

*Leggett & Platt*<sup>®</sup>

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Third Quarter 2024  
Summary Financial Information and  
Restructuring Update

*October 28, 2024*

# Forward-Looking Statements



Statements in this presentation that are not historical in nature are “forward-looking.” These statements are identified either by the context in which they appear or by use of words such as “anticipate,” “estimate,” “expect,” “guidance,” “may,” “plan,” or the like. These statements include, but are not limited to, future EPS, adjusted EPS, sales, volume for the Company and per segment, raw material-related price decreases, currency impacts, depreciation and amortization, net interest expense, tax rate, diluted shares outstanding, operating cash, capital expenditures, amount of dividends, minimal acquisitions and share repurchases, implied adjusted EBIT margin, the amount and timing of restructuring costs, gain from the sale of real estate, and sales attrition and EBIT benefit from the restructuring plan. All such forward-looking statements are expressly qualified by the cautionary statements described in this provision. We do not have, and do not undertake, any duty to update any forward-looking statement. Forward-looking statements should not be relied upon as a prediction of actual future events or results. Any forward-looking statement reflects only the beliefs of Leggett at the time the statement is made. All forward-looking statements are subject to risks and uncertainties which might cause actual events or results to differ materially from the forward-looking statements. These risks and uncertainties include: the preliminary nature of the estimates related to the Restructuring Plan, and the possibility that all or some of the estimates may change as the Company’s analysis develops; our ability to timely implement the Restructuring Plan in a manner that will positively impact our financial condition and results of operation; our ability to timely dispose of real estate pursuant to the Restructuring Plan, or otherwise obtain expected proceeds; the impact of the Restructuring Plan on the Company’s relationships with its employees, customers and vendors; global inflationary and deflationary impacts; macro-economic impacts; demand for our products and our customers’ products; our manufacturing facilities’ ability to obtain necessary raw materials and parts, maintain appropriate labor levels and ship finished products to customers; goodwill and long-lived asset impairment; inability to issue commercial paper or borrow under the credit facility; inability to collect receivables; inability to pass along raw material price increases; inability to maintain profit margins; conflict between China and Taiwan; changes in our capital needs; changing tax rates; restructuring-related costs in addition to the Restructuring Plan; market conditions; increased trade costs; foreign country operational risks; price and product competition; cost and availability of raw materials, parts, labor, and energy; cash generation to pay the dividend; political risks; disruption to our rod mill; disruption to our operations and supply chain from weather-related events and other impacts; foreign currency fluctuation; our ability to manage working capital; anti-dumping duties; data privacy; cybersecurity incidents; unauthorized use of artificial intelligence; customer bankruptcies and losses; climate change regulations; ESG risks; cash repatriation; litigation risks; and other risk factors in Leggett’s most recent Form 10-K and Form 10-Q.

# Financial Summary

- Q3 sales of \$1.1 billion, a 6% decrease vs Q3-23
  - Volume was down 4%
  - Raw material-related price decreases, net of currency benefit, reduced sales 2%
- Q3 adjusted<sup>1</sup> EBIT of \$76 million, down \$10 million vs adjusted<sup>1</sup> Q3-23 EBIT
- Adjusted<sup>1</sup> EBIT margin of 6.9%, down 40 bps vs Q3-23 adjusted<sup>1</sup> EBIT margin
- Q3 adjusted<sup>1</sup> EPS of \$.32, down \$.04 vs Q3-23 adjusted<sup>1</sup> EPS of \$.36
- 2024 guidance lowered
  - Sales: \$4.3–\$4.4 billion (vs prior guidance of \$4.3–\$4.5 billion)
  - Adjusted EPS: \$1.00–\$1.10 (vs prior guidance of \$1.10–\$1.25)
  - Cash Flow: ~\$300 million (vs prior guidance of \$300–\$350 million)

<sup>1</sup> See slides 5 and 28 for calculation of adjusted EBIT, adjusted EBIT margin, and adjusted EPS

# Q3 2024 Financial Highlights



\$'s in millions (except EPS)	Reported Q3-24	Adj. <sup>1</sup>	Adj. Q3-24	Reported Q3-23	Adj. <sup>1</sup>	Adj. Q3-23	Change
Sales	\$1,102		\$1,102	\$1,175		\$1,175	(6%)
EBIT	78	(2)	76	91	(5)	86	(12%)
EBIT Margin	7.1%		6.9%	7.8%		7.3%	(40 bps)
EPS	.33	(.01)	.32	.39	(.03)	.36	(11%)
Cash from Operations	95		95	144		144	(34%)
EBITDA	114	(2)	112	136	(5)	131	(14%)
EBITDA margin	10.4%		10.2%	11.6%		11.1%	(90 bps)

<sup>1</sup> See slide 28 for non-GAAP adjustments

# Q3 2024 Sales & EBIT Bridge



Sales:	mln \$'s	% change
3 <sup>rd</sup> Qtr 2023	\$1,175	
Approx volume decrease	(43)	(4%)
Approx raw material-related pricing and currency impact	(30)	(2%)
Organic Sales	(73)	(6%)
Acquisitions	—	—%
<b>3<sup>rd</sup> Qtr 2024</b>	<b>\$1,102</b>	<b>(6%)</b>

EBIT:		margin
Adjusted <sup>1</sup> 3 <sup>rd</sup> Qtr 2023	\$86	7.3%
Primarily unfavorable mix, lower volume, metal margin compression, and higher bad debt, partially offset by lower amortization expense and benefit from operational efficiency improvements and restructuring savings	(10)	
<b>Adjusted<sup>1</sup> 3<sup>rd</sup> Qtr 2024</b>	<b>\$76</b>	<b>6.9%</b>

<sup>1</sup> See slide 5 for calculation of adjusted EBIT and adjusted EBIT margin

# Q3 2024 Earnings



\$'s in millions (except EPS)	Reported Q3-24	Adj. <sup>1</sup>	Adj. Q3-24	Reported Q3-23	Adj. <sup>1</sup>	Adj. Q3-23	Change
EBIT	\$78	(\$2)	\$76	\$91	(\$5)	\$86	(12%)
Net interest	20		20	21		21	
Pre-tax earnings	58	(2)	56	71	(5)	65	(15%)
Income taxes	13	(1)	12	18	(1)	17	
<i>Tax rate</i>			22.1%			26.1%	
Net earnings	45	(1)	44	53	(4)	48	(10%)
Noncontrolling interests	—		—	—		—	
Net earnings attributable to L&P	45		44	53	(4)	48	(10%)
EPS	.33	(.01)	.32	.39	(.03)	.36	(11%)

<sup>1</sup> See slide 28 for non-GAAP adjustments

# Adjusted Working Capital



\$'s in millions	9/30 2024	6/30 2024	9/30 2023
Cash & equivalents	\$277	\$307	\$274
Accounts receivable, net	638	649	711
Inventories, net	754	755	835
Other current assets	65	78	66
<b>Total current assets</b>	<b>1,735</b>	<b>1,789</b>	<b>1,886</b>
Current debt maturities	(301)	(301)	(9)
Current operating lease liabilities	(54)	(57)	(56)
Accounts payable	(516)	(522)	(534)
Accrued and other current liabilities	(301)	(288)	(410)
<b>Total current liabilities</b>	<b>(1,172)</b>	<b>(1,168)</b>	<b>(1,009)</b>
<b>Working capital</b>	<b>563</b>	<b>621</b>	<b>877</b>
% of annualized sales <sup>1</sup>	12.8%	13.7%	18.7%
<b>W/C, excl. cash &amp; current debt/lease</b>	<b>640</b>	<b>672</b>	<b>668</b>
% of annualized sales <sup>1</sup>	14.5%	14.9%	14.2%

<sup>1</sup> Annualized sales: 3Q24: \$1,102x4=\$4,407; 2Q24: \$1,129x4=\$4,514; 3Q23: \$1,175x4=\$4,702



# Net Debt to Adjusted EBITDA



\$'s in millions	9/30 2024	6/30 2024	9/30 2023
Long-term debt	\$1,578	\$1,702	\$1,963
Current maturities	301	301	9
Total debt	1,879	2,003	1,972
Less: Cash & equivalents	(277)	(307)	(274)
<b>Net debt</b>	<b>1,602</b>	<b>1,696</b>	<b>1,698</b>
EBIT, trailing 12 months	(840)	(827)	368
Depreciation & amortization	147	155	181
EBITDA	(694)	(672)	548
Non-GAAP adjustments (pretax) <sup>1</sup>	1,117	1,114	(9)
<b>Adjusted EBITDA, trailing 12 months</b>	<b>424</b>	<b>442</b>	<b>539</b>
<b>Net debt to 12-month adjusted EBITDA <sup>2</sup></b>	<b>3.78x</b>	<b>3.83x</b>	<b>3.15x</b>

<sup>1</sup> 9/30/24 Non-GAAP adjustments include \$675 goodwill impairment, \$444 long-lived asset impairment, \$34 restructuring charges, \$4 CEO transition compensation costs, (\$33) gain on sale of real estate, and (\$7) gain from net insurance proceeds; 6/30/24 Non-GAAP adjustments include \$675 goodwill impairment, \$444 long-lived asset impairment, \$22 restructuring charges, \$4 CEO transition compensation costs, (\$24) gain on sale of real estate, and (\$7) gain from net insurance proceeds; 9/30/23 Non-GAAP adjustments include (\$5) gain on sale of real estate and (\$4) gain from net insurance proceeds. For additional non-GAAP reconciliation information, see page 8 of the press release.

<sup>2</sup> Calculated differently than the Company's credit facility covenant ratio.

# Cash Flow

\$'s in millions	3 <sup>rd</sup> Qtr		YTD	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Net earnings	\$45	\$53	(\$526)	\$161
D&A	36	45	102	135
Impairment, write-offs & other	5	(4)	712	(1)
Other non-cash	(24)	(10)	(76)	4
Changes in working capital:				
Accounts receivable	27	4	(14)	(23)
Inventory	5	17	41	67
Other current assets	(2)	1	(5)	(6)
Accounts payable	(13)	28	(21)	19
Other current liabilities	16	10	(30)	(4)
<b>Cash from operations</b>	<b>95</b>	<b>144</b>	<b>183</b>	<b>351</b>
Capital expenditures	18	22	60	90
Acquisitions	—	—	—	—
Dividends	7	61	130	178
Share repurchases (issuances), net	—	—	5	6
Proceeds from asset sales	17	8	41	13
Additions (repayments) of debt, net	(122)	(60)	(110)	(122)

# YTD 2024 Financial Highlights



\$'s in millions (except EPS)	Reported 2024	Adj. <sup>1</sup>	Adj. 2024	Reported 2023	Adj. <sup>1</sup>	Adj. 2023	Change
Sales	\$3,327		\$3,327	\$3,610		\$3,610	(8%)
EBIT	(474)	684	211	276	(9)	267	(21%)
EBIT Margin	(14.2%)		6.3%	7.7%		7.4%	(110 bps)
EPS	(3.83)	4.67	.84	1.18	(.05)	1.13	(26%)
Cash from Operations	183		183	351		351	(48%)
EBITDA	(372)	684	313	412	(9)	403	(22%)
EBITDA margin	(11.2%)		9.4%	11.4%		11.1%	(170 bps)

<sup>1</sup> See slide 28 for non-GAAP adjustments

# YTD 2024 Sales & EBIT Bridge



Sales:	mln \$'s	% change
YTD 2023	\$3,610	
Approx volume decrease	(164)	(5%)
Approx raw material-related pricing and currency impact	(119)	(3%)
Organic Sales	(283)	(8%)
Acquisitions	—	—%
<b>YTD 2024</b>	<b>\$3,327</b>	<b>(8%)</b>

EBIT:		margin
Adjusted <sup>1</sup> YTD 2023	\$267	7.4%
Primarily lower volume, unfavorable mix, metal margin compression, and several higher expense items partially offset by lower amortization expense and benefit from operational efficiency improvements and restructuring savings	(56)	
<b>Adjusted<sup>1</sup> YTD 2024</b>	<b>\$211</b>	<b>6.3%</b>

<sup>1</sup> See slide 11 for calculation of adjusted EBIT and adjusted EBIT margin

# YTD 2024 Earnings



\$'s in millions (except EPS)	Reported 2024	Adj. <sup>1</sup>	Adj. 2024	Reported 2023	Adj. <sup>1</sup>	Adj. 2023	Change
EBIT	(\$474)	\$684	\$211	\$276	(\$9)	\$267	(21%)
Net interest	61		61	64		64	
Pre-tax earnings	(534)	684	150	213	(9)	204	(26%)
Income taxes	(9)	43	35	52	(2)	50	
<i>Tax rate</i>			23.2%			24.7%	
Net earnings	(526)	641	115	161	(7)	153	(25%)
Noncontrolling interests	—		—	—		—	
Net earnings attributable to L&P	(526)	641	115	161	(7)	153	(25%)
EPS	(3.83)	4.67	.84	1.18	(.05)	1.13	(26%)

<sup>1</sup> See slide 28 for non-GAAP adjustments

- **Sales: \$4.3–\$4.4 billion; down 7% to 9% versus 2023 (vs prior guidance of \$4.3–\$4.5 billion)**
  - Decrease due to weaker than previously anticipated demand, particularly within our Specialized Products and Furniture, Flooring & Textile Products segments
  - Volume is expected to be down mid-single digits (vs prior guidance of low to mid-single digits)
  - Volume at the midpoint:
    - \* Down high single digits in Bedding Products Segment
    - \* Down mid-single digits in Specialized Products Segment
    - \* Down mid-single digits in Furniture, Flooring & Textile Products Segment
  - Raw material-related price decreases and currency impact combined expected to reduce sales low single digits
- **Adjusted EPS: \$1.00–\$1.10 (vs prior guidance of \$1.10–\$1.25)**
  - Decrease due to weaker than previously expected demand, primarily in Specialized and FF&T, and unfavorable sales mix, primarily in Bedding, partially offset by operational efficiency improvements
- **Implied adjusted EBIT margin of 6.0%–6.4%**

# 2024 Guidance (continued)

- Depreciation and amortization ~\$135 million
- Net interest expense ~\$80 million
- Tax rate ~24%
- Operating cash ~\$300 million (vs prior guidance of \$300–\$350 million)
- Cap-ex ~\$100 million (vs prior guidance of \$110 million)
- Dividends ~\$135 million
- Diluted shares ~137 million
- Minimal acquisitions and share repurchases

# Restructuring Update



# Restructuring Initiatives Progress

## Bedding Products

- ✓ Mexico innerspring operation winding down
- ✓ All other innerspring activity complete
- ✓ Closed 2 Specialty Foam plants and 1 additional consolidation underway
- ✓ Closed 1 Adjustable Bed facility
- ✓ 1 property sold
- ✓ 2 properties under contract
- ✓ 3 properties listed for sale
- ✓ 4 additional properties preparing/planned for sale

## Home Furniture

- ✓ Restructuring activity complete
- ✓ 1 property listed for sale

## Flooring Products

- ✓ Closed one production line and transferred manufacturing to other locations
- ✓ Equipment redeployed from closed line to another facility
- ✓ Two additional production lines to be transferred to a remaining operation

## Hydraulic Cylinders

- ✓ Manufacturing optimization and operational efficiency improvements underway

# Restructuring Plan Is On Track



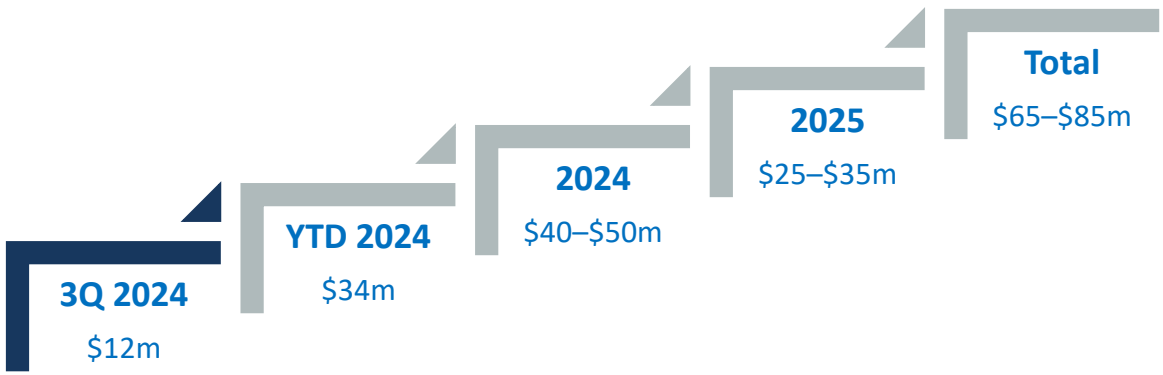
○ **EBIT Benefit:**

- Annualized EBIT benefit of \$50–\$60 million realized after initiatives are fully implemented in late 2025 (versus prior estimate of \$40–\$50 million); updated to include additional benefit of ~\$10 million to be realized in 2025 from G&A initiatives
- Approximately \$10–\$15 million EBIT benefit expected in 2024
- \$6 million benefit realized in 3Q; \$9 million realized YTD 2024

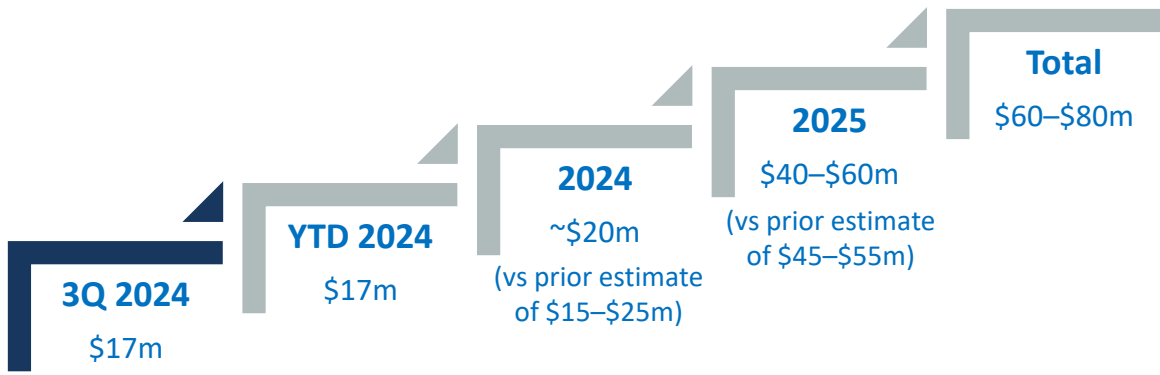
○ **Sales Attrition:**

- \$80 million annual sales attrition expected once initiatives are fully implemented in late 2025
- Approximately \$15 million sales attrition expected in 2024 (vs prior estimate of \$25 million)
- \$4 million realized in 3Q; \$7 million realized YTD 2024

## Restructuring Costs



## Cash from Real Estate



# Segment Detail

# Q3 2024 Segment Summary



	Q3-24 Organic Sales Growth <sup>1, 2</sup>	Q3-24 Adj. EBIT <sup>2</sup> Margin	Δ vs Q3-23 Adj. EBIT <sup>2</sup> Margin	Q3-24 Adj. EBITDA <sup>2</sup> Margin	Δ vs Q3-23 Adj. EBITDA <sup>2</sup> Margin
Bedding Products	(8%)	4.4%	-90 bps	7.7%	-300 bps
Specialized Products	(6%)	9.5%	-30 bps	13.2%	+10 bps
Furniture, Flooring & Textile Products	(4%)	7.8%	-10 bps	9.3%	-10 bps
<b>Total Consolidated</b>	<b>(6%)</b>	<b>6.9%</b>	<b>-40 bps</b>	<b>10.2%</b>	<b>-90 bps</b>

<sup>1</sup> Includes raw material-related selling price impact and currency impact

<sup>2</sup> See slides 21, 23, 25, and 28 for non-GAAP reconciliations

# Bedding Products



Trade Sales	mln \$'s	% change
3 <sup>rd</sup> Qtr 2023	\$483	
Organic Sales <sup>1</sup>	(38)	(8%)
3 <sup>rd</sup> Qtr 2024	\$446	(8%)

<sup>1</sup> Raw material-related selling price decreases and currency impact (5%) and lower volume (3%)

mln \$'s	EBIT	EBIT margin	D&A	EBITDA	EBITDA margin
Adjusted <sup>2</sup> 3 <sup>rd</sup> Qtr 2023	\$26	5.3%	\$26	\$52	10.7%
Change <sup>3</sup>	(6)		(11)	(18)	
Adjusted <sup>4</sup> 3 <sup>rd</sup> Qtr 2024	\$20	4.4%	\$15	\$34	7.7%

<sup>2</sup> Adjusted to exclude gain on sale of real estate (\$5m)

<sup>3</sup> Calculations impacted by rounding

<sup>4</sup> Adjusted to exclude restructuring charges \$8m and gain on sale of real estate (\$14m)

# Bedding – Key Points

- Q3 organic sales were down 8%:
  - Volume decreased 3%, primarily due to the expected loss of a customer in Specialty Foam and demand softness in U.S. and European bedding markets, partially offset by higher trade rod and wire sales
  - Raw material-related selling price decreases and currency impact reduced sales 5%

- Sales trends:

	Q3 Organic Sales	Q3 Volume <sup>1</sup>
Steel Rod	72%	86%
Drawn Wire	(5%)	9%
U.S. Spring	(16%)	(10%)
Specialty Foam <sup>2</sup>	(14%)	(10%)
Adjustable Bed	(8%)	(8%)
International Bedding	(15%)	(11%)

<sup>1</sup> Volume represents organic sales excluding raw material-related selling price impact and currency impact

<sup>2</sup> Sales decline attributed to loss of customer (18%)

- Q3 adjusted EBIT decreased primarily from unfavorable sales mix in Steel Rod and Specialty Foam and metal margin compression, partially offset by lower amortization expense, operational efficiency improvements in Specialty Foam, and restructuring benefit

# Specialized Products



Trade Sales	mIn \$'s	% change
3 <sup>rd</sup> Qtr 2023	\$319	
Organic Sales <sup>1</sup>	(19)	(6%)
3 <sup>rd</sup> Qtr 2024	\$300	(6%)

<sup>1</sup> Lower volume (7%) partially offset by currency benefit and raw material-related selling price increases 1%

mIn \$'s	EBIT	EBIT margin	D&A	EBITDA	EBITDA margin
3 <sup>rd</sup> Qtr 2023	\$31	9.8%	\$11	\$42	13.1%
Change <sup>2</sup>	(2)		—	(2)	
Adjusted <sup>3</sup> 3 <sup>rd</sup> Qtr 2024	\$29	9.5%	\$11	\$40	13.2%

<sup>2</sup> Calculations impacted by rounding

<sup>3</sup> Adjusted to exclude restructuring charges \$4m

- Q3 organic sales were down 6%:
  - Volume decreased 7% from declines in Automotive and Hydraulic Cylinders partially offset by growth in Aerospace
  - Currency benefit and raw material-related selling price increases added 1% to sales

- Sales trends:

	Q3 Organic Sales	Q3 Volume <sup>1</sup>
Automotive	(9%)	(9%)
Aerospace	19%	11%
Hydraulic Cylinders	(13%)	(13%)

<sup>1</sup> Volume represents organic sales excluding raw material-related selling price impact and currency impact

- Q3 adjusted EBIT decreased primarily from lower volume, partially offset by operational efficiency improvements and disciplined cost management



# Furniture, Flooring & Textile Products



Trade Sales	mIn \$'s	% change
3 <sup>rd</sup> Qtr 2023	\$373	
Organic Sales <sup>1</sup>	(17)	(4%)
3 <sup>rd</sup> Qtr 2024	\$356	(4%)

<sup>1</sup> Lower volume (2%) and raw material-related price decreases, net of currency benefit (2%)

mIn \$'s	EBIT	EBIT margin	D&A	EBITDA	EBITDA margin
3 <sup>rd</sup> Qtr 2023	\$29	7.9%	\$6	\$35	9.4%
Change <sup>2</sup>	(1)		—	(2)	
Adjusted <sup>3</sup> 3 <sup>rd</sup> Qtr 2024	\$28	7.8%	\$5	\$33	9.3%

<sup>2</sup> Calculations impacted by rounding

<sup>3</sup> Adjusted to exclude restructuring charges \$1m

- Q3 organic sales were down 4%:
  - Volume decreased 2% primarily from declines in Home Furniture, Geo Components and Fabric Converting
  - Raw material-related selling price decreases and currency impact reduced sales 2%

- Sales trends:

	Q3 Organic Sales	Q3 Volume <sup>1</sup>
Home Furniture	(10%)	(7%)
Work Furniture	4%	—%
Flooring	(4%)	(1%)
Textiles	(5%)	(3%)

<sup>1</sup> Volume represents organic sales excluding raw material-related selling price impact and currency impact

- Q3 adjusted EBIT decreased primarily from lower volume, partially offset by disciplined cost management

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# Non-GAAP Adjustments



\$'s in millions (except EPS)	Q3-24	Q3-23	YTD 2024	YTD 2023
<b>Non-GAAP Adjustments (\$'s)<sup>1,2</sup></b>				
Goodwill impairment <sup>3</sup>	—	—	675	—
Restructuring, restructuring-related and impairment charges <sup>4</sup>	12	—	34	—
CEO transition compensation costs <sup>5</sup>	—	—	4	—
Gain on sale of real estate <sup>3</sup>	(14)	(5)	(27)	(5)
Gain from net insurance proceeds from tornado damage <sup>3</sup>	—	—	(2)	(4)
<b>Non-GAAP adjustments (pre-tax \$'s)</b>	<b>(2)</b>	<b>(5)</b>	<b>684</b>	<b>(9)</b>
Income tax impact	1	(1)	43	(2)
<b>Non-GAAP adjustments (after tax \$'s)</b>	<b>(1)</b>	<b>(4)</b>	<b>641</b>	<b>(7)</b>
Diluted shares outstanding	138.0	136.8	137.2	136.5
<b>EPS impact of non-GAAP adjustments</b>	<b>(\$0.01)</b>	<b>(\$0.03)</b>	<b>\$4.67</b>	<b>(\$0.05)</b>

<sup>1</sup> For additional non-GAAP reconciliation information, see page 8 of the press release

<sup>2</sup> Calculations impacted by rounding

<sup>3</sup> Adjustments affected the Other Income (expense) line on the income statement: Q3-24 \$14, YTD 2024 (\$646); Q3-23 \$5, YTD 2023 \$9

<sup>4</sup> Restructuring charges affected the following line items on the income statement: Q3-24 – COGS (\$1), SG&A (\$6), Other Income (expense) (\$5), YTD 2024 – COGS (\$4), SG&A (\$12), Other Income (expense) (\$18)

<sup>5</sup> CEO transition compensation costs affected the SG&A line on the income statement: YTD 2024 (\$4)