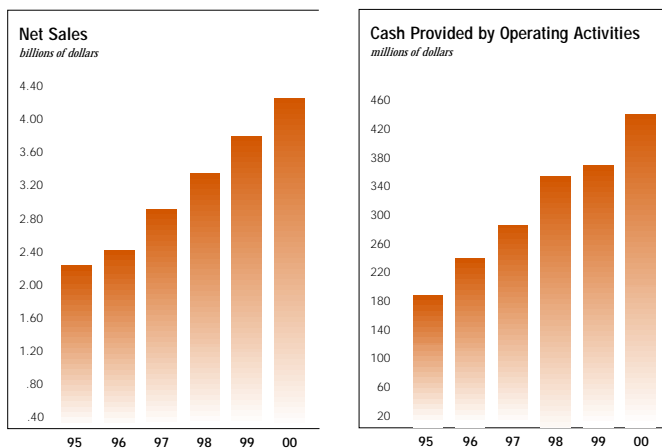
Sales for 2000 reached an all-time high of \$4.28 billion, up 13% over the prior year. However, same location sales growth of 0.2% was disappointing. Same location growth was about 4% in the first half of the year. Unfortunately, this growth was largely offset in the second half by lower demand in a progressively weakening economy.

Weakened demand significantly impacted 2000 earnings. Production cutbacks in response to declining same location sales contributed to reduced plant utilization and lower overhead absorption, reducing profit

margins. Margins were also reduced by increased medical and energy costs. In addition, underperformance in our aluminum group, and some of our commercial and residential furnishings businesses, resulted in restructuring charges and lower earnings. At \$1.32 per diluted share, earnings were down 9% from our 1999 record of \$1.45.

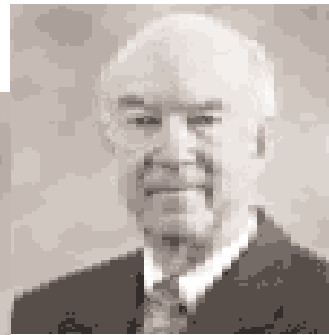
Though driven primarily by weak market conditions, this earnings decline is disappointing. Even so, we want to emphasize that we are making solid progress toward improving future performance. We are sharply focused on an improvement plan, with four key points:

- First, our most important objective is to fix the operational problems we have in underperforming areas.
- Second, we will consolidate, close, or sell operations that cannot be fixed.
- Third, we are reducing acquisitions and capital spending during this period, primarily in the aluminum and commercial areas.
- Fourth, we are authorized to use excess cash flow to repurchase up to 10 million





HARRY M. CORNELL, JR.



FELIX E. WRIGHT



DAVID S. HAFFNER

shares of Leggett stock, or approximately 5% of the current share base.

This tactical shift in direction aims to improve operational performance, profit margins and shareholder return. We expect to continue implementing the plan for several quarters, and possibly longer, as conditions warrant.

Cash provided by operations in 2000 was a record \$441 million. After investing \$170 million of this cash in property, plant and equipment, free cash flow was \$271 million. At this level, free cash flow was 28% higher than the previous record achieved in 1999.

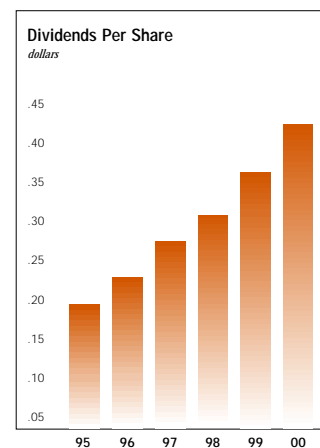
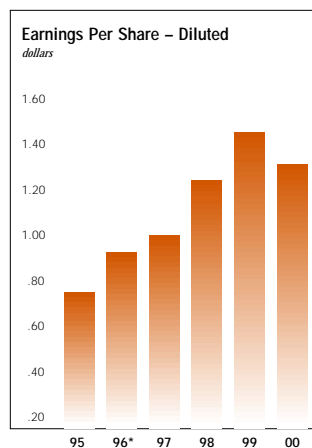
In our active and ongoing acquisition program, we purchased 21 businesses last year. Each was a “bolt on” addition to one of Leggett’s existing businesses. In total, these new companies have expanded our annualized sales by about \$450 million, strategically strengthening our position in various markets we serve.

This year, as we continue implementing our four-point tactical plan, acquisitions will be concentrated in areas that are performing well. Incremental growth from 2001 acquisitions will likely be in a range of 3% to 5%, down from the 8% to 10% acquisition

growth we normally target, and have achieved over three decades.

Leggett’s balance sheet remains strong. Long-term debt (net of cash) was a modest 33% of total capitalization at year-end. Our strong financial position and consistent cash flow provide ample funds for internal improvements and expansions, as well as acquisitions and other investments to enhance shareholder return.

These strengths also have allowed us to sustain an exceptional record of increasing shareholder dividends. Our most recent increase occurred earlier this year, when the Board raised the first quarter 2001 dividend



*See note (1) to financial data on page 24.

*Leggett has increased dividends
for 30 consecutive years.*

to \$.12 per share, a current indicated annual rate of \$.48 per share. This marks the 30th consecutive year dividends have been increased. Over the last 30 years, our quarterly dividend has multiplied 72-fold, growing at a 15% compound annual rate.

Our long-term goals remain unchanged. We continue to target sales and earnings growth of 15% on average, return on equity in the high teens, and a debt level of 30% to 40% of total capitalization.

Uncertainties about the general economy keep us cautious as we move into 2001. We expect demand in the many markets served by Leggett to remain soft through at least the first half of the year. Accordingly, we anticipate full year sales and profit margins roughly equivalent to last year, with earnings between \$1.25 and \$1.45 per diluted share.

Looking further into the future, the outlook for Leggett as a diversified industrial company is bright. We have achieved compound annual growth in sales and earnings of 15% on average for 33 years as a public company. Over those three decades, we have weathered four periods of earnings decline. We will weather this downturn as well, and

we are confident Leggett will emerge a leaner, stronger organization with excellent growth potential.

We greatly appreciate the continuing support of every Leggett customer, our employee-partners, suppliers, and our shareholders. We are dedicated to improving performance and expect to achieve continued success.

HARRY M. CORNELL, JR.
Chairman of the Board

FELIX E. WRIGHT
President and Chief Executive Officer

DAVID S. HAFFNER
*Executive Vice President and
Chief Operating Officer*

February 27, 2001

Leggett Works as an investment for our shareholders.

TRACK RECORD.

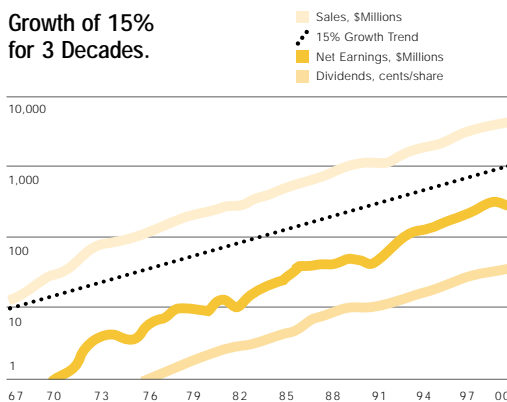
As a public company for 33 years, Leggett & Platt has been an outstanding investment for our shareholders:

- Maintained a long-term 15% average growth trend in sales, earnings, and dividends.
- Doubled in size about every five years.
- Endured five periods of decline in earnings, including this past year, typically returning to the long-term growth trend within two years.
- Incurred only one year of sales decline.
- Experienced growth in stock value to 170-times the original offering price.

The graph to the right above depicts (on a logarithmic scale) Leggett's growth as a public company. Any line parallel to the dotted black line represents a constant 15% growth trend. This graph illustrates that earnings, dividends, and sales have each grown consistently throughout our history of public ownership. A variety of companies grow rapidly for short periods, but few can match our 33-year record.

Compound annual growth rate (CAGR) figures for several time periods are listed in the table below the graph.

Growth of 15% for 3 Decades.



Compound Annual Growth Rates

	1 YEAR	10 YEAR	33 YEAR
Trade Sales	13%	13%	19%
Net Earnings	(9)%	20%*	22%
Cash from Ops	19%	20%	21%
EPS	(9)%	16%*	15%
Dividends	17%	15%	14%
Stock Price (Dec. 31)	(12)%	19%	18%

*See note (1) to financial data on page 24.

OTHER METRICS

Leggett also stacks up well on a variety of additional performance metrics.

- Return on average equity is typically in the 17-20% range.
- Long-term debt, net of cash, is normally 30-40% of total capitalization.
- EBIT margin typically ranges between 11% and 13%, and net margin (or return on sales) is usually between 6% and 8%.
- Cash from operations was a record \$441 million last year, and EBITDA was a record \$654 million.
- Dividends have increased for 30 consecutive years, and have typically paid out at about 30% of the moving 3-year earnings average.

In addition, last spring *Fortune* magazine ranked Leggett in the top 20% of the Fortune 500 firms on several measures of growth, return, and efficiency.

Dave Haffner, Karl Glassman, Jack Crusa, Bob Griffin, Matt Flanigan and Bob Gaddy are Leggett partners, left to right.

GOALS

We intend to extend our superior track record far into the future. To that end, our long-term goals remain unchanged.

- 15% average annual growth in sales and earnings.
- Return on average equity in the high teens.
- Long-term debt, net of cash, at 30% to 40% of total capitalization.

INTERNAL OWNERSHIP

We believe investors appreciate the fact that management and employee-partners are



Leggett Works to achieve superior performance.

significant owners of Leggett stock, and have a vested interest in generating long-term share value appreciation. Executive officers and directors currently own about 7% of Leggett stock. Looking a little more broadly, approximately 25% of our stock is held by all officers and directors, employees, retirees, merger partners, and their families. We encourage stock ownership through a variety of employee programs, and in recent years management and employees have invested about \$30 million annually in Leggett stock through these programs.

OPERATING OBJECTIVES

Inside the front cover you will find information about business models for each segment. But, in general, our objectives could be summed up as:

- Partner with customers.
- Provide superior products.
- Be the low cost leader.
- Pursue logical expansion.

In the text that follows, we will expand on each of these objectives.

PARTNERSHIP

We view our customers as partners, and we value long-term relationships more than short-term profit. We strive to deliver unequalled service to all customers, listen intently to their needs, and respond quickly to meet and exceed their expectations.

PRODUCTS

We utilize our R&D resources to provide innovative, proprietary products to customers.



Our goal is to give customers technologically superior products at lower cost than they or others can produce them. Our cost structure and levels of service encourage customers to outsource more component production to us, and to purchase additional products from us.

LOW COST

We are, and intend to remain, the low cost leader in the markets we serve. We aim to be first or second in all our markets. As we grow, we strive to improve market share and

capitalize on economies of scale. Where it makes sense, we try to reduce costs by being vertical in the supply of raw materials. In addition, we design, patent and manufacture automation and production machinery for our proprietary use.

EXPANSION

Over the past four decades, we have taken logical, measured steps toward diversification and expansion, both internally and externally. About two-thirds of our growth has come from acquisition of existing businesses. We normally target, and have achieved, about 8-10% sales growth due to acquisitions.

We reduce acquisition risk by involving the management teams of our business units, who usually know the target firms well. A typical acquiree will be a small private firm, generally with less than \$20 million in annual revenue, and just one or two plants. Of 150 acquisitions completed in the last decade,



*Sheri Bradshaw, Mike Glauber and
Bob Wagner are partners pictured, left to right.*

Leggett Works are located across the globe.

only three have had greater than \$100 million in annual revenue.

Many of our acquisitions are “bolt on” extensions of Leggett businesses, and can be thought of as internal expansions made in lieu of building brand new facilities. Economics often favor purchasing a plant rather than building a new one. It is worth noting that if we ceased acquisitions altogether, we would need to build more of our own plants, and our internal growth would likely be about double the 3-5% average rate we typically experience.

EXPANSE

Today Leggett products are nearly everywhere. We serve more customers, with a broader suite of products, across more geographic territory, than ever before. As a result of our growth, the collective Leggett works, or operations, encompass over 300 manufacturing plants, distribution centers, and other facilities across North America, and in select international locations, as depicted on the map on page 11.

DOMESTIC OPPORTUNITY

We currently enjoy about 8% share of markets that total over \$50 billion of sales in North America. We see ample opportunity for growth to continue at the 15% average. These markets tend to be highly fragmented, contain hundreds of small firms, and are ripe for aggregation. In addition, internal growth

will accrue from innovative product development, additional outsourcing from vertical manufacturers, gains in market share as we lower costs and expand geographically, and continued GDP growth.

INTERNATIONAL POTENTIAL

We also see potential for expansion overseas, via three primary avenues. First, as customers add foreign operations, we can partner with them, supplying their need for locally produced components. Second, in some

Allan Ross, Bob Jefferies and Ernie Jett are partners pictured, left to right.





Make A Difference. A large group of Leggett partners took part in the Make A Difference Day 2000 program — Safety In Your Town — in Joplin, Missouri. The Leggett volunteers helped educate the public in six safety categories: Home Safety; Fire Prevention; Stranger Awareness for women and children; Vehicle Safety for adults and young drivers; Bicycle Safety; and Infant/Toddler Safety for children under five. Partners who participated gave the event high marks, well worth the time volunteered. Leggett chairpersons for the local event, Kim Nespory, Denay Phipps and Mark Smith, are shown above.

areas we are pursuing a components strategy by opening facilities and encouraging vertical manufacturers to outsource to us, similar to how we have excelled in the United States. And third, in a few select countries we acquire one or two plants, as a beachhead, from which to expand further in the future.

PARTNERSHIP HERITAGE

We are very proud of the expansion of our facilities, but even more proud of our employee-partners, and our pervasive partnership mentality.

J.P. Leggett and C.B. Platt, our co-founders, were both residents of Carthage, a



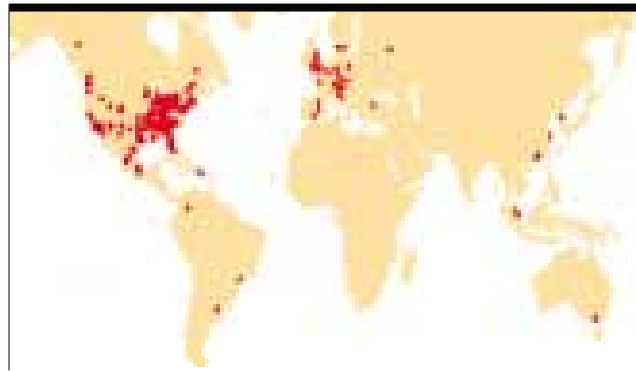


county seat in southwest Missouri, when they formed their business partnership in 1883. Together they produced the L&P bedspring, which they patented in 1885. Their partnership prospered and the business was incorporated in 1901. The company's growth era began in 1960, and the initial public offering of Leggett stock occurred in 1967.

Today we employ 34,000 individuals who share a spirit of partnership, and work in teams to achieve well-defined goals. Partnership also is evident among senior executives, where longevity and management continuity are key Leggett attributes. Our top executives have worked together for many years as a team dedicated to extending Leggett's track record and list of accomplishments.

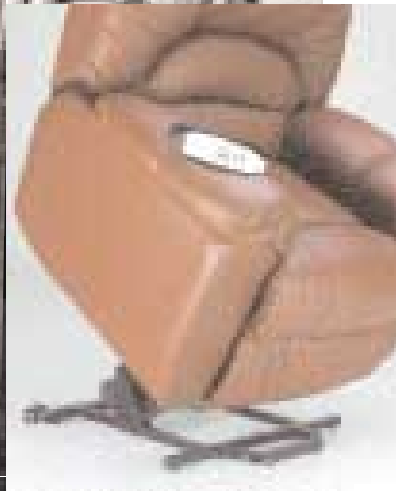
Though only a small part of the total, the people pictured throughout this report represent all our employee-partners, who are the company's greatest asset. Their combined dedication and attention to improving performance reinforces our confidence in a bright outlook for Leggett.

Partners standing, left to right, are Bill Niere, John Hale, Eloise Nash, Dave DeSonier, Ken Purser and Bill Weil. Patsy Burleson, Derek Lombard and Jennifer Beyer are pictured above the map.



In the new decade Leggett is serving more customers with a wider range of products in more regions around the world, than ever before. Operations encompass more than 300 manufacturing plants, distribution centers and other facilities in North America and many international locations. Opportunities for continued geographic growth are attractive.

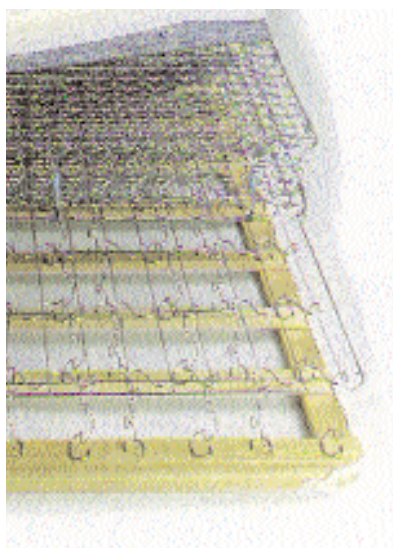




residential furnishings

Leggett's inventive heritage and leadership in the residential furnishings industry spans more than 100 years. Today, we are the leading worldwide supplier of a wide range of components (many of which are proprietary) that manufacturers of bedding and upholstered furniture use to make their finished products. We also design some sleep-related furniture

and select lines of additional consumer products we sell primarily to retailers and distributors. Our ongoing R&D efforts yield innovative products and enduring customer relationships, and enhance our growth as customers outsource additional component manufacturing to us, and purchase more products from us.



Standing, left to right, Terry Bowen, Dennis Park, Paul Hauser, Mike Walters and Jerry Greene, Jr. Other partners, left to right, are Rick Kessler, Dennis Arf, Sherri Marcum, Curt Holland and Amir Rodas.



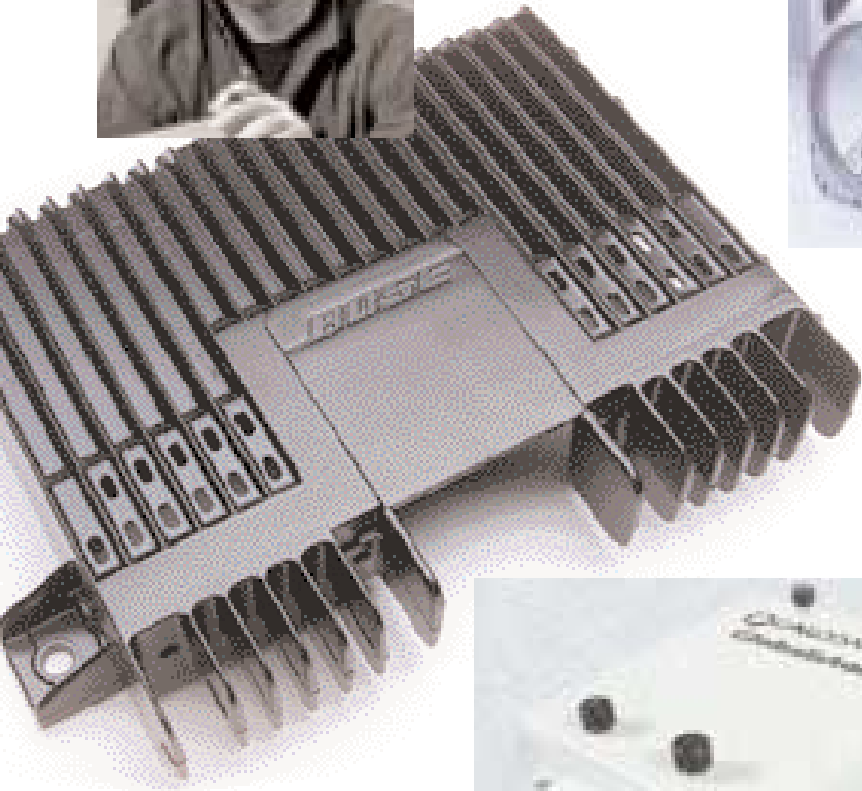
commercial furnishings

Leggett is the market leader in design, production and delivery of a broad suite of retail store fixtures, point of purchase displays, and storage products. To help us achieve “one stop” supplier status for retailers, specialty shops and other major customers, we acquired nearly 30 companies in this segment over the last four years. This expansion has significantly strengthened our market presence and potential in these operations. In addition,

Leggett is the leading independent producer of proprietary, innovative chair controls, furniture bases and other components for office furniture manufacturers. Leggett also produces injection molded plastic components, both for our own use and for external customers.



Standing, left to right, Larry Crabbe, Bob David, Randy Stuart, Brian Zeeuw and Joe Doerner. Other partners, left to right, are Rick Wilson, Jesse Love, Sandy Taylor, Jane Davis and Byron Hunter.



aluminum products

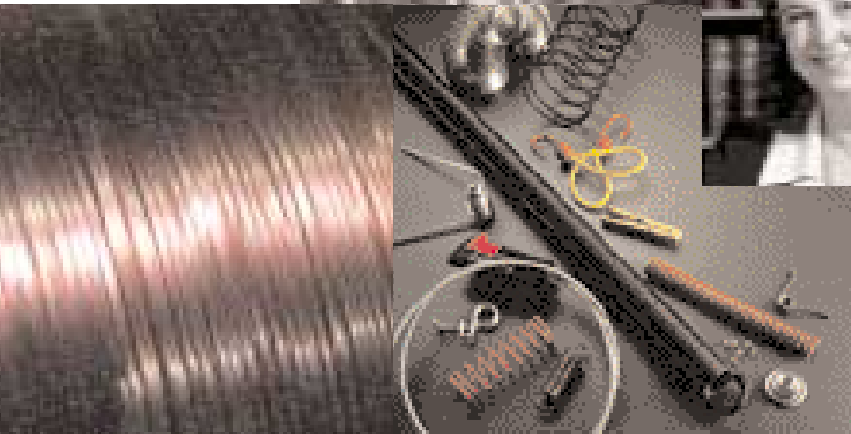


From a modest beginning in the early 1970s, we more than doubled our aluminum die casting business through a 1996 acquisition. Today the Leggett aluminum group is the leading independent producer of non-automotive die castings in North America. Major customers include manufacturers of consumer products, telecommunications and electrical equipment, and other industrial

products that incorporate aluminum, zinc and magnesium die cast components. We also offer customers extensive value added tooling and dies, and finishing processes such as machining, coating, and assembly of components and sub-systems. Excellence in customer service and superior quality controls contribute to our competitive advantage.



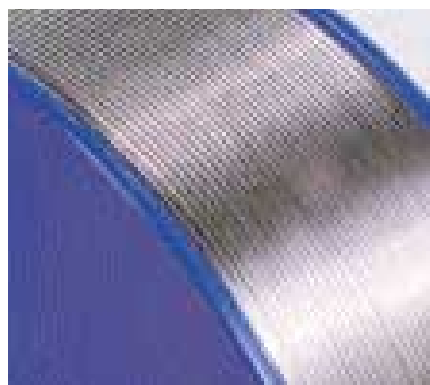
Standing, left to right, Scott Bull, Dan Hebert, Jim Starkey and Keith Ekenseair. Other partners, left to right, are Steve Johnson, Johnny Estes, Terry Kircher and Shawna Webb.



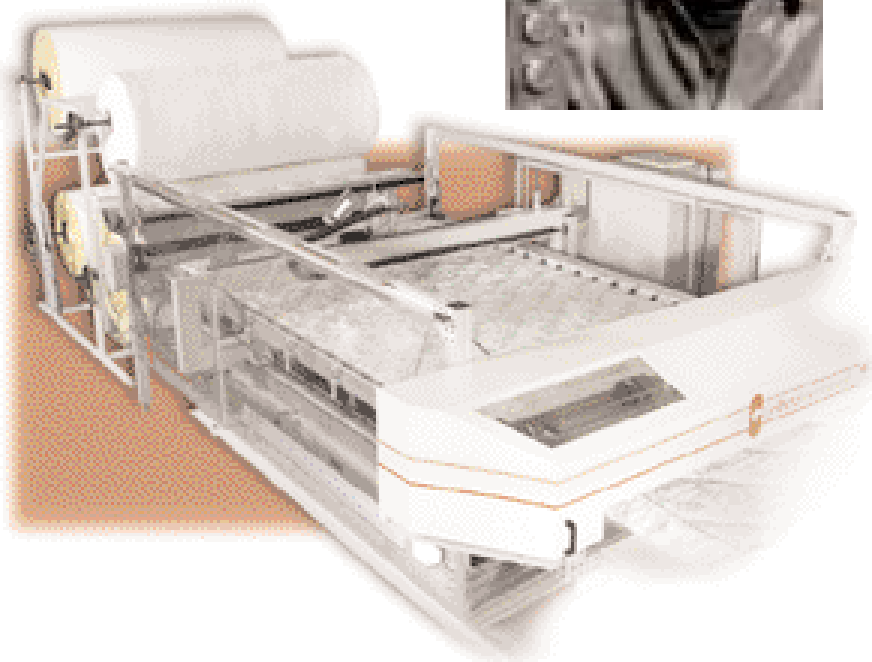
industrial materials

Leggett is the leading North American producer of drawn steel wire. The six plants we operate produce more than 800,000 tons of steel wire annually, about half of which other Leggett businesses buy, with external customers consuming the balance. Similarly, we have three major plants that supply most of our internal needs for welded steel tubing. Other manufacturers also buy tubing from these operations. High quality and low cost

make us a leading producer of these select materials. We produce to tighter than industry standards and focus intently on customer service, to meet and exceed both internal and external customer expectations. Additional operations produce specialty wire products, such as rolled, flattened and shaped wire; proprietary bale ties; and tying heads for automatic baling equipment.



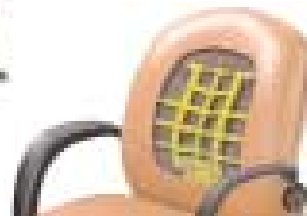
Standing, left to right, Joe Downes, Bill Avise and George Johnston. Other partners, left to right, are Darrell Hall, Tim Henderson, Troy Hudson, Jean Christian and Sam Jones.



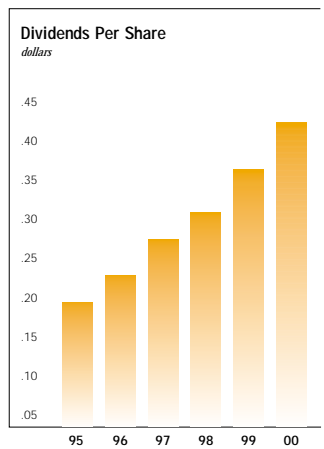
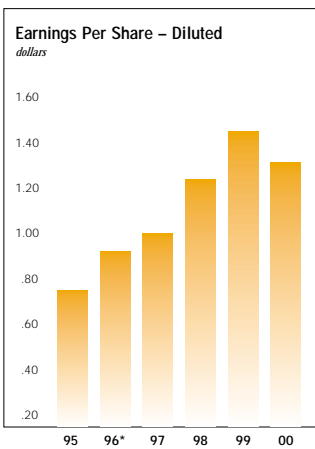
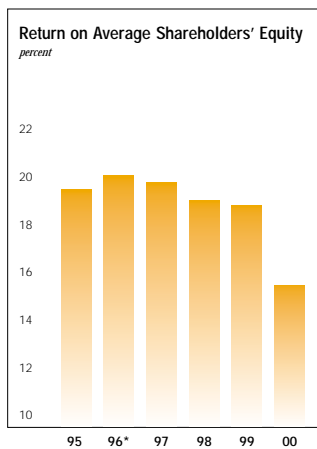
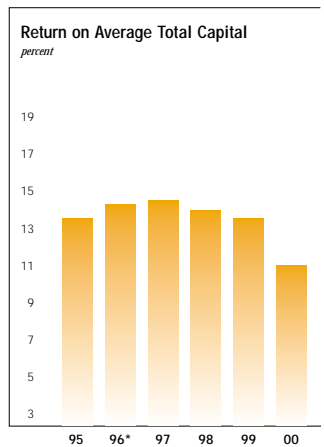
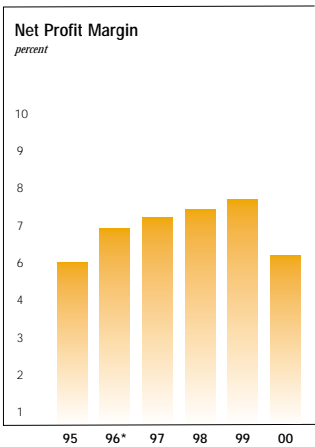
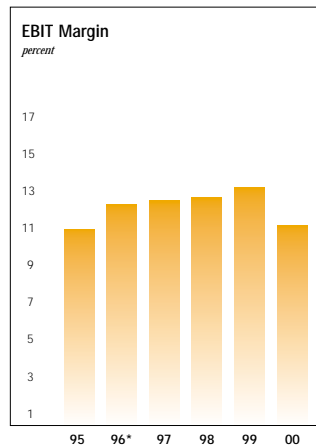
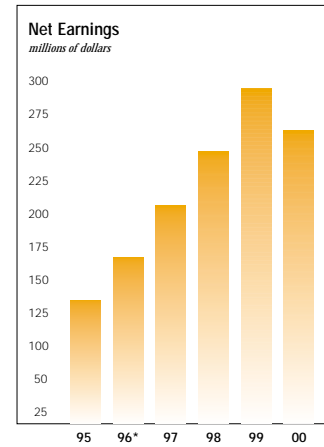
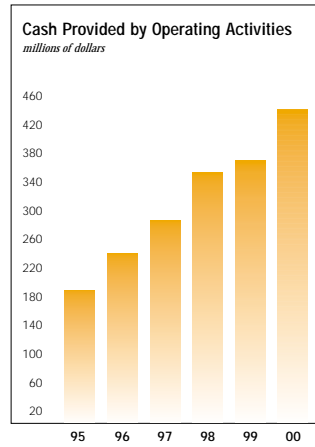
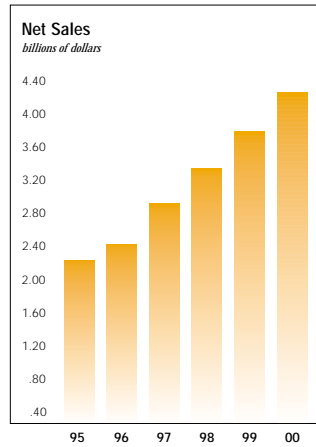
specialized products

This business is concentrated in two different areas. In the first, Leggett is the leading designer and worldwide manufacturer of automotive seating suspension and lumbar systems, and a major supplier of control and power train cable systems, many of which are proprietary. While we sell these components primarily to tier one and tier two automotive suppliers, we foresee additional potential in office and residential furniture applications. In the

second area, several Leggett companies are global leaders in design and production of state-of-the-art machinery and equipment, both for our own use and for other manufacturers. These technologically advanced products include wire forming equipment, industrial quilting and sewing machinery, and specialized automation equipment. Manufacturers of bedding and other furnishings are the primary external customers.



Standing, left to right, Tom Wells, Tony Garrett, Derek Martin, Karl Richter and Chuck Kallil, Sr. Other partners, left to right, are Brenda Wickstrom, Jake Neuenswander, Brenda Brewer and Shirley Periman.



*See note (1) to financial data on page 24.

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LEGGETT & PLATT, INCORPORATED AND SUBSIDIARIES

(Dollar amounts in millions, except per share data)

	2000	1999	1998
Summary of Operations			
Net sales	\$4,276.3	\$3,779.0	\$3,370.4
% change	13.2%	12.1%	15.9%
Gross profit	1,087.8	1,020.3	871.5
Interest expense	66.3	43.0	38.5
Earnings from continuing operations before income taxes and non-recurring costs ⁽¹⁾	418.6	462.6	395.6
Net earnings before non-recurring costs ⁽¹⁾	264.1	290.5	248.0
% change	(9.1%)	17.1%	19.1%
Net earnings	264.1	290.5	248.0
Common Stock Data			
Earnings per share			
Net earnings before non-recurring costs – basic ⁽¹⁾	\$ 1.33	\$ 1.46	\$ 1.25
Net earnings before non-recurring costs – diluted ⁽¹⁾	1.32	1.45	1.24
% change	(9.0%)	16.9%	14.8%
Net earnings – basic	1.33	1.46	1.25
Net earnings – diluted	1.32	1.45	1.24
Cash dividends declared per share	.42	.36	.315
Average number of shares outstanding			
Basic	199.0	198.5	197.7
Diluted	200.4	200.9	200.7
Year-End Financial Position			
Working capital	\$ 928.7	\$ 824.7	\$ 735.7
Property, plant and equipment, net	1,018.4	915.0	820.4
Total assets	3,373.2	2,977.5	2,535.3
Long-term debt	988.4	787.4	574.1
Shareholders' equity	1,793.8	1,646.2	1,436.8
Total capital ⁽²⁾	2,896.6	2,546.0	2,133.9
Other Financial Data, Profit Measures and Ratios			
Earnings before interest, taxes and non-recurring costs (EBIT) ⁽¹⁾	\$ 480.8	\$ 502.5	\$ 429.1
Earnings before net interest expense, taxes, depreciation, amortization and non-recurring costs ⁽¹⁾	654.1	651.8	557.0
Net cash provided by operating activities	440.8	370.8	354.9
Capital expenditures	169.7	159.1	147.6
Depreciation	139.2	120.5	106.1
Amortization	34.1	28.8	21.8
PERCENTAGES			
EBIT margin	11.2%	13.3%	12.7%
Net profit margin before non-recurring costs ⁽¹⁾	6.2	7.7	7.4
Average working capital as % of net sales ⁽⁴⁾	19.8	19.3	18.0
Long-term debt as % of total capital	34.1	30.9	26.9
Return on average total capital ^{(1) (3)}	11.2	13.6	14.1
Return on average shareholders' equity ⁽¹⁾	15.4	18.8	19.0

(1) 1996 amounts exclude merger related costs of \$26.6 pre-tax and \$16.4 after-tax, or \$.09 per basic and diluted share, and an extraordinary item of \$12.5 after-tax, or \$.07 per basic and diluted share. A restructuring charge of \$20.3 pre-tax and \$14.3 after-tax, or \$.10 per basic share and \$.09 per diluted share is excluded from 1990.

(2) Total capital includes long-term debt, deferred taxes, other long-term liabilities and shareholders' equity.

(3) This percentage is computed by adding the after-tax interest expense to net earnings and then dividing the sum by average total capital.

(4) For the purpose of this percentage, average working capital excludes cash and cash equivalents.

1997	1996	1995	1994	1993	1992	1991	1990
\$2,909.2	\$2,466.2	\$2,256.9	\$2,009.1	\$1,526.7	\$1,315.0	\$1,221.4	\$1,231.3
18.0%	9.3%	12.3%	31.6%	16.1%	7.7%	(.8%)	10.2%
737.8	623.5	534.9	471.7	348.4	300.7	260.9	262.4
31.8	30.0	30.4	26.0	10.2	13.5	19.9	23.1
333.3	276.3	220.6	196.3	140.4	107.2	65.2	73.1
208.3	169.4	134.3	119.5	85.6	65.8	39.5	44.5
23.0%	26.1%	12.4%	39.6%	30.1%	66.6%	(11.2%)	(9.0%)
208.3	140.5	134.3	119.5	85.6	65.8	39.5	30.2
\$ 1.09	\$.94	\$.76	\$.69	\$.53	\$.42	\$.27	\$.30
1.08	.92	.75	.68	.52	.41	.26	.30
17.4%	22.7%	10.3%	30.8%	26.8%	57.7%	(13.3%)	(9.1%)
1.09	.78	.76	.69	.53	.42	.27	.21
1.08	.77	.75	.68	.52	.41	.26	.20
.27	.23	.19	.155	.135	.115	.11	.105
190.3	181.1	177.3	173.2	160.2	155.9	146.8	146.3
193.2	183.7	179.7	175.7	164.6	160.8	157.1	156.2
\$ 572.1	\$ 470.5	\$ 411.5	\$ 353.6	\$ 297.8	\$ 237.9	\$ 233.6	\$ 236.9
693.2	582.9	510.6	440.7	353.4	259.7	263.4	255.7
2,106.3	1,712.9	1,478.1	1,327.0	1,080.1	772.5	746.7	768.8
466.2	388.5	380.6	364.1	306.1	147.9	232.7	269.4
1,174.0	941.1	746.8	628.3	514.6	442.1	346.3	316.4
1,733.8	1,420.1	1,203.0	1,060.4	892.5	631.5	621.0	626.8
\$ 362.5	\$ 304.2	\$ 249.2	\$ 220.2	\$ 148.4	\$ 118.0	\$ 84.1	\$ 95.0
468.1	396.4	327.2	286.8	193.7	160.6	125.5	134.3
288.3	238.1	187.8	171.9	145.7	100.4	103.0	69.0
119.4	96.2	106.8	97.1	54.2	35.8	36.5	45.1
88.3	75.8	62.6	52.5	39.1	36.5	34.6	32.8
17.3	16.4	15.4	14.1	6.2	6.1	6.8	6.5
12.5%	12.3%	11.0%	11.0%	9.7%	9.0%	6.9%	7.7%
7.2	6.9	6.0	5.9	5.6	5.0	3.2	3.6
17.7	17.6	16.7	16.1	17.4	17.2	18.5	17.7
26.9	27.4	31.6	34.3	34.3	23.4	37.5	43.0
14.5	14.3	13.5	13.9	12.0	11.8	8.3	10.1
19.7	20.1	19.5	20.9	17.9	16.7	11.9	14.6

Management's Discussion and Analysis of Financial Condition and Results of Operations

LEGGETT & PLATT, INCORPORATED AND SUBSIDIARIES

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 to finance the Company's ongoing operations in periods of economic downturn. In a normal operating environment, management intends to direct capital to ongoing operations, 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.

<i>(Dollar amounts in millions)</i>	2000	1999	1998
Long-term debt outstanding:			
Scheduled maturities	\$ 988.4	\$ 642.7	\$ 574.1
Average interest rates	6.8%	6.7%	6.6%
Average maturities in years	4.8	5.5	6.2
Revolving credit/commercial paper	–	144.7	–
Total long-term debt	988.4	787.4	574.1
Deferred income taxes and other liabilities	114.4	112.4	123.0
Shareholders' equity	1,793.8	1,646.2	1,436.8
Total capitalization	\$2,896.6	\$2,546.0	\$2,133.9
Unused committed credit:			
Long-term	\$ 215.0	\$ 52.8	\$ 217.5
Short-term	112.5	97.5	82.5
Total unused committed credit	\$ 327.5	\$ 150.3	\$ 300.0
Cash and cash equivalents	\$ 37.3	\$ 20.6	\$ 83.5

Cash provided by operating activities was \$440.8 million, \$370.8 million and \$354.9 million for 2000, 1999 and 1998, respectively, or a three year total of \$1,166.5 million. The increase in cash provided by operating activities during 2000 compared to the prior year principally reflects an increase in EBITDA (earnings before interest, taxes, depreciation and amortization), a reduction in current tax expense and a smaller increase in working capital (excluding acquisitions), partially offset by higher interest costs. During 1999, the increase in cash provided by operating activities principally reflected earnings improvements, offset somewhat by higher working capital requirements.

Long-term debt outstanding was 34.1%, 30.9% and 26.9% of total capitalization at the end of 2000, 1999 and 1998, respectively. As shown in the preceding table, obligations having scheduled maturities are the primary source of the Company's debt capital. At the end of 2000, these obligations consisted primarily of the Company's privately placed medium-term notes and tax-exempt industrial development bonds. In February 2000, \$350 million of 7.65% five-year notes were issued under a \$500 million shelf registration completed in November 1999. These notes were converted to variable rate notes under an interest rate swap agreement. The proceeds of the offering were used to pay down commercial paper and to fund the Company's capital expenditures and acquisition activity.

In the second and third quarters of 1999, the Company issued a total of \$104 million in medium-term notes, the proceeds of which were used to repay maturing notes and for acquisitions. 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 acquisitions. A portion of the proceeds were temporarily held in cash and cash equivalents at December 31, 1998.

The secondary source of the Company's debt capital consists of revolving bank credit agreements and commercial paper issuances. Management has negotiated bank credit agreements and established a commercial paper program to continuously support the Company's projected growth and to maintain highly flexible sources of debt capital. The majority of the credit under these arrangements is a long-term obligation. If needed, however, the credit is available for short-term borrowings and repayments. To

further facilitate the issuance of debt capital, the Company has in effect a \$500 million shelf registration of debt. The current shelf registration restored to \$500 million the original amount of a shelf registration previously completed in November 1999. At the end of 2000, the Company had no commercial paper outstanding. Additional details of long-term debt, including scheduled maturities, revolving credit and commercial paper are discussed in Note E of the Notes to Consolidated Financial Statements.

USES OF CAPITAL RESOURCES

The Company's internal investments to modernize and expand manufacturing capacity totaled \$476.4 million in the last three years. In 2001, management anticipates internal investments will approximate \$150 million, down from the nearly \$170 million spent in 2000. During the last three years, the Company employed \$659.5 million in cash (net of cash acquired) and issued 4.2 million shares of common stock in acquisitions. During 2000, twenty-one businesses were acquired for \$252.3 million in cash (net of cash acquired) and 268,791 shares or share equivalents. In addition, the Company assumed \$123.4 million of acquisition companies' debt and other liabilities. Of the twenty-one 2000 acquisitions, eight were made in Residential Furnishings, six in Commercial Furnishings, one in Aluminum Products, two in Industrial Materials and four in Specialized Products. Additional details of acquisitions are discussed in Note B 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 J of the Notes to Consolidated Financial Statements.

Company purchases of its common stock (net of issuances) totaled \$49.2 million in 2000, \$77.5 million in 1999, and \$8.5 million in 1998. These purchases were made primarily for employee stock plans, to replace shares issued in purchase acquisitions and to satisfy contractual obligations. The Board of Directors annually authorizes management, at its discretion, to buy up to 2,000,000 shares of Leggett stock for use in employee benefit plans. This 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.

At the end of the third quarter 2000, the Board of Directors authorized management to buy up to an additional 10,000,000 shares of Leggett stock as part of the Company's performance improvement plan also announced at that time. No specific schedule of purchases has been established under this authorization. The amount and timing of any purchases will depend on availability of cash, economic and market conditions, acquisition activity and other factors.

Cash dividends on the Company's common stock in the last three years totaled \$207.6 million. Over this three-year period, cash dividends per share have increased at a 15.9% compounded annual rate. As a percent of earnings per share (diluted), cash dividends per share were 31.8% in 2000, 24.8% in 1999 and 25.4% in 1998.

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

SHORT-TERM LIQUIDITY

Working capital, excluding cash and acquisitions, increased over the prior year by \$30.8 million, \$96.1 million and \$56.9 million for the years 2000, 1999 and 1998, respectively. During the three-year period, the Company also assumed a total of \$143.2 million in working capital through acquisitions. During the last half of 2000, the Company concentrated on reducing working capital levels. Due to the softening in market demand discussed below under "Results of Operations", the desired reduction in inventory has not yet been achieved. The increase in working capital during 1999 and 1998 was due in large part to increased same location sales volume, with some inventory build-up at the end of 1999 due to anticipation of higher prices for certain key raw materials. The following table shows the annual turnover on average year-end working capital, trade receivables and inventories. The ratios may be affected by timing of the Company's acquisitions.

	2000	1999	1998
Working capital turnover (excluding cash and cash equivalents)	5.0x	5.2x	5.5x
Trade receivables turnover	7.2	7.3	7.2
Inventory turnover	5.0	5.1	5.4

Management's Discussion and Analysis of Financial Condition and Results of Operations *(continued)*

LEGGETT & PLATT, INCORPORATED AND SUBSIDIARIES

Receivables turnover in the Aluminum Products segment is lower than in the other segments due principally to the seasonal nature of its gas barbecue grill business. Also, aluminum commitments to certain customers result in carrying higher levels of inventory than the Company's other segments. Recent acquisitions concentrated in the Commercial Furnishings and Specialized Products segments also contributed to reductions in working capital turnover and inventory turnover due to increased production time and extended delivery schedules in these businesses.

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 provide for increased market penetration and operating efficiencies and broader product lines. 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.

For the years 2000, 1999 and 1998, sales increased 13.2%, 12.1% and 15.9%, respectively, while same location sales increased .2%, 2.9% and 3.8% for the same periods. Same location sales growth primarily reflected increases in unit volumes. Internal growth during 2000 was negatively impacted by reduced market demand across all segments, particularly in the last half of the year. Selling prices in 2000 for certain products include some recovery of higher raw material costs. Trends in the general economy were very favorable during 1999 and 1998, which had a positive impact on unit volume, although 1999 was also impacted by lower selling prices for certain products. Residential Furnishings accounted for 36.1% of the 2000 increase in consolidated sales and Commercial Furnishings accounted for 41.3% of the increase. In 1999, Residential Furnishings accounted for 41.4% of the consolidated sales increase over 1998 and Commercial Furnishings accounted for 37.9% 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 ratio of earnings to fixed charges.

	2000	1999	1998
Gross profit margin	25.4%	27.0%	25.9%
EBIT (Earnings before interest and taxes) margin	11.2	13.3	12.7
Net profit margin	6.2	7.7	7.4
Effective income tax rate	36.9	37.2	37.3
Ratio of earnings to fixed charges	6.4x	9.8x	9.6x

The Company's gross profit margin declined during 2000 after improvements in each of the previous two years. The decline in 2000 primarily reflected weakened demand in all of the Company's business segments, as well as lower than expected performance in the Company's Aluminum Products segment and some parts of the Residential and Commercial Furnishings segments. Production cutbacks, plant closure costs and a supplier disruption at a single plant contributed to reduced plant utilization and lower overhead absorption, which significantly impacted profit and EBIT margins. Margins were also reduced by increased medical expenses and higher energy costs. Higher interest expense during 2000 contributed to the decline in net margin. The lower effective tax rate in 2000 primarily reflects a reduction in foreign statutory rates.

The Company has begun implementation of its tactical plan announced at the end of the third quarter 2000, aimed at improving performance, margins and shareholder return. The primary objective of the tactical plan is to fix problems in under-performing businesses. Operations that cannot be fixed will be consolidated, closed or sold. In addition, the Company is reducing acquisitions and capital spending in operational areas that are under performing. The Company expects to continue this tactical course for several quarters and possibly longer, as conditions warrant. Once performance improves, the Company expects to return to its traditional level of acquisition activity. The Company's strategic, long-term growth plans remain unchanged.

The increase in gross profit margin in 1999 reflected several favorable factors. These included continued increases in production efficiencies, increased sales of products with above average margins, lower material costs and better manufacturing overhead absorption. The EBIT margin also increased due to these factors, offset somewhat by higher operating costs as a percentage of sales. The higher operating expenses as a percentage of sales, which include some amount of fixed administrative and other costs, was impacted by the effect on sales of lower selling prices in certain product lines and higher operating costs in acquired companies as a percentage of sales.

SEASONALITY

The percent of consolidated net sales by quarter, excluding the impact of acquisitions, is as follows for the last three years:

	2000	1999	1998
First Quarter	24.7%	23.9%	23.6%
Second Quarter	25.4	25.6	25.1
Third Quarter	26.1	25.7	25.9
Fourth Quarter	23.8	24.8	25.4
Year	100.0%	100.0%	100.0%

The Company does not experience significant seasonality, however, as indicated in the above table, quarter-to-quarter sales can vary in proportion to the total year by 1-2%. Management estimates that this 1-2% sales impact can have, at current average net margins and considering overhead absorption, an approximately 5-10% plus or minus impact on quarter-to-quarter earnings. The timing of acquisitions and economic factors (e.g. the fourth quarter of 2000) in any year can distort the underlying seasonality in certain of the Company's businesses. For the Company's businesses in total, the second and third quarters have proportionately greater sales, while the first and fourth quarters are lower. This small seasonality has become somewhat more pronounced, with the fourth quarter particularly showing proportionately lower sales due to the growth of the store fixtures business of Commercial Furnishings.

Residential Furnishings and Commercial Furnishings typically have their strongest sales in the second and third

quarters. Commercial Furnishings particularly has heavy third quarter sales of its store fixtures products, with the first and fourth quarters generally lower. Aluminum Products sales are proportionately greater in the first two calendar quarters due to gas barbecue grill castings. Industrial Materials sales peak in the third and fourth quarters from wire products used for baling cotton. Specialized Products has relatively little quarter-to-quarter variation in sales, although the automotive business is somewhat heavier in the first two quarters of the year, and somewhat lower in the third quarter, due to model changeovers and plant shutdowns in the automobile industry during the summer.

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 J of the Notes to Consolidated Financial Statements. Following is a comparison of EBIT margins (Segment EBIT divided by Total Segment Sales):

	2000	1999	1998
Residential Furnishings	10.5%	11.2%	11.1%
Commercial Furnishings	11.2	16.2	17.8
Aluminum Products	6.7	9.6	6.3
Industrial Materials	13.8	14.5	11.2
Specialized Products	12.5	12.1	11.6

Residential Furnishings sales increased 9.2% in 2000, with same location growth of 2.4%. Numerous acquisitions accounted for the balance of the growth. EBIT increased 2.0%, with strong volume and efficiency gains in the first half of the year offset by softening industry demand, efforts to reduce finished goods inventory which resulted in lower production, and reduced overhead absorption and efficiency starting in the third quarter. For 1999, Residential Furnishings sales were up 9.6%, principally from acquisitions, although volume growth was also a significant factor. The growth in sales was negatively impacted by declining selling prices in certain product lines. EBIT increased 10.8% in 1999 versus 1998, and EBIT margin increased slightly as higher volume improved operating efficiencies and raw material costs were lower.

Management's Discussion and Analysis of Financial Condition and Results of Operations *(continued)*

LEGGETT & PLATT, INCORPORATED AND SUBSIDIARIES

Commercial Furnishings sales increased 26.7% in 2000 due to numerous acquisitions. Same location sales were down 3.0% for the period, as some customers for store fixture, display, and storage products reduced purchases. EBIT declined 13.0% in 2000 due to demand shortfalls, reduced margins attributable to the changing mix of businesses, plant inefficiencies and a supplier disruption at a store fixture and design firm acquired in 1999. Plant restructuring costs and integration benefits from acquisitions that have not been fully realized also had a negative impact on EBIT margins. In 1999, Commercial Furnishings sales increased 25.0% over the prior year due primarily to acquisition activity. EBIT in 1999 improved 14.2% over 1998, but EBIT margin declined due to product mix, lower volume in certain product lines and the fact that the Company had not yet fully realized the integration benefits of the substantial acquisition activity in this segment.

Aluminum Products sales decreased .5% in 2000. Same location sales declined 1.6%, and were partially offset by one acquisition. Starting in the second quarter, reduced die cast component sales reflected weak market demand for a variety of consumer and industrial products, including castings for barbecue grills, diesel truck engine components, small gasoline engines, outdoor lighting and electrical products. EBIT decreased 30.6%, reflecting significantly reduced production in the second half of the year, plant under utilization, higher natural gas costs, smelting losses, and plant closure costs. In 1999, Aluminum Product sales increased 5.9%, principally from improved operations. This improvement was moderated by declining aluminum prices. EBIT increased 61.3% and EBIT margin improved from gains in operating efficiency and a shift to higher margin products at certain die cast facilities.

Industrial Materials sales in 2000 increased 8.4%, with same location growth of 2.5%. Acquisitions accounted for the balance of the sales growth. EBIT improved 3.7% in 2000, however, EBIT margins were down reflecting higher raw materials costs, primarily for steel rod and flat rolled steel used to make wire and welded steel tubing, and production inefficiencies. In 1999, Industrial Materials sales were 4.7% higher than 1998, principally reflecting acquisition related sales. The sales improvement was lower than unit volume gains as selling prices declined for drawn wire. EBIT improved 35.1% in 1999 and EBIT margin was better reflecting lower raw material prices and improved operating efficiencies.

Specialized Product sales increased 32.2% in 2000 due to acquisitions. Same location sales declined .3%. EBIT increased 36.1%, reflecting acquisitions, increased sales of specialized machinery with higher margins, and improved efficiencies. In 1999, Specialized Products sales increased 14.3%, due primarily to acquisitions. EBIT improved 19.2%, reflecting acquisition growth and higher automotive sales. EBIT margin was up somewhat from improved efficiencies and acquisitions.

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). In June 2000, the FASB issued Statement No. 138, which deferred implementation of FASB No. 133, which will become effective for the Company beginning January 1, 2001. FASB No. 133 will not 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.

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 or revise 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: the Company's ability to improve operations and realize cost savings, future growth of acquired companies, competitive and 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.

Report of Independent Accountants

LEGGETT & PLATT, INCORPORATED AND SUBSIDIARIES

TO THE BOARD OF DIRECTORS AND SHAREHOLDERS OF LEGGETT & PLATT, INCORPORATED:

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of earnings, of cash flows and of changes in shareholders' equity present fairly, in all material respects, the financial position of Leggett & Platt, Incorporated and its subsidiaries at December 31, 2000 and 1999, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2000 in conformity with accounting principles generally accepted in the United States of America. 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 auditing standards generally accepted in the United States of America, 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 our opinion.

PricewaterhouseCoopers LLP

*St. Louis, Missouri
January 31, 2001*

Consolidated Statements of Earnings

LEGGETT & PLATT, INCORPORATED AND SUBSIDIARIES

(Dollar amounts in millions, except per share data)

Year ended December 31	2000	1999	1998
Net sales	\$4,276.3	\$3,779.0	\$3,370.4
Cost of goods sold	3,188.5	2,758.7	2,498.9
Gross profit	1,087.8	1,020.3	871.5
Distribution and handling expenses	175.5	150.7	134.3
Selling and administrative expenses	391.6	340.5	288.5
Amortization of excess cost of purchased companies and other intangibles	34.1	28.8	21.8
Other income (deductions), net	(5.8)	2.2	2.2
Earnings before interest and income taxes	480.8	502.5	429.1
Interest expense	66.3	43.0	38.5
Interest income	4.1	3.1	5.0
Earnings before income taxes	418.6	462.6	395.6
Income taxes	154.5	172.1	147.6
Net earnings	\$ 264.1	\$ 290.5	\$ 248.0
Earnings per share			
Basic	\$ 1.33	\$ 1.46	\$ 1.25
Diluted	\$ 1.32	\$ 1.45	\$ 1.24

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	2000	1999
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 37.3	\$ 20.6
Accounts and notes receivable, less allowance of \$16.3 in 2000 and \$13.3 in 1999	634.2	559.4
Inventories		
Finished goods	336.8	309.9
Work in process	89.2	63.2
Raw materials and supplies	255.5	238.2
LIFO reserve	(9.7)	(5.5)
Total inventories	671.8	605.8
Other current assets	62.0	70.4
Total current assets	1,405.3	1,256.2
Property, Plant and Equipment – at cost		
Machinery and equipment	1,176.7	1,050.9
Buildings and other	584.4	524.3
Land	61.7	53.5
Total property, plant and equipment	1,822.8	1,628.7
Less accumulated depreciation	804.4	713.7
Net property, plant and equipment	1,018.4	915.0
Other Assets		
Excess cost of purchased companies over net assets acquired, less accumulated amortization of \$88.8 in 2000 and \$67.3 in 1999	846.0	714.3
Other intangibles, less accumulated amortization of \$38.1 in 2000 and \$32.6 in 1999	49.3	45.2
Sundry	54.2	46.8
Total other assets	949.5	806.3
TOTAL ASSETS	\$3,373.2	\$2,977.5

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

	2000	1999
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	\$ 179.4	\$ 146.1
Accrued expenses	201.5	194.2
Other current liabilities	95.7	91.2
Total current liabilities	476.6	431.5
Long-Term Debt	988.4	787.4
Other Liabilities	42.5	43.9
Deferred Income Taxes	71.9	68.5
Shareholders' Equity		
Capital stock		
Preferred stock – authorized, 100,000,000 shares; none issued		
Common stock – authorized, 600,000,000 shares of \$.01 par value; issued 198,777,750 and 198,727,750 shares in 2000 and 1999, respectively	2.0	2.0
Additional contributed capital	423.5	424.8
Retained earnings	1,460.0	1,278.1
Accumulated other comprehensive income	(45.4)	(18.9)
Less treasury stock – at cost (2,680,551 and 1,847,456 shares in 2000 and 1999, respectively)	(46.3)	(39.8)
Total shareholders' equity	1,793.8	1,646.2
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$3,373.2	\$2,977.5

Consolidated Statements of Cash Flows

LEGGETT & PLATT, INCORPORATED AND SUBSIDIARIES

(Dollar amounts in millions)

Year ended December 31	2000	1999	1998
Operating Activities			
Net earnings	\$264.1	\$290.5	\$248.0
Adjustments to reconcile net earnings to net cash provided by operating activities			
Depreciation	139.2	120.5	106.1
Amortization	34.1	28.8	21.8
Deferred income tax expense (benefit)	13.1	(6.7)	17.3
Other	(1.8)	(4.3)	7.2
Other changes, excluding effects from purchases of companies			
(Increase) decrease in accounts receivable, net	(2.7)	5.0	(31.5)
(Increase) in inventories	(8.7)	(74.0)	(6.6)
(Increase) in other current assets	(1.7)	(4.7)	(7.2)
(Decrease) increase in current liabilities	5.2	15.7	(2)
Net Cash Provided by Operating Activities	440.8	370.8	354.9
Investing Activities			
Additions to property, plant and equipment	(169.7)	(159.1)	(147.6)
Purchases of companies, net of cash acquired	(252.3)	(290.1)	(117.1)
Other	(15.2)	8.2	6.7
Net Cash Used for Investing Activities	(437.2)	(441.0)	(258.0)
Financing Activities			
Additions to debt	398.4	255.6	269.7
Payments on debt	(252.9)	(98.6)	(216.9)
Dividends paid	(78.6)	(69.1)	(59.9)
Issuances of common stock	4.7	4.0	5.0
Purchases of common stock	(53.9)	(81.5)	(13.5)
Other	(4.6)	(3.1)	(5.5)
Net Cash Provided by (Used for) Financing Activities	13.1	7.3	(21.1)
Increase (Decrease) in Cash and Cash Equivalents	16.7	(62.9)	75.8
Cash and Cash Equivalents – Beginning of Year	20.6	83.5	7.7
Cash and Cash Equivalents – End of Year	\$ 37.3	\$ 20.6	\$ 83.5
Supplemental Information			
Interest paid	\$ 59.5	\$ 42.6	\$ 36.5
Income taxes paid	136.8	170.5	142.6
Liabilities assumed of acquired companies	123.4	106.7	118.9
Common stock issued for acquired companies	5.3	26.9	66.8
Common stock issued for employee stock plans	30.6	29.6	26.4

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	2000	1999	1998
Common Stock			
Balance, beginning of period	\$ 2.0	\$ 2.0	\$ 1.0
Two-for-one stock split	-	-	1.0
Balance, end of period	\$ 2.0	\$ 2.0	\$ 2.0
Additional Contributed Capital			
Balance, beginning of period	\$ 424.8	\$ 396.1	\$ 311.9
Common stock issued	14.3	37.8	87.3
Treasury stock issued	(16.9)	(11.9)	(6.2)
Tax benefit related to stock options	1.3	2.8	4.1
Two-for-one stock split	-	-	(1.0)
Balance, end of period	\$ 423.5	\$ 424.8	\$ 396.1
Retained Earnings			
Balance, beginning of period	\$1,278.1	\$1,058.7	\$ 871.3
Net earnings for the year	264.1	290.5	248.0
Retained earnings of pooled companies at date of acquisition	-	-	1.7
Cash dividends declared (per share: 2000 - \$.42; 1999 - \$.36; 1998 - \$.315)	(82.2)	(71.1)	(62.3)
Balance, end of period	\$1,460.0	\$1,278.1	\$1,058.7
Treasury Stock			
Balance, beginning of period	\$ (39.8)	\$ (1.8)	\$ (.1)
Treasury stock purchased	(59.0)	(88.5)	(19.7)
Treasury stock issued	52.5	50.5	18.0
Balance, end of period	\$ (46.3)	\$ (39.8)	\$ (1.8)
Accumulated Other Comprehensive Income			
Balance, beginning of period	\$ (18.9)	\$ (18.2)	\$ (10.1)
Foreign currency translation adjustment	(26.5)	(.7)	(8.1)
Balance, end of period	\$ (45.4)	\$ (18.9)	\$ (18.2)
Total Shareholders' Equity			
	\$1,793.8	\$1,646.2	\$1,436.8
Comprehensive Income			
Net earnings	\$ 264.1	\$ 290.5	\$ 248.0
Foreign currency translation adjustment (net of income tax expense (benefit): 2000 - (\$3.3); 1999 - (\$.8); 1998 - (\$2.2)	(26.5)	(.7)	(8.1)
Total Comprehensive Income	\$ 237.6	\$ 289.8	\$ 239.9

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, 2000, 1999 and 1998

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 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.

SALES RECOGNITION: The Company primarily recognizes sales upon the shipment of its products. Exceptions to this policy are not significant and conform to industry practices. The Company generally bills customers for amounts to cover shipping and handling costs. These amounts are recognized as revenues and the related costs are included in operating expenses.

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% of the inventories at December 31, 2000 and 1999. The first-in, first-out (FIFO) method is principally used for the remainder. The FIFO cost of inventories at December 31, 2000 and 1999 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 J. The Company's operations are principally in the United States, although the Company also has manufacturing subsidiaries in Canada, Europe, Mexico, China, Brazil and Australia 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 and interest rate swaps related to fixed rate debt. The amounts outstanding under the forward contracts and interest rate swaps 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 is not significantly different than its carrying value.

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.

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 - ACQUISITIONS

During 2000, the Company acquired 21 businesses in transactions accounted for as purchases. Purchase acquisitions required the use of \$252.3 in cash, net of cash acquired, and 268,791 shares or share equivalents of common stock valued at \$5.3. These amounts include additional consideration of \$9.4 paid for prior year acquisitions. The excess of the purchase price over the fair value of the net assets acquired increased goodwill by \$166.6. These acquired businesses manufacture and distribute products primarily to the commercial furnishings and specialized products markets, as well as the other markets the Company serves.

The unaudited pro forma consolidated net sales for the years ended December 31, 2000 and 1999 as though the 2000 acquisitions had occurred on January 1 of each year presented were \$4,455.7 and \$4,204.4, 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 1999, the Company acquired 29 businesses in transactions accounted for as purchases. Purchase acquisitions required the use of \$290.1 in cash, net of cash acquired, and 1,227,500 shares of common stock valued at \$25.8. Options to purchase an additional 39,568 shares of common stock valued at \$1.1 were also extended by the Company in substitution for previously existing options. These amounts include additional consideration of \$19.3 paid for prior year acquisitions. The excess of the purchase price over the fair value of the net assets acquired increased goodwill by \$233.4. 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.

During 1998, the Company acquired 16 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 results of operations of the above acquired companies 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, 2000 is approximately \$110 and will be payable, if earned, through 2004.

Notes to Consolidated Financial Statements *(continued)*

LEGGETT & PLATT, INCORPORATED AND SUBSIDIARIES

C - EARNINGS PER SHARE

Basic and diluted earnings per share were calculated as follows:

	2000	1999	1998
Basic			
Weighted average shares outstanding, including shares issuable for little or no cash	198,986,619	198,492,506	197,682,147
Net earnings	\$264.1	\$290.5	\$248.0
Earnings per share	\$ 1.33	\$ 1.46	\$ 1.25
Diluted			
Weighted average shares outstanding, including shares issuable for little or no cash	198,986,619	198,492,506	197,682,147
Additional dilutive shares principally from the assumed exercise of outstanding stock options	1,401,516	2,445,498	2,987,686
	200,388,135	200,938,004	200,669,833
Net earnings	\$264.1	\$290.5	\$248.0
Earnings per share	\$ 1.32	\$ 1.45	\$ 1.24

D - ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

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

	2000	1999
Accrued expenses		
Wages and commissions payable	\$ 52.0	\$ 48.5
Workers' compensation, medical, auto and product liability insurance	38.9	42.9
Income taxes	13.8	11.2
Other	96.8	91.6
	\$201.5	\$194.2
Other current liabilities		
Outstanding checks in excess of book balances	\$ 42.0	\$ 47.4
Current maturities of long-term debt	5.9	3.8
Other	47.8	40.0
	\$ 95.7	\$ 91.2

E - LONG-TERM DEBT

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

	2000	1999
Medium-term notes, fixed interest rates of 7.2% for 2000 and 6.8% for 1999, due dates through 2009	\$895.0	\$560.0
Commercial paper, variable interest rate of 5.9% for 1999.	-	144.7
Industrial development bonds, principally variable interest rates of 5.1% and 5.7% for 2000 and 1999, respectively, due dates through 2030	47.3	39.9
Other, partially secured	52.0	46.6
	994.3	791.2
Less current maturities	5.9	3.8
	\$988.4	\$787.4

The Company had interest rate swap agreements on \$364 and \$14 of its fixed-rate medium-term notes at December 31, 2000 and 1999, respectively. These swap agreements, which convert fixed rate debt to variable rate debt, contain the same payment dates as the original issues, and are used by the Company to manage the fixed/variable interest rate mix of its debt portfolio.

At December 31, 2000, the revolving credit agreements provided for a maximum line of credit of \$327.5. 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 \$112.5 and \$215.0 will terminate August 27, 2001 and July 31, 2004, respectively, at which time all outstanding balances will become due.

Medium-term notes and commercial paper 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 2000 are:

Year ended December 31	
2001	\$ 5.9
2002	87.5
2003	124.2
2004	166.7
2005	375.9

F - 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 \$42.8, \$36.4 and \$29.6 for the years ended December 31, 2000, 1999 and 1998, respectively.

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

Year ended December 31	
2001	\$23.2
2002	18.0
2003	12.2
2004	8.4
2005	4.6
Later years	3.2
	<u>\$69.6</u>

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.

Notes to Consolidated Financial Statements *(continued)*

LEGGETT & PLATT, INCORPORATED AND SUBSIDIARIES

G - 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, 1998	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)
Shares issued	961,659	2,342,411
Treasury stock purchased	-	(4,107,287)
Balance, December 31, 1999	198,727,750	(1,847,456)
Shares issued	50,000	2,722,437
Treasury stock purchased	-	(3,555,532)
Balance, December 31, 2000	198,777,750	(2,680,551)

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 option exercises.

STOCK OPTIONS

At December 31, 2000, the Company had 13,770,412 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, have a maximum term of 5-10 years, and are issued with exercise prices at market. However, the Company grants below market options under a deferred compensation program. This program allows senior managers to receive stock options in lieu of cash salary and bonuses. These options include a discount feature which does not exceed 15% and have a term of fifteen years. In October 2000, the Company extended the term from 5 to 10 years for approximately 35% of the outstanding common stock options. At the time of the extension, the exercise price exceeded the fair market value of the Company's stock. A summary of the Company's

stock option plans as of December 31, 2000, 1999 and 1998, and changes during the years ending on those dates is presented below:

	Shares	Weighted Average Exercise Price per Share
Outstanding at January 1, 1998	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
Granted	4,998,591	16.33
Exercised	(1,279,755)	6.29
Forfeited	(104,340)	19.99
Outstanding at December 31, 1999	11,318,681	12.67
Granted	1,196,574	8.13
Exercised	(947,773)	8.78
Forfeited	(302,173)	17.77
Outstanding at December 31, 2000	11,265,309	\$12.38

Options exercisable at		
December 31, 2000	6,999,358	\$10.50
December 31, 1999	5,605,669	8.43
December 31, 1998	4,646,155	6.67

The following table summarizes information about stock options outstanding at December 31, 2000:

Options Outstanding			
Range of Exercise Prices	Number Outstanding	Weighted-Average Remaining Contractual Life In Years	Weighted- Average Exercise Price
\$.01 - \$ 5.00	3,307,592	11.6	\$ 1.84
5.00 - 12.00	2,471,938	.5	10.30
12.00 - 18.00	814,490	6.3	14.76
18.00 - 26.00	4,671,289	7.6	20.53
\$.01 - \$26.00	11,265,309	7.2	\$ 12.38

Options Exercisable		
Range of Exercise Prices	Number Exercisable	Weighted- Average Exercise Price
\$.01 - \$ 5.00	2,225,401	\$ 1.67
5.00 - 12.00	2,471,938	10.30
12.00 - 18.00	524,561	13.93
18.00 - 26.00	1,777,458	20.82
\$.01 - \$26.00	6,999,358	\$ 10.50

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.

Compensation cost charged against income related to the Company's stock option grants for each of the years ending December 31, 2000, 1999 and 1998 was \$11.2, \$11.5 and \$8.9, respectively. Compensation cost includes amounts for options granted under the deferred compensation plan for senior managers, which allows the manager to elect stock options in lieu of salary and bonuses.

The Company's pro forma net income and pro forma earnings per share, with related assumptions, are disclosed in the following table. This information is presented as if compensation cost for the Company's stock-based compensation plans had been determined based on the estimated fair value of the options at the grant dates, consistent with the method prescribed by FASB Statement No. 123. Also disclosed are the weighted-average fair value and exercise price of options granted during the last three years.

	2000	1999	1998
Pro forma net earnings	\$257.0	\$285.2	\$245.2
Pro forma earnings per share			
Basic	1.29	1.44	1.24
Diluted	1.28	1.42	1.22
Weighted-average fair value of options:			
Granted at market price	6.19	4.59	5.66
Granted below market price	11.82	17.67	16.52
Weighted-average exercise price of options:			
Granted at market price	17.56	20.09	23.20
Granted below market price	3.22	2.50	3.17
Principal assumptions			
Risk-free interest rate	5.4%	5.2%	5.1%
Expected life in years	6.6	4.8	5.1
Expected volatility	28.4%	23.0%	20.0%
Expected dividend yield	1.7%	1.5%	1.5%

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

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.

Notes to Consolidated Financial Statements *(continued)*

LEGGETT & PLATT, INCORPORATED AND SUBSIDIARIES

H - EMPLOYEE BENEFIT PLANS

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

	2000	1999	1998
Change in Benefit Obligation			
Benefit obligation, beginning of period	\$102.1	\$100.1	\$ 89.5
Service cost	3.3	3.2	2.2
Interest cost	5.9	5.3	5.1
Plan participants' contributions	4.8	4.3	4.0
Actuarial (gains) losses	(6.6)	(4.9)	4.4
Benefits paid	(6.6)	(5.9)	(5.1)
Acquisitions and transfers	7.4	–	–
Benefit obligation, end of period	110.3	102.1	100.1
Change in Plan Assets			
Fair value of plan assets,			
beginning of period	154.6	132.1	127.6
Actual return on plan assets	23.8	24.1	5.6
Plan participants' contributions	4.8	4.3	4.0
Benefits paid	(6.6)	(5.9)	(5.1)
Acquisitions and transfers	4.4	–	–
Fair value of plan assets, end of period	181.0	154.6	132.1
Plan Assets in Excess of			
Benefit Obligations	70.7	52.5	32.0
Unrecognized net actuarial gains	(40.2)	(24.3)	(5.6)
Unrecognized net transition asset	(.3)	(.7)	(1.0)
Unrecognized prior service cost	(.2)	(.2)	(.3)
Prepaid pension cost	\$ 30.0	\$ 27.3	\$ 25.1
Components of Net Pension Income			
Service cost	\$ (3.3)	\$ (3.2)	\$ (2.2)
Interest cost	(5.8)	(5.3)	(5.1)
Expected return on plan assets	12.2	10.3	10.0
Amortization of net transition asset	.3	.4	.7
Recognized net actuarial gain	.9	–	.4
Net pension income	\$ 4.3	\$ 2.2	\$ 3.8
Weighted Average Assumptions			
Discount rate	6.00%	6.00%	5.50%
Expected return on plan assets	8.00%	8.00%	8.00%
Rate of compensation increase	4.50%	4.40%	4.40%

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, 2000.

Contributions to union sponsored, defined benefit, multi-employer pension plans were \$.8, \$.7, and \$.2 in 2000, 1999 and 1998, respectively. These plans are not administered by the Company and contributions are determined in accordance with provisions of negotiated labor contracts. As of 2000, 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 \$2.2, \$4.3 and \$2.1 in 2000, 1999 and 1998, respectively.

The Company has a contributory stock purchase/stock bonus plan (SPSB Plan), a nonqualified 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 \$9.7, \$8.5 and \$6.9 for 2000, 1999 and 1998, respectively.

Under the DSP, eligible employees may purchase a maximum of 19,000,000 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 1,287,437 in 2000, 1,026,479 in 1999, and 894,445 in 1998. Purchase prices ranged from \$13 to \$24 per share. Since inception of the DSP in 1982, a total of 15,414,659 shares have been purchased by employees.

I - INCOME TAXES

The components of earnings before income taxes are as follows:

Year ended December 31	2000	1999	1998
Domestic	\$342.3	\$397.2	\$340.8
Foreign	76.3	65.4	54.8
	\$418.6	\$462.6	\$395.6

Income tax expense is comprised of the following components:

Year ended December 31	2000	1999	1998
Current			
Federal	\$106.7	\$141.1	\$108.1
State and local	5.6	11.8	4.2
Foreign	29.1	25.9	18.0
	141.4	178.8	130.3
Deferred			
Federal	12.0	(5.1)	4.1
State and local	6.3	3.3	11.0
Foreign	(5.2)	(4.9)	2.2
	13.1	(6.7)	17.3
	\$154.5	\$172.1	\$147.6

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	2000	1999
Property, plant and equipment	\$ (74.4)	\$ (67.8)
Accrued expenses	54.3	55.0
Prepaid pension cost	(12.4)	(10.7)
Other, net	(26.2)	(19.2)
	\$ (58.7)	\$ (42.7)

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

December 31	2000	1999
Other current assets	\$ 13.2	\$ 25.8
Deferred income taxes	(71.9)	(68.5)
	\$(58.7)	\$(42.7)

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

Year ended December 31	2000	1999	1998
Statutory federal income tax rate	35.0%	35.0%	35.0%
Effect of nondeductible goodwill amortization on federal statutory rate	1.1	.9	.8
Increases in rate resulting primarily from state and other jurisdictions	.8	1.3	1.5
Effective tax rate	36.9%	37.2%	37.3%

Notes to Consolidated Financial Statements *(continued)*

LEGGETT & PLATT, INCORPORATED AND SUBSIDIARIES

J - SEGMENT INFORMATION

Reportable segments are primarily based upon the Company's management organizational structure. This structure is generally focused on broad end-user markets for the Company's diversified products. Residential Furnishings derives its revenues from components for bedding, furniture and other furnishings, as well as related consumer products. Commercial Furnishings derives its revenues from retail store fixtures, displays, storage, material handling systems, components for office and institutional furnishings, and plastic components. The Aluminum Products revenues are derived from die castings, custom tooling, secondary machining and coating, and smelting of aluminum ingot. Industrial Materials derives its revenues from drawn steel wire, specialty wire products and welded steel tubing sold to trade customers as well as other Leggett segments. Specialized Products is a combination of non-reportable segments which derive their revenues from machinery, manufacturing equipment, automotive seating suspensions, control cable systems and lumbar supports for automotive, office and residential applications.

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 unamortized purchased intangibles. These segment assets are reflected in the segment information at their estimated average for the year. Long-lived assets as disclosed 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
2000				
Residential Furnishings	\$2,126.0	\$ 9.7	\$2,135.7	\$224.0
Commercial Furnishings	983.5	6.2	989.7	110.4
Aluminum Products	529.0	16.5	545.5	36.5
Industrial Materials	317.9	207.5	525.4	72.7
Specialized Products	319.9	51.4	371.3	46.4
Intersegment eliminations				(5.0)
Adjustment to LIFO method				(4.2)
	\$4,276.3	\$291.3	\$4,567.6	\$480.8
1999				
Residential Furnishings	\$ 1,946.6	\$ 9.5	\$ 1,956.1	\$ 219.7
Commercial Furnishings	778.1	2.9	781.0	126.9
Aluminum Products	532.8	15.6	548.4	52.6
Industrial Materials	282.6	202.1	484.7	70.1
Specialized Products	238.9	41.9	280.8	34.1
Intersegment eliminations				(2.6)
Adjustment to LIFO method				1.7
	\$ 3,779.0	\$272.0	\$ 4,051.0	\$ 502.5
1998				
Residential Furnishings	\$ 1,777.2	\$ 6.8	\$ 1,784.0	\$ 198.3
Commercial Furnishings	623.3	1.7	625.0	111.1
Aluminum Products	501.1	16.8	517.9	32.6
Industrial Materials	269.6	193.5	463.1	51.9
Specialized Products	199.2	46.4	245.6	28.6
Intersegment eliminations				(1.3)
Adjustment to LIFO method				7.9
	\$ 3,370.4	\$ 265.2	\$ 3,635.6	\$ 429.1

	Assets	Additions to Property, Plant and Equipment	Acquired Companies' Long-Lived Assets	Depreciation and Amortization
2000				
Residential Furnishings	\$1,223.2	\$ 73.3	\$ 34.4	\$ 67.0
Commercial Furnishings	896.5	31.2	108.8	41.9
Aluminum Products	478.7	29.2	4.1	24.2
Industrial Materials	264.9	9.1	27.1	14.5
Specialized Products	336.4	12.4	78.8	15.8
Unallocated assets	242.6	14.5	-	9.9
Adjustment to year-end vs. average assets	(69.1)			
	\$3,373.2	\$169.7	\$253.2	\$173.3

1999				
Residential Furnishings	\$ 1,173.4	\$ 60.7	\$ 128.3	\$ 61.7
Commercial Furnishings	721.4	21.8	163.2	28.4
Aluminum Products	441.1	30.5	-	22.2
Industrial Materials	204.8	17.6	5.3	13.9
Specialized Products	216.8	15.0	16.2	12.4
Unallocated assets	204.0	13.5	-	10.7
Adjustment to year-end vs. average assets	16.0			
	\$ 2,977.5	\$ 159.1	\$ 313.0	\$ 149.3

1998				
Residential Furnishings	\$ 971.0	\$ 54.4	\$ 64.7	\$ 58.0
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	188.8	28.1	4.6	8.9
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

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

Year ended December 31	2000	1999	1998
Residential Furnishings			
Bedding components	\$ 814.7	\$ 742.8	\$ 663.2
Residential furniture components	479.1	444.4	412.0
Finished & consumer products	540.0	510.5	463.3
Other residential furnishings products	292.2	248.9	238.7
	2,126.0	1,946.6	1,777.2
Commercial Furnishings			
Store displays, fixtures & storage products	688.8	502.1	369.7
Office furnishings & plastic components	294.7	276.0	253.6
	983.5	778.1	623.3
Aluminum Products			
Die cast products	446.3	457.7	423.3
Smelter, tool & die operations	82.7	75.1	77.8
	529.0	532.8	501.1
Industrial Materials			
Wire, wire products & steel tubing	317.9	282.6	269.6
Specialized Products			
Automotive products & specialized machinery	319.9	238.9	199.2
	\$4,276.3	\$3,779.0	\$3,370.4

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	2000	1999	1998
External sales			
United States	\$3,675.6	\$3,345.8	\$3,025.9
Foreign	600.7	433.2	344.5
	\$4,276.3	\$3,779.0	\$3,370.4
Long-lived assets			
United States	\$1,593.3	\$1,421.4	\$1,183.8
Foreign	374.6	299.9	214.4
	\$1,967.9	\$1,721.3	\$1,398.2

Notes to Consolidated Financial Statements *(continued)*

LEGGETT & PLATT, INCORPORATED AND SUBSIDIARIES

K - 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. 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.

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 typically in the past used derivative financial instruments to hedge its exposure to interest rate changes. However, during 2000, \$350 of 7.65% fixed rate debt maturing in February 2005 and, in 1999, \$14 of 6.90% fixed rate debt maturing in June 2004 were issued and converted to variable rate debt by use of interest rate swap agreements. These swap agreements, which contain the same payment dates as the original issues, are used primarily by the Company to manage the fixed/variable

interest rate mix of its debt portfolio, and are included as variable rate debt in the table below. 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 was not significantly different from its carrying value as of December 31, 2000, and was less than its carrying value by \$11.2 at December 31, 1999. The fair value of the fixed rate debt was calculated using the U.S. Treasury Bond rate as of December 31, 2000 and 1999 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						2000	1999
	2001	2002	2003	2004	2005	Thereafter		
Principal fixed rate debt	\$50.0*	\$75.0	\$114.5	\$100.0	\$25.0	\$191.7	\$556.2	\$571.2
Average interest rate	7.22%	7.18%	6.27%	6.98%	7.00%	6.67%	6.78%	6.75%
Principal variable rate debt	.5	3.4	2.3	14.5	350.5	31.5	402.7	193.4
Average interest rate	4.09%	4.82%	4.76%	6.98%	6.85%	4.93%	6.67%	5.85%
Miscellaneous debt							35.4	26.6
Total debt							994.3	791.2
Less: current maturities*							(5.9)	(3.8)
Total long-term debt							\$988.4	\$787.4

* The 2001 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 may occasionally hedge firm commitments for certain machinery purchases, other fixed expenses or 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, 2000 was approximately \$8.3 (pay U.S. \$/receive Mexican Pesos) and the highest amount during 2000 was approximately \$65.8 (pay U.S. \$/receive Canadian Dollars).

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 in foreign subsidiaries subject to translation exposure at December 31 is as follows:

Functional Currency	2000	1999
Canadian Dollar	\$186.7	\$154.7
European Currencies	131.7	99.0
Mexican Peso	44.4	38.1
Other	12.7	10.0
	\$375.5	\$301.8

COMMODITY PRICE

The Company does not generally 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 \$50 and \$73 (at cost) in inventory at December 31, 2000 and 1999, 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.

Quarterly Summary of Earnings

LEGGETT & PLATT, INCORPORATED AND SUBSIDIARIES

(Unaudited)

(Dollar amounts in millions, except per share data)

	First	Second	Third	Fourth	Total
Year ended December 31, 2000					
Net sales	\$1,043.6	\$1,095.6	\$1,129.6	\$1,007.5	\$4,276.3
Gross profit	271.5	288.5	284.1	243.7	1,087.8
Earnings before income taxes	117.3	120.6	109.2	71.5	418.6
Net earnings	73.8	76.3	68.9	45.1	264.1
Earnings per share					
Basic	\$.37	\$.38	\$.35	\$.23	\$ 1.33
Diluted	\$.37	\$.38	\$.34	\$.23	\$ 1.32

Year ended December 31, 1999

Net sales	\$ 887.6	\$ 935.2	\$ 991.1	\$ 965.1	\$ 3,779.0
Gross profit	232.4	253.4	269.9	264.6	1,020.3
Earnings before income taxes	105.1	115.1	124.0	118.4	462.6
Net earnings	66.1	72.4	77.7	74.3	290.5
Earnings per share					
Basic	\$.33	\$.37	\$.39	\$.37	\$ 1.46
Diluted	\$.33	\$.36	\$.39	\$.37	\$ 1.45

Selected Financial Data

LEGGETT & PLATT, INCORPORATED AND SUBSIDIARIES

(Dollar amounts in millions, except per share data)

	2000	1999	1998	1997	1996
Summary of Operations					
Net sales	\$4,276.3	\$3,779.0	\$3,370.4	\$2,909.2	\$2,466.2
Earnings from continuing operations	264.1	290.5	248.0	208.3	153.0
Earnings per share from continuing operations					
Basic	1.33	1.46	1.25	1.09	.84
Diluted	1.32	1.45	1.24	1.08	.83
Cash dividends declared per share	.42	.36	.315	.27	.23
Summary of Financial Position					
Total assets	\$3,373.2	\$2,977.5	\$2,535.3	\$2,106.3	\$1,712.9
Long-term debt	988.4	787.4	574.1	466.2	388.5

Merger related costs of \$16.4 after-tax, or \$.09 per basic and diluted share are included in 1996 earnings from continuing operations.

Stock Market and Ownership Data

LEGGETT & PLATT, INCORPORATED AND SUBSIDIARIES

The Company's common stock is listed on The New York and Pacific Stock Exchanges (symbol LEG). Effective at the close of trading on October 15, 1999, Standard & Poor's added Leggett & Platt to the S&P 500 Index. 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		
2000				
Fourth Quarter	\$19.563	\$14.625	25,216,000	\$.11
Third Quarter	19.875	14.188	27,634,000	.11
Second Quarter	22.563	15.063	34,440,000	.10
First Quarter	21.813	15.250	34,425,000	.10
For the Year	\$22.563	\$14.188	121,715,000	\$.42
1999				
Fourth Quarter	\$24.188	\$18.625	40,107,000	\$.09
Third Quarter	28.000	19.438	19,910,000	.09
Second Quarter	28.313	19.438	21,907,600	.09
First Quarter	22.688	19.063	26,443,700	.09
For the Year	\$28.313	\$18.625	108,368,300	\$.36

Price and volume data reflect composite transactions.

SHAREHOLDER DISTRIBUTION

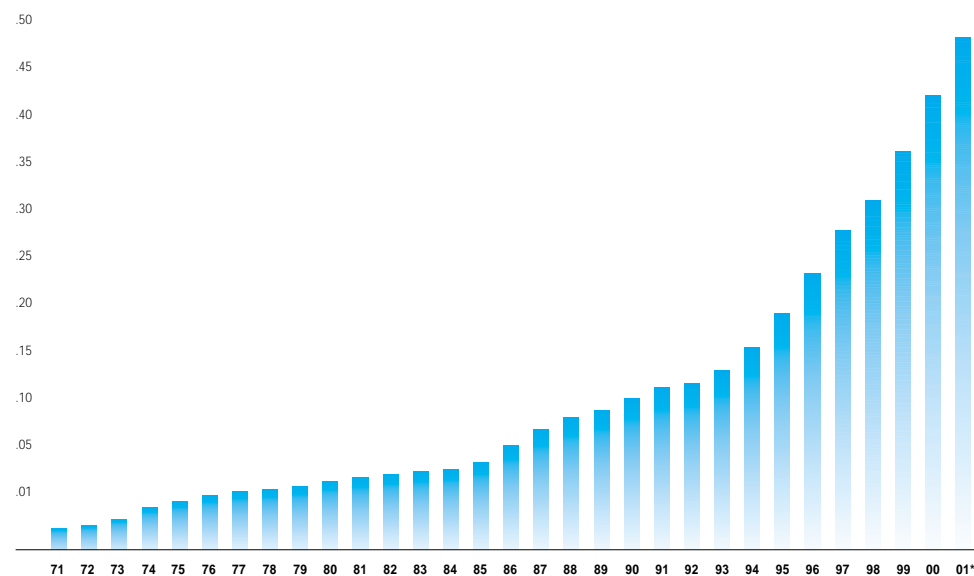
The Company estimates it has approximately 50,000 shareholders, including 15,648 shareholders of record on February 28, 2001. This estimate includes employees who are not shareholders of record but are participants in the Company's stock benefit plans. It also includes more than 34,000 beneficial shareholders whose shares are being held in "street name". Institutional shareholders hold an estimated 55% of the Company's shares.

DIVIDEND RECORD

Cash dividends have been paid on the Company's common stock in each year since 1939. Dividends have been increased for 30 consecutive years, to a current indicated annual rate of \$.48 per share. Over the last 30 years, the quarterly dividend has increased at a compound annual rate of 15.3%.

30 Year Dividend Growth

dollars per share



*Indicated annual rate based on 2001 first quarter dividend of \$.12 per share.

Directors

LEGGETT & PLATT, INCORPORATED AND SUBSIDIARIES

RAYMOND F. BENTELE (2)

*Retired President and Chief Executive
Officer of Mallinckrodt, Inc.*

RALPH W. CLARK (2)

*Retired Vice President of International
Business Machines Corporation*

HARRY M. CORNELL, JR. (1)

Chairman of the Board

R. TED ENLOE, III (3)

Personal Investment Consultant

RICHARD T. FISHER (2)(3)

*Managing Director, CIBC Oppenheimer & Co.,
investment banking*

BOB L. GADDY

*Senior Vice President
of the Company*

DAVID S. HAFFNER

*Executive Vice President and Chief Operating
Officer of the Company*

THOMAS A. HAYS (2)(3)(4)

*Retired Deputy Chairman of
The May Department Stores Company*

ROBERT A. JEFFERIES, JR.

*Senior Vice President
of the Company*

ALEXANDER M. LEVINE (2)

*Managing Director, Waterline Capital LLC,
venture capital investing*

DUANE W. POTTER

*Senior Vice President
of the Company*

MAURICE E. PURNELL, JR. (1)(2)(4)

*Partner, Locke, Liddell & Sapp LLP,
attorneys at law*

ALICE L. WALTON (2)

*Former Chairman, Llama Company,
investment banking*

FELIX E. WRIGHT (1)(4)

*Vice Chairman of the Board, President and
Chief Executive Officer of the Company*

HERBERT C. CASTEEL

Advisory Director

FRANK E. FORD, JR.

Advisory Director

JACK B. MORRIS

Advisory Director

(1) Member of the Executive Committee

(2) Member of the Audit Committee

(3) Member of the Compensation Committee

(4) Member of the Nominating Committee

Officers

LEGGETT & PLATT, INCORPORATED AND SUBSIDIARIES

EXECUTIVE OFFICERS*

HARRY M. CORNELL, JR.
Chairman of the Board

FELIX E. WRIGHT
*Vice Chairman of the Board,
President and Chief Executive Officer*

DAVID S. HAFFNER
*Executive Vice President
and Chief Operating Officer*

MICHAEL A. GLAUBER
*Senior Vice President –
Finance and Administration*

ROBERT A. JEFFERIES, JR.
*Senior Vice President –
Mergers, Acquisitions and Strategic Planning*

JACK D. CRUSA
*Senior Vice President –
Industrial Materials Segment*

BOB L. GADDY
*Senior Vice President –
Aluminum Products Segment*

KARL G. GLASSMAN
*Senior Vice President –
Residential Furnishings Segment*

ROBERT G. GRIFFIN
*Senior Vice President –
Commercial Fixture and Display Group*

ERNEST C. JETT
*Vice President –
General Counsel and Secretary*

ALLAN J. ROSS
*Vice President –
Accounting*

ROBERT A. WAGNER
*Vice President –
Mergers and Acquisitions*

OTHER CORPORATE OFFICERS

DUANE W. POTTER
Senior Vice President

LANCE G. BESHORE
Vice President

TERRELL L. BOWEN
Vice President

SHERI L. BRADSHAW
Vice President and Treasurer

J. RICHARD CALHOON
Vice President

DAVID M. DESONIER
Vice President

JOSEPH D. DOWNES, JR.
Vice President

MATTHEW C. FLANIGAN
Vice President

JOHN A. HALE
Vice President

PAUL R. HAUSER
Vice President

CHARLES A. KALLIL, SR.
Vice President

DONALD G. LAFERLA
Vice President

JOHN G. MOORE
Vice President

ELOISE E. NASH
Vice President

WILLIAM A. NIERE
Vice President

DENNIS S. PARK
Vice President

KENNETH W. PURSER
Vice President

JAY W. SANDERS
Vice President

MARK L. SMITH
Vice President

MICHAEL S. WALTERS
Vice President

WILLIAM S. WEIL
Vice President and Controller

THOMAS J. WELLS
Vice President

RALPH H. WOMBLE
Vice President

DAVID A. YOUNG
Vice President

*For purposes of SEC Rule 3b-7.

Corporate Information

LEGGETT & PLATT, INCORPORATED AND SUBSIDIARIES

ANNUAL MEETING

The Annual Meeting of Shareholders will be held May 9, 2001, 10:00 a.m. (local time), at the company's Cornell Conference Center, No. 1 Leggett Road, Carthage, Missouri.

FORM 10-K

To obtain a copy of the company's Form 10-K, as filed with the Securities and Exchange Commission for 2000, direct requests to Investor Relations, Leggett & Platt, Incorporated, No. 1 Leggett Road, Carthage, MO 64836. This report, without exhibits, will be provided at no charge.

WEB SITE

www.leggett.com

COMMON STOCK

Registrar and Transfer Agent
Mellon Investor Services LLC
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Ridgefield Park, NJ 07660
(888) 213-0965
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TICKER SYMBOL

LEG

INDEPENDENT ACCOUNTANTS

PricewaterhouseCoopers LLP
St. Louis, Missouri

Leggett & Platt

Leggett & Platt, Incorporated
No. 1 Leggett Road
Carthage, MO 64836
417-358-8131



PARTNERS IN PROGRESS

A heritage of teamwork, as one cultural cornerstone of Leggett & Platt, is memorialized in the bronze sculpture, Partners In Progress. A larger-than-life-size version stands in front of the company's home office in Carthage, Missouri.