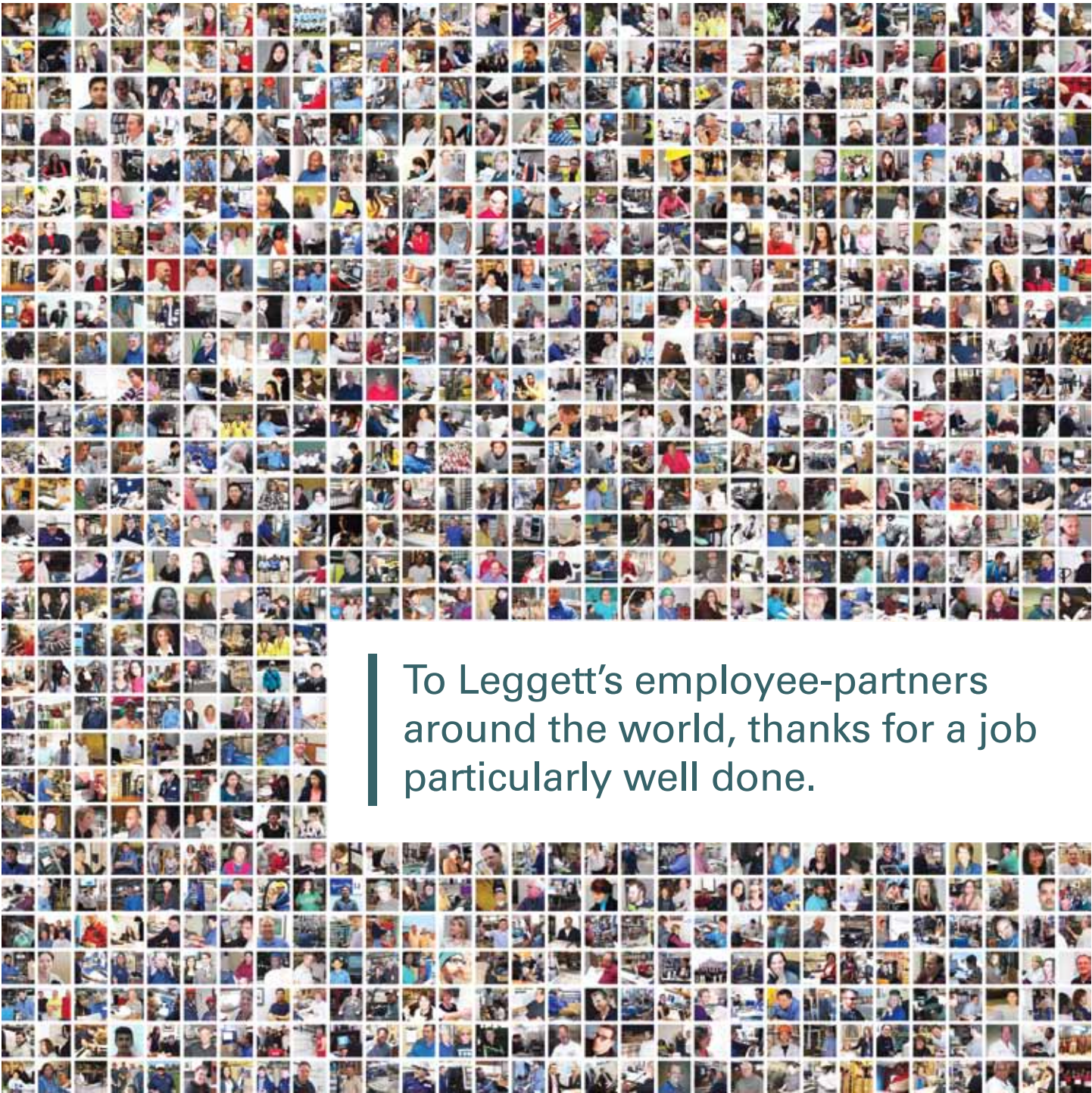


InVision

A look **inside**.
A look **ahead**.

REACHING NEW HEIGHTS AND STILL CLIMBING





To Leggett's employee-partners
around the world, thanks for a job
particularly well done.

InVision Staff: Travis Almandinger, David Ballew, Kristen Beerly, Joshua DeSonier, and Cody Langford.
We welcome your feedback and ideas for future issues: InVision@leggett.com



I'm proud to have completed my 40th year as a member of Leggett & Platt's Board of Directors. In that time, Leggett's sales have grown from \$58 million to over \$3.7 billion. The Company set a new record for earnings in 2012, followed by an all-time high for Leggett's stock price in early 2013.

Those results were built through decades of hard work, with challenges and setbacks along the way. As former Leggett CEO and Chairman Harry M. Cornell Jr. often said, "Success is founded on a constant state of discontentment interrupted by brief periods of satisfaction on the completion of a job particularly well done."

Leggett has undergone an amazing transformation in the five years since the 2007 strategic plan was announced. The executive team, with the Board's support, created a plan to make the Company more efficient, innovative and profitable.

But even with the best business plan, the sales don't get closed, the products don't get made and the orders don't get shipped except through the efforts of dedicated individuals at over 100 Leggett locations. Our employee-partners around the world fought through a devastating economic downturn to not only survive, but to flourish.

On behalf of the Board of Directors and the thousands of Leggett shareholders we represent, thank you for a job particularly well done.

A handwritten signature in black ink, appearing to read "R. T. Fisher". The signature is stylized and fluid.

Richard T. Fisher
Chairman, Board of Directors

A PART OF SOMETHING LARGER:

CONVERSATIONS WITH L&P PARTNERS AROUND THE GLOBE

"When evaluating a potential hire or considering a promotion, we always look for skills and experience that match the job description," explains John Moore, Senior VP – Human Resources. "But time and again, we find it's the intangibles that distinguish the Company's key contributors – creativity, determination, reliability, and so many others."

A business can function if its people show up and do their jobs. But Leggett thrives when we engage to solve problems, function as a team, and take pride in our work.

THE INNOVATOR

Bobbi Cummins – Production Control & Inside Sales Manager, Parthenon, Tennessee, USA

During college, Bobbi never expected to go into manufacturing, but after taking a job as a process improvement engineer, she never looked back. "It turned out to be a wonderful, engaging experience!" Bobbi remembers.

She kept at it with admirable determination, and is now in charge of balancing inventory with customer demand at Parthenon Metal Works, Leggett's steel tubing unit. "Bobbi puts in days and hours beyond a typical work week," notes Supervisor Mark Janosik.

This February, Bobbi's dedication was rewarded with a Women in Manufacturing STEP Award from The Manufacturing Institute. The awards are based on peer nominations, showing that Bobbi's accomplishments in the manufacturing world are supported by considerable respect from her fellow employees. "Parthenon has a great group of people," Bobbi comments modestly. "It's their energy that keeps me motivated!"



THE FIGHTER

Brenda Gonzalez – Administrative Manager, L&P Machine Products, Monterrey, Mexico

Brenda had been at Leggett for a year when, on the way to visit her sister for the holiday season in 2006, she was involved in a life-threatening car accident. A blood clot formed between her skull and her brain, forcing her to stay in the hospital for weeks.

"My friends and coworkers from Mexico Corporate were there for me throughout, visiting and asking after my needs," Brenda recalls. While still in recovery, she learned that her branch was closing. Injured and upset, she began to prepare for the worst.

Because of her tenacity and experience, however, Leggett offered Brenda a job at another branch in Monterrey, Mexico. After three months recovering from her crash, she joined the Monterrey team as the administrative manager, where she still works today. "I've been with Leggett for eight years now," said Brenda. "I have plenty of stories to tell, but this one is the most important to me."



THE JACK OF ALL TRADES

Tom Adams – Plant Superintendent,
Batavia, Illinois, USA

A large manufacturing plant employs someone to order materials, someone else to train employees on equipment, another person to supervise the workforce, and yet another to monitor the production process. At Batavia, which has just eleven employees, all those responsibilities fall to Tom Adams, the plant superintendent.

“When you work with so many different facets of the company,” Tom says, “you have to stay up when everyone else is down. It can be challenging.” Tom ensures that his plant produces box springs and bed foundations without defects and on schedule. If problems arise with safety or quality, he bears much of the responsibility.

“Tom wears many hats and juggles his responsibilities extremely well,” says Tom’s manager, Jim Zaerr. Tom thrives off the accomplishment of getting things finished, and that overcomer’s attitude carries through to the finished product. He’s also a realist – when asked the most rewarding part of his job, Tom laughs, “Bonus checks!”



THE LIFELONG LEARNER

Dorian Jones – Maintenance & Facilities Manager,
Pullmaflex, United Kingdom

Since joining Pullmaflex in 1975 as a Research & Development Engineer, Dorian has held numerous positions and traveled to dozens of plants in his quest to learn about, develop, and teach others about Pullmaflex’s process and products.

His tasks have included product development, sales, customer program coordination, and machine installation. Dorian regularly traveled within the UK customer base before Leggett acquired Pullmaflex in the 1990s, and his travels extended farther afield afterward, to Nuremberg, Windsor, North Carolina, and even China.

Since that time, Dorian has scaled back on travel, focusing on maintaining and improving production machinery at Pullmaflex UK, which allows him to see his family every day. His varied history is a real asset in his current position. “Having seen the customer side of requirements and demands,” Dorian comments, “I have a good awareness of the need to ensure a trouble-free production system to generate a competitive and profitable product.”



THE TEAM-BUILDER

Lingamoorthy Elumalai – Manufacturing Manager,
L&P Somappa (L&I), India

When Linga first arrived at Leggett’s L&I operation in 2006, he found the employees had diverse backgrounds with many skillsets. L&I produced automotive lumbar support systems that were new to India, allowing plenty of room for growth. But Linga also saw that, while employees were doing a good job, they worked in isolation – their tasks weren’t linked to organizational objectives, and the lack of continuity throughout the branch hurt its bottom line.

Linga took a disciplined approach to team-building, conducting weekly or even daily production meetings with over 120 shop floor employees. Linga explained the company’s goals and requirements, keying them into his branch’s strategic direction.

L&I’s branch manager, Bala Sabapathy, observed, “Linga’s integrity earns him the honest feedback of his coworkers and the trust of his supervisors.” The employees’ camaraderie and knowledge of the company’s objectives have improved morale and efficiency, taking L&I from a good company to a great company.



FIGHTING DUMPED INNERSPRINGS: A BATTLE TO PROTECT JOBS



Leggett & Platt knows the innerspring business. Our expertise and innovations have made us the largest and most efficient innerspring manufacturer in the world. But in the early 2000s, our business was attacked by companies who were not competing on an even playing field.

Chinese innersprings began to flood into the United States at prices lower than the cost of production – a practice called dumping – hoping to quickly capture market share. Imports grew from 1,000 units in 1999, to 3 million in 2005. We needed to respond quickly to defend our business and Leggett jobs.

The first line of defense: the antidumping orders. At the end of 2007, Leggett petitioned the Department of Commerce and International Trade Commission to investigate imports of innersprings from China, South Africa, and Vietnam. Leggett prevailed, and Commerce imposed duties of up to 234% on innersprings from these countries to deter further dumping.

These duties caused imports from China, South Africa, and Vietnam to drop off almost immediately, enabling Leggett to regain sales of 1 million innersprings a year that had been lost. These returned sales allowed us to preserve jobs not only at our innerspring plants but at the Leggett wire, rod, and steel mills that supply raw materials to those plants.

A new line of attack: evasion of the duties. Chinese innerspring manufacturers quickly began engaging in schemes to evade the duties. “Units were coming in from countries like Hong Kong and Taiwan, which previously had no innerspring manufacturing at all,” said Group Vice President Leigh Salyer. “The springs were being made in China, shipped

to a nearby country, relabeled as a product of that country, and imported into the United States without payment of the antidumping duty.”

Leggett repeatedly took evidence of evasion to Customs, asking the agency to investigate the cheating schemes and apply and collect the proper duties. We saw little evidence of enforcement or effects in the marketplace, with a significant volume of improperly labeled units illegally entering the United States each year.

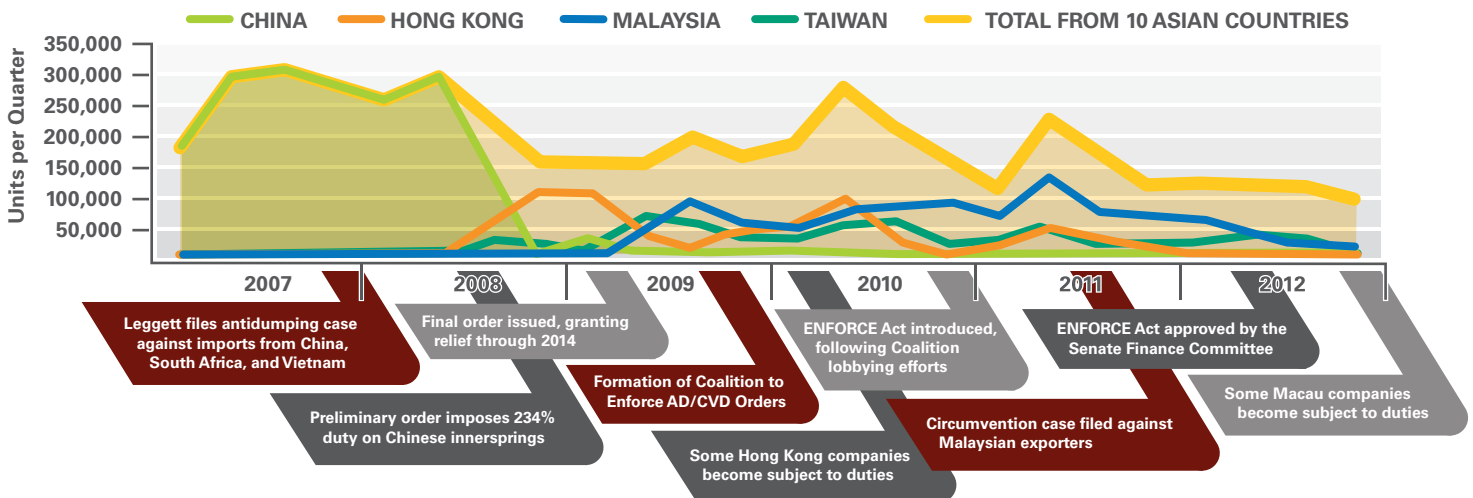
Countermeasures: fighting for trade enforcement.

Leggett soon found that it was not alone. Other American industries with antidumping duties face the same evasion schemes and the same ineffective enforcement. These industries formed the Coalition to Enforce AD/CVD Orders, which lobbies for legislative and agency action to enforce trade remedies.

In 2010, the Coalition worked with members of Congress to draft the ENFORCE Act, which creates a transparent process for Customs to investigate and respond to allegations of evasion. The Coalition estimates that duty evasion deprives the US government of at least \$1 billion in uncollected duties.

“Like Leggett, these industries have played by the rules. They’ve endured lengthy litigation and have prevailed at every turn,” said Amy DeArmond, Government Policy and Legal Affairs Specialist. “But the duties intended to provide relief are being blatantly ignored by trade cheats and aren’t being effectively enforced by our government.” Leggett continues to work with the Coalition to press Congress, the Commerce Department, and Customs to enforce US trade laws and support fair, global competition.

INNERSPRING IMPORTS AND KEY ENFORCEMENT EFFORTS



SAFEGUARD: HELPING LEGGETT PARTNERS TAKE CARE OF EACH OTHER

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According to the US Department of Labor, nearly 5,000 Americans die from on-the-job accidents every year, and there are over 3 million non-fatal workplace injuries and illnesses reported each year.

Leggett facilities have had fewer and fewer injuries over the years. In an effort to continue this trend, Leggett launched the SafeGuard initiative in January, 2013. SafeGuard focuses on accident prevention by assessing current processes and equipment to minimize hazards and thoroughly investigating accidents and near-misses.

Process Safety – Proactive Accident Prevention. Each branch will have a SafeGuard team that leads the safety assessments using tools available through SafeGuard On-Line. The process safety assessments identify hazards to minimize and eliminate potential risks. Safety issues are continually reinforced with employees through weekly five-minute training sessions.

Instead of relying upon an inspection by the Risk Department or the branch safety director, branch employees will be responsible for periodic zone audits of the facility. "This allows involvement and ownership in safety from all levels of the organization," said Dave Bumpus, Corporate Safety Director.

"Our experience tells us that the biggest success stories will come from and be driven by shop floor employees," said Senior Loss Control Engineer James Ely. "Working in the facilities and with the equipment every day – they're the experts, and we want to include them in all the inspections."

Accident Investigation – Learning from Each Incident. When accidents do occur, SafeGuard provides a system for tracking and investigating them. The Risk Department worked with branch managers and sub-groups to develop a standard accident investigation form.

"We want to find root causes of accidents and correct them, so that we don't have repeated injuries," said Robert McKinzie, Vice President – Operations Services.

"If we see a problem at one branch that could be an issue somewhere else, we can promptly send appropriate alerts," said Ely.

SafeGuard will be rolled out to US branches this year, and the Risk Department is in the process of modifying the program for implementation at international branches as soon as possible.

"Returning our employees safe and sound to their families each day is the #1 driver behind SafeGuard," said McKinzie. "We want to continue building the culture of safety at every branch, and SafeGuard will help us get there."

"There is no higher priority than keeping our employee-partners safe."
– Dave Haffner, CEO

PREDICTIVE: FUTURE

Analyzes system processes and environment to identify potential and future problems

PROACTIVE: PRESENT

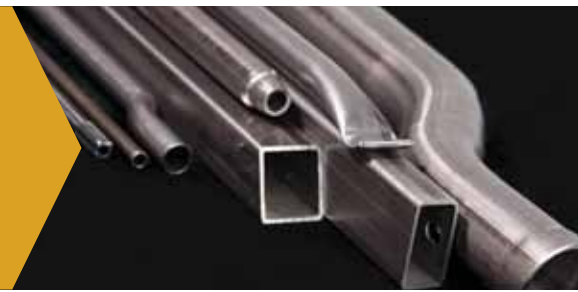
Actively seeks the identification of hazardous conditions through the analysis of the organization's processes

REACTIVE: PAST

Responds to events that have already happened, such as incidents and accidents

"When a branch has a safety culture, you're looking after the partner next to you and he or she is looking after you."
– James Ely

MAKING IT BETTER: THE PRODUCTS, PRODUCTION, AND POTENTIAL OF PARTHENON METAL WORKS



To make a product better and more profitable, sometimes you've got to bend, smash, or punch holes in it. At least, that's working for L&P's Steel Tubing Unit, Parthenon Metal Works in La Vergne, Tennessee.

By taking the straight steel tubing they've made for years and transforming it into a variety of components, the business is finding new opportunities, customers, and earnings.

Improved Products

"Our growth in tube components and advancements in tube manufacturing came out of a strategic review in 2010," explained Unit President Karl Van Becelaere. "We recognized steel tubing is a commodity, so we had to develop distinct, higher-value products and services."

Parthenon saw it could improve and differentiate its tube through fabrication, the additional processing that moves it closer to a finished product. "By doing first-stage fabrication for our customers, we can save them work and sell a more valuable product," explained Karl.

For the expanded operation, Parthenon converted a vacant Leggett facility in nearby Nashville into a well-equipped fabrication center. "We can pierce, slot, bend, form, or weld for large or small orders," said Engineering and Operations VP Wayne Clemons, who leads the new facility. "Not many competitors can make, fabricate, and service tube to this extent."

Parthenon's sales team is connecting those capabilities to customer needs and has already converted 20% of Unit sales to fabricated components. Top products include instrument panel beams (tubing components that support vehicle dashboards) for Honda and Nissan, slotted tubing for retail shelving made by L&P's Syndicate branch, and wire carriers, made in a cost-saving automated line.

Parthenon also expanded sales into the lawn and garden market by acquiring a division of O'Neal Industries that supplies fabricated tubing for Husqvarna, Briggs & Stratton, and Yamaha.

Improved Production

Parthenon's customers continue to need large volumes of straight tube. To stay ahead in the competitive tube manufacturing market, Parthenon took a fifty-year leap in technology—replacing outdated equipment with a cutting-edge tube mill.

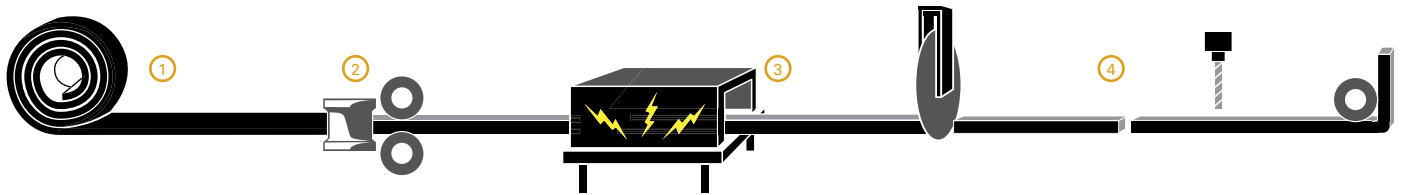
"We now have the only mill of this kind in North America," explained Mark Janosik, Unit VP of Manufacturing, who led the purchase and implementation of the new machinery. "It can make more types of tubing, including advanced high-strength steels needed for modern automobiles, and can run up to nearly three times as fast. Switching between different types of tube takes much less time and labor. This combination of versatility, speed, and quick changeovers is unmatched."

Beyond the machinery, Mark credits the employee-partners operating it. "Our two crews are gaining expertise and steadily improving the mill's production. The trends are all positive, as we move toward reaching the mill's full potential."

Improved Potential

Parthenon's improvements have opened doors to profitably grow market share and product lines among existing customers, and in entirely new categories such as trailer hitches, shocks, and struts.

Wayne Clemons summed it up well, "We've just scratched the surface of our opportunities. Many potential jobs, like the chance to make instrument panel beam tubing for the 'Big Three' American automakers, would add millions of components each year."



THE BASIC STEPS OF TUBE MANUFACTURING AND FABRICATION

- 1 A coil of flat-rolled steel is cut to width
- 2 Then passed through a series of rollers that fold and bend it into circular, rectangular, or other tubing shapes
- 3 The seam is welded and smoothed
- 4 It's then cut and either sold or sent on to the fabrication plant to be pierced, slotted, bent, formed, welded, or combined into various tubing components