LEGGETT & PLATT INC
Form 424B2
March 05, 2019
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Filed Pursuant to Rule 424(b)(2)

Registration No. 333-223621

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price per Note	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee [(1)]
4.40% Senior Notes due 2029	$500,000,000	100.0%	$500,000,000	$60,600

(1) *The registration fee is calculated in accordance with Rule 456(b) and 457(r) under the Securities Act of 1933, as amended.*

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PROSPECTUS SUPPLEMENT

(To Prospectus dated March 13, 2018)

$500,000,000

4.40% Senior Notes due March 2029

Interest payable March 15 and September 15.

We are offering $500 million aggregate principal amount of 4.40% Senior Notes due 2029. The notes will bear interest at the rate of 4.40% per year. Interest will be paid semi-annually on March 15 and September 15 of each year, commencing on September 15, 2019. The notes will mature on March 15, 2029. We may redeem the notes, in whole or in part, at any time and from time to time at the applicable redemption price described under Description of Notes Optional Redemption in this prospectus supplement. If we experience a Change of Control Repurchase Event, (as defined herein) unless we have exercised our right to redeem the notes, holders of the notes may require us to offer to repurchase the notes at a price equal to 101% of the principal amount. In all cases, we will pay accrued and unpaid interest to, but excluding, the date of redemption or repurchase, as the case may be.

The notes will be our senior unsecured obligations, and will rank equally in right of payment with all of our other unsecured and unsubordinated indebtedness from time to time outstanding. The notes will be effectively subordinated to any of our existing and future secured indebtedness to the extent of the value of the collateral securing such indebtedness. The notes will be issued only in registered form in denominations of $2,000 and integral multiples of $1,000 in excess thereof.

The notes are a new issue of securities for which there are currently no trading markets. We do not intend to apply for listing of the notes on any securities exchange or for inclusion of the notes in any automated dealer quotation system.

Investing in the notes involves risks. Please see Risk Factors beginning on page S-8 of this prospectus supplement and in the documents that we incorporate by reference into this prospectus supplement and the accompanying prospectus.

	Per Note	Total
Price to public (1)	99.391%	$ 496,955,000
Underwriting discount	0.650%	$ 3,250,000

Proceeds, before expenses, to us [1]	98.741%	$ 493,705,000

[1] Plus accrued interest from March 7, 2019, if settlement occurs after that date.

Neither the Securities and Exchange Commission nor any other state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

The underwriters expect to distribute the notes in book-entry form only through the facilities of The Depository Trust Company and its direct and indirect participants, including Clearstream and Euroclear, against payment in New York, New York on March 7, 2019.

Joint Book-Running Managers

J.P. Morgan **MUFG** **US Bancorp** **Wells Fargo Securities**

Co-Managers

BofA Merrill Lynch **SunTrust Robinson Humphrey** **PNC Capital Markets LLC** **BMO Capital Markets**
BB&T Capital Markets **BBVA** **TD Securities** **The Williams Capital Group, L.P.**

March 4, 2019

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ABOUT THIS PROSPECTUS SUPPLEMENT

This prospectus supplement and the accompanying prospectus are each part of an automatic shelf registration statement on Form S-3 that we filed with the Securities and Exchange Commission, or the SEC, as a well-known seasoned issuer as defined in Rule 405 of the Securities Act of 1933, as amended, or the Securities Act. Under the shelf registration process, we may, from time to time, offer and sell to the public any or all of the securities described in the registration statement in one or more offerings. This document is in two parts. The first part, which is this prospectus supplement, describes the specific terms of this offering and other matters relating to us and the notes we are offering. The second part, which is the accompanying prospectus, gives more general information about securities we may offer from time to time, some of which may not apply to the notes offered by this prospectus supplement. Generally, when we refer to the prospectus, we are referring to both parts combined. To the extent there is a conflict between the information contained in this prospectus supplement, on the one hand, and the information contained in the accompanying prospectus or any document incorporated by reference therein, on the other hand, you should rely on the information contained in this prospectus supplement.

We and the underwriters have not authorized any dealer, salesperson or other person to give any information or to make any representation other than those contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. You must not rely upon any information or representation not contained or incorporated by reference in this prospectus supplement or the accompanying prospectus. This prospectus supplement and the accompanying prospectus do not constitute an offer to sell or the solicitation of an offer to buy our securities, nor do this prospectus supplement and the accompanying prospectus constitute an offer to sell or the solicitation of an offer to buy our securities in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. You should not assume that the information contained in this prospectus supplement and the accompanying prospectus and any related free writing prospectus is accurate on any date subsequent to the date set forth on the front of the document or that any information we have incorporated by reference is correct on any date subsequent to the date of the document incorporated by reference, even though this prospectus supplement and the accompanying prospectus is delivered or the notes offered hereby are sold on a later date. Our business, financial condition, results of operations and prospects may have changed since those dates.

Information that we file with the SEC subsequent to the date on the cover of this prospectus supplement will automatically update and supersede the information contained in this prospectus supplement and the accompanying prospectus. We incorporate by reference the documents listed in the Where You Can Find More Information section in this prospectus supplement and any future filings made with the SEC until we issue all of the securities offered pursuant to this prospectus supplement and the accompanying prospectus. You should read this prospectus supplement, the accompanying prospectus and any related free writing prospectus we have authorized, together with the documents we incorporate by reference.

In this prospectus supplement, Leggett & Platt, Leggett, Company, we, us and our refer to Leggett & Platt, Incorporated and its subsidiaries, unless otherwise specified or indicated by the context, including without limitation, with respect to descriptions of the notes or their terms or provisions (which are obligations of Leggett but not any of its subsidiaries).

ALTERNATIVE SETTLEMENT CYCLE

It is expected that delivery of the notes will be made against payment therefor on or about March 7, 2019, which will be the third business day following the date hereof (this settlement cycle being referred to as T+3). Under Rule 15c6-1 of the Securities Exchange Act of 1934, trades in the secondary market generally are required to settle in two business days, unless the parties to a trade expressly agree otherwise. Accordingly, purchasers who wish to trade the notes on any day prior to two business days before delivery will be required to specify alternative settlement arrangements to prevent a failed settlement and should consult their own advisors.

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FORWARD-LOOKING STATEMENTS

This prospectus supplement and the accompanying prospectus, as well as the documents incorporated by reference herein, and any other communications in connection with this offering , may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to, projections of revenue, income, earnings, capital expenditures, dividends, capital structure, cash flows or other financial items; possible plans, goals, objectives, prospects, strategies or trends concerning future operations; statements concerning future economic performance; and the underlying assumptions relating to forward-looking statements. These statements are identified either by the context in which they appear or by use of words such as anticipate, believe, estimate, expect, intend, may, plan, project, should or the like. All such forward-looking statements, whet or oral, and whether made by us or on our behalf, are expressly qualified by the cautionary statements described in this provision.

Any forward-looking statement reflects only the beliefs of Leggett & Platt or its management at the time the statement is made. Because all forward-looking statements deal with the future, they are subject to risks, uncertainties and developments, which might cause actual events or results to differ materially from those envisioned or reflected in any forward-looking statement. Moreover, we do not have, and do not undertake any duty to update or revise any forward-looking statement to reflect events or circumstances after the date on which the statement was made, unless we are obligated under the federal securities laws to update and disclose material developments related to previously disclosed information. 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.

Listed below and discussed elsewhere in further detail in this prospectus supplement, the accompanying prospectus and our Annual Report on Form 10-K for the year ended December 31, 2018, which is incorporated herein by reference, are some important risks, uncertainties and contingencies that could cause actual events or results to differ materially from forward-looking statements. It is not possible to anticipate and list all of the risks, uncertainties and contingencies which could cause actual events or results to differ from forward-looking statements. However, some of these risks and uncertainties include the following:

- uncertainty of the financial performance of Elite Comfort Solutions, Inc. (ECS) and the Company following completion of the ECS acquisition;

- failure to realize the anticipated benefits of the ECS acquisition, including as a result of delay in integrating the businesses of ECS;

- difficulties and delays in achieving revenue synergies of ECS;

- inability to retain key personnel and maintain relationships with customers and suppliers of ECS;

- inability to deleverage after the ECS closing in the expected timeframe, due to increases or decreases in our capital needs, which may vary depending on a variety of factors, including without limitation, any acquisition or divestiture activity and our working capital needs, market conditions, and alternative capital market opportunities, including, without limitation, the relative attractiveness of longer-term debt or equity financing;

the Company s and ECS s ability to achieve their respective short-term and longer-term operating targets;

inability to comply with the restrictive covenants in our credit agreement that may limit our operational flexibility and our ability to pay our debt when it comes due;

market and other factors or conditions that reduce or eliminate the Company s ability to obtain long-term debt financing;

factors that could affect the industries or markets in which we participate, such as growth rates, market demand for our products, and opportunities in those industries;

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adverse changes in consumer confidence, housing turnover, employment levels, interest rates, trends in capital spending and the like;

factors that could impact raw materials and other costs, including the availability and pricing of steel scrap and rod, chemicals and other raw materials, the availability of labor, wage rates and energy costs;

our ability to pass along raw material cost increases through increased selling prices;

price and product competition from foreign (particularly Asian and European) and domestic competitors;

our ability to maintain profit margins if our customers change the quantity and mix of our components in their finished goods;

our ability to maintain and grow the profitability of acquired companies;

adverse changes in foreign currency, customs, shipping rates, political risk, and U.S. or foreign laws, regulations or legal systems (including tax law changes);

our ability to realize deferred tax assets on our balance sheet;

tariffs imposed by the U.S. government that result in increased costs of imported raw materials and products that we purchase;

our ability to maintain the proper functioning of our internal business processes and information systems through technology failures or otherwise;

our ability to avoid modification or interruption of our information systems through cybersecurity breaches;

a decline in the long-term outlook for any of our reporting units or assets that could result in impairment;

the loss of one or more of our significant customers;

our ability to collect customer debts due to bankruptcy, financial difficulties or insolvency;

our borrowing costs and access to liquidity resulting from credit rating changes;

business disruptions to our steel rod mill;

risks related to operating in foreign countries, including, without limitation, credit risks, increased customs and shipping rates, disruptions related to the availability of electricity and transportation during times of crisis or war, and political instability in certain countries;

uncertainty related to the governing trade provisions between the United States, Mexico and China;

risks relating to the United Kingdom s referendum, which called for its exit from the European Union (commonly known as Brexit);

the amount and timing of share repurchases; and

litigation accruals related to various contingencies including antitrust, intellectual property, product liability and warranty, taxation, environmental and workers compensation expense.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights material information contained elsewhere or incorporated by reference in this prospectus supplement and the accompanying prospectus but does not contain all of the information you need to consider in making your decision to invest in the notes. This summary is subject to, and qualified in its entirety by reference to, the more detailed information and consolidated financial statements (including the notes thereto) included or incorporated by reference in this prospectus supplement and the accompanying prospectus. You should read carefully this entire prospectus supplement and the accompanying prospectus and should consider, among other things, the matters set forth in the section entitled Risk Factors and the risk factors set forth under the heading Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2018 before deciding to invest in the notes.

THE COMPANY

Leggett & Platt was founded as a partnership in Carthage, Missouri in 1883 and was incorporated in 1901. The Company, a pioneer of the steel coil bedspring, has become an international diversified manufacturer that conceives, designs and produces a wide range of engineered components and products found in many homes, offices, automobiles and commercial aircraft. We have approximately 23,000 employees, and operate approximately 140 manufacturing facilities in 18 countries. We are organized into 15 business units, those units organized into 10 groups, and those groups into four segments, as indicated below:

Residential Products. This segment supplies a variety of components and machinery used by bedding manufacturers in the production and assembly of their finished products, as well as producing private-label finished mattresses for bedding brands. We also produce or distribute carpet cushion, hard surface flooring underlayment, fabric and geo components.

Industrial Products. These operations primarily supply steel rod and drawn steel wire to our other operations and to external customers. Our customers use this wire to make mechanical springs and many other end products.

Furniture Products. Operations in this segment supply a wide range of components and finished products for residential, office and commercial furniture and specialty bedding markets. We supply components used by home and work furniture manufacturers to provide comfort, motion and style in their finished products, as well as select lines of private-label finished furniture. We are also a major supplier of adjustable beds, with domestic manufacturing, distribution, e-commerce fulfillment and global sourcing capabilities.

Specialized Products. This segment designs, manufactures and sells products including automotive seating components, tubing and fabricated assemblies for the aerospace industry, and hydraulic cylinders for the material handling, construction and transportation industries.

Leggett is a Missouri corporation with principal executive offices located at No. 1 Leggett Road, Carthage, Missouri 64836. Our telephone number is (417) 358-8131.

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RECENT DEVELOPMENTS

Acquisition of Elite Comfort Solutions, Inc.

On January 16, 2019, we completed the acquisition of Elite Comfort Solutions, Inc. (ECS) for cash consideration of approximately $1.25 billion (the ECS Acquisition). ECS, headquartered in Newnan, Georgia, is a leader in proprietary specialized foam technology, primarily for the bedding and furniture industries. With 16 facilities across the United States, ECS operates a vertically integrated model, producing foam, developing many of the chemicals and additives used in foam production and manufacturing private-label finished products. These specialty foam products include finished mattresses sold through both traditional and online channels, mattress components, mattress toppers and pillows and furniture foams. ECS has a diversified customer mix and a strong position in the high-growth compressed mattress market segment. ECS operates as a separate business unit within our Residential Products segment.

Credit Facility and Commercial Paper Borrowings

Prior to the ECS Acquisition, on December 12, 2018, we entered into a Third Amended and Restated Credit Agreement (the Credit Agreement), among the Company, the lenders party thereto and JPMorgan Chase Bank, N.A. (JPMorgan), as administrative agent. The Credit Agreement amended and restated the Second Amended and Restated Credit Agreement, dated November 8, 2017 among us, JPMorgan and the lenders named therein. The Credit Agreement increased availability under our revolving credit facility from $800 million to $1.2 billion, increased the permitted borrowings by a corresponding amount under our commercial paper program (the CP Program), which is backed by our Credit Agreement, and added additional borrowing capacity in the form of the five-year $500 million term loan facility (the Term Loan Facility). We financed the ECS Acquisition using borrowings of approximately $750 million under our CP Program and $500 million under our Term Loan Facility.

We intend to use the net proceeds from this offering to repay a portion of our commercial paper indebtedness incurred under our CP Program to fund a portion of the ECS Acquisition.

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THE OFFERING

Issuer	Leggett & Platt, Incorporated.
Securities Offered	$500 million aggregate principal amount of 4.40% Senior Notes due 2029.
Issue Date	March 7, 2019.
Maturity	The notes will mature on March 15, 2029.
Interest Rate	The notes will bear interest at a rate of 4.40% per year.
Interest Payment Dates	Interest on the notes will accrue from March 7, 2019. Interest on the notes will be payable semi-annually in arrears on March 15 and September 15 of each year, commencing on September 15, 2019.
Ranking	The notes will be our unsecured and unsubordinated obligations and will rank on parity with all of our other unsecured and unsubordinated indebtedness from time to time outstanding.
	As of December 31, 2018, on a pro forma as adjusted basis, giving effect to the ECS Acquisition, the CP Program and Term Loan Facility borrowings and the issuance of the notes, based on the assumptions described in Unaudited Pro Forma Condensed Combined Financial Information and Capitalization :
	we would have had outstanding $2,419 million of long-term debt and current maturities of long-term debt, including $5 million of secured indebtedness and $320 million of commercial paper under our CP Program; and
	our subsidiaries would have had outstanding approximately $1 million of indebtedness and other liabilities.
Optional Redemption	

On or after December 15, 2028 (three months prior to their maturity date (the Par Call Date)), we may redeem the notes, in whole or in part, at any time and from time to time, on at least 30 days, but not more than 60 days, prior notice delivered to each holder of the notes to be redeemed, at a redemption price equal to 100% of the principal amount of the notes being redeemed plus accrued and unpaid interest to, but excluding, the redemption date.

Prior to the Par Call Date, we may redeem the notes, in whole or in part, at any time and from time to time, at our option, at a redemption price equal to the greater of:

100% of the principal amount of the notes being redeemed; and

the sum of the present values of the remaining scheduled payments of principal and interest thereon that would be due if the notes matured on the Par Call Date (not including any portion of such payments of interest accrued as of the date of redemption), discounted to the date of redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate (as defined in Description of Notes Optional Redemption), plus 30 basis points;

	in each case, plus accrued and unpaid interest on the notes to, but excluding, the redemption date. See Description of Notes Optional Redemption in this prospectus supplement.
Repurchase at Option of Holders Upon Change of Control Repurchase Event	If we experience a Change of Control Repurchase Event (as defined in Description of Notes Repurchase at Option of Holders Upon Change of Control Repurchase Event), we will be required, unless we have exercised our right to redeem the notes, to offer to repurchase the notes at a purchase price equal to 101% of the principal amount, plus accrued and unpaid interest to, but excluding, the date of repurchase. See Description of Notes Repurchase at Option of Holders Upon Change of Control Repurchase Event in this prospectus supplement.
Covenants	Under the Senior Indenture (as defined in Description of Notes General), we have agreed to certain restrictions on our ability to incur debt secured by liens and to enter into certain transactions. See Description of Debt Securities Limitations on Liens, Limitations on Sale and Leaseback, and Consolidation, Merger, Conveyance, Sale of Assets and Other Transfers in the accompanying prospectus.
Use of Proceeds	We intend to use the net proceeds from the sale of the notes to repay a portion of our commercial paper indebtedness incurred under our CP Program to fund a portion of the ECS Acquisition. See Recent Developments Credit Facility and Commercial Paper Borrowings and Use of Proceeds in this prospectus supplement.
Further Issues of Notes	We may, from time to time, without giving notice to or seeking the consent of the holders of the notes, issue additional notes having the same terms (except for the issue date and, in some cases, the public offering price, the first interest payment date and the initial interest accrual date) as, and ranking equally and ratably with, the notes. Any additional notes having such similar terms, together with the notes, will constitute a single series of securities under the Senior Indenture, including for purposes of voting and redemptions. Such additional notes will only be issued as part of the series of these notes if they are fungible with the notes for U.S. federal income tax purposes.
Denomination and Form	We will issue the notes in the form of one fully registered book-entry global note registered in the name of the nominee of The Depository Trust Company, DTC or the Depositary. Beneficial interests in the notes will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in the Depositary, including accounts maintained by Clearstream or

Euroclear, as the case may be, in the Depositary. Except in the limited circumstances described in this prospectus supplement, owners of beneficial interests in the notes will not be entitled to have notes registered in their names, will not receive or be entitled to receive notes in definitive form and will not be considered

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	holders of the notes under the Senior Indenture. The notes will be issued only in denominations of $2,000 and integral multiples of $1,000 in excess thereof. See Description of Notes Ownership of Notes through the Depositary, Clearstream and Euroclear in this prospectus supplement.
Risk Factors	You should read carefully and consider the information set forth in Risk Factors in this prospectus supplement and the risk factors set forth under the heading Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2018 before investing in the notes.
Trustee	U.S. Bank National Association
Governing Law	New York
Settlement	It is expected that delivery of the notes will be made against payment therefor on or about March 7, 2019, which will be the third business day following the date hereof. Under Rule 15c6-1 of the Securities Exchange Act of 1934, trades in the secondary market generally are required to settle in two business days, unless the parties to a trade expressly agree otherwise. Accordingly, purchasers who wish to trade the notes on any day prior to two business days before delivery will be required to specify alternative settlement arrangements to prevent a failed settlement and should consult their own advisors.

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SUMMARY HISTORICAL AND PRO FORMA CONSOLIDATED FINANCIAL DATA OF LEGGETT & PLATT, INCORPORATED

The following summary historical consolidated financial data are being provided to assist you in your analysis of an investment in the notes. You should read this information in conjunction with the consolidated financial statements and notes thereto incorporated by reference in this prospectus supplement. The summary consolidated statement of earnings data for the years ended December 31, 2016, 2017 and 2018 and the summary consolidated balance sheet data as of December 31, 2016, 2017 and 2018 have been derived from our audited historical consolidated financial statements. Our historical results are not necessarily indicative of the results to be expected in the future.

The summary unaudited pro forma condensed combined financial information as of and for the year ended December 31, 2018 gives effect to (i) the ECS Acquisition and our related borrowings under the CP Program and Term Loan Facility as if each had been consummated on January 1, 2018, the beginning of Leggett s most recently completed fiscal year and (ii) the assumptions and adjustments described in the accompanying notes to the unaudited pro forma condensed combined financial statements. The unaudited pro forma condensed combined balance sheet data gives effect to these events, assumptions and adjustments as if they occurred as of December 31, 2018, our latest balance sheet date. The assumptions used and pro forma adjustments derived from such assumptions are based on currently available information and we believe such assumptions are reasonable under the circumstances. See Unaudited Pro Forma Condensed Combined Financial Information .

You should read the summary historical consolidated and pro forma financial data below in conjunction with the information under the captions Capitalization , Recent Developments Acquisition of Elite Comfort Solutions, Inc. and Unaudited Pro Forma Condensed Combined Financial Information in this prospectus supplement, our audited financial statements in our Annual Report on Form 10-K for the year ended December 31, 2018 and ECS s audited and unaudited financial statements in our Current Report on Form 8-K/A filed February 28, 2019, each incorporated by reference in this prospectus supplement. See Where You Can Find More Information .

	Year Ended December 31,			
(In millions, except per share data)	**2016**	**2017**	**2018**	**Pro Forma 2018**
Statement of Earnings Data				
Net Sales from Continuing Operations	$ 3,750	$ 3,944	$ 4,270	$ 4,871
Earnings from Continuing Operations	$ 367	$ 294	$ 306	$ 299
(Earnings) attributable to noncontrolling interest, net of tax	$	$	$	$
Net Earnings attributable to Leggett & Platt, Inc.	$ 386	$ 293	$ 306	$ 299
Earnings per share from Continuing Operations				
Basic	$ 2.66	$ 2.16	$ 2.28	$ 2.23
Diluted	$ 2.62	$ 2.14	$ 2.26	$ 2.21
Earnings (Loss) per share from Discontinued Operations				
Basic	$ .14	$ (.01)	$	$
Diluted	$ .14	$ (.01)	$	$
Net Earnings per share				
Basic	$ 2.80	$ 2.15	$ 2.28	$ 2.23
Diluted	$ 2.76	$ 2.13	$ 2.26	$ 2.21

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(In millions)	As of December 31, 2016	2017	2018	Pro Forma 2018
Balance Sheet Data				
Cash and cash equivalents	$ 282	$ 526	$ 268	$ 289
Net property, plant and equipment	$ 566	$ 664	$ 729	$ 809
Goodwill	$ 791	$ 822	$ 834	$ 1,372
Other intangibles, net	$ 165	$ 169	$ 179	$ 823
Total assets	$ 2,984	$ 3,551	$ 3,382	$ 4,807
Long-term debt (including commercial paper)	$ 956	$ 1,098	$ 1,168	$ 2,380

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RISK FACTORS

We believe the following risk factors, as well as those relating to our business under the heading Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2018, which is incorporated herein by reference, should be considered prior to purchasing any of the notes offered for sale pursuant to this prospectus supplement. These risks may be amended, supplemented or superseded from time to time by risk factors contained in the reports that we file with the SEC pursuant to the Securities Exchange Act of 1934, as amended, or the Exchange Act, which will be incorporated by reference, or by a post-effective amendment to the registration statement of which this prospectus supplement forms a part. There may be additional risks that are not presently material or known. If any of the events below occur, our business, financial condition, results of operations, liquidity or access to the debt or capital markets could be materially adversely affected. The following risks could cause our actual results to differ materially from our historical experience and from any estimates or expectations set forth in forward-looking statements made in or incorporated by reference in this prospectus supplement or the documents incorporated herein by reference.

Risks Related to the Notes

We may incur additional indebtedness.

The indenture governing the notes does not prohibit us from incurring additional unsecured indebtedness in the future. We are also permitted to incur additional secured indebtedness that would be effectively senior to the notes subject to the limitations described in the sections entitled Description of Debt Securities Limitations on Liens and Description of Debt Securities Limitations on Sale and Leaseback in the accompanying prospectus. In addition, the indenture does not contain any restrictive covenants limiting our ability to pay dividends or make any payments on junior or other indebtedness.

The terms of the indenture and the notes provide only limited protection against significant corporate events and other actions we may take that could adversely impact your investment in the notes.

While the indenture and the notes contain terms intended to provide protection to the holders of the notes upon the occurrence of certain events involving significant corporate transactions, such terms are limited and may not be sufficient to protect your investment in the notes. The definition of the term Change of Control Repurchase Event (as defined in Description of Notes Repurchase at Option of Holders Upon Change of Control Repurchase Event) does not cover a variety of transactions (such as acquisitions by us or recapitalizations) that could negatively affect the value of your notes. If we were to enter into a significant corporate transaction that would negatively affect the value of the notes but would not constitute a Change of Control Repurchase Event, we would not be required to offer to repurchase your notes prior to their maturity.

Furthermore, the indenture for the notes does not:

- require us to maintain specific levels of revenues, income or cash flow;

- limit our ability to incur indebtedness that is equal in right of payment to the notes;

- restrict our subsidiaries ability to issue securities or otherwise incur indebtedness that would be senior to our equity interests in our subsidiaries and therefore rank effectively senior to the notes;
- restrict our ability to repurchase or prepay any other of our securities or other indebtedness; or
- restrict our ability to make investments or to repurchase or pay dividends or make other payments in respect of our common stock or other securities ranking junior to the notes.

As a result of the foregoing, when evaluating the terms of the notes, you should be aware that the terms of the indenture and the notes do not restrict our ability to engage in, or to otherwise be a party to, a variety of corporate transactions, circumstances and events that could have an adverse impact on your investment in the notes.

Active trading markets may not develop for the notes.

The notes are a new issue of securities for which there are currently no trading markets. Although the underwriters have informed us that they currently intend to make a market in the notes after we complete the offering, they have no obligation to do so and may discontinue their market-making at any time without notice. In addition, any market-making activity will be subject to the limits imposed by federal securities laws and may be limited during the offering of the notes.

If active trading markets do not develop or are not maintained, the market prices and liquidity of the notes may be adversely affected. In that case, you may not be able to sell your notes at a particular time or you may not be able to sell your notes at a favorable price. The liquidity of any market for the notes will depend on a number of factors, including:

- the number of holders of the notes;
- our ratings published by credit rating agencies;
- our financial performance;
- the market for similar securities;
- the interest of securities dealers in making a market in the notes; and
- prevailing interest rates.

We cannot assure you that active markets for the notes will develop or, if developed, will continue.

Our credit ratings may not reflect all risks of an investment in the notes.

We expect the notes may be rated by at least one nationally recognized statistical rating organization. The ratings of our notes will primarily reflect our financial strength and will change in accordance with the rating of our financial strength. Any rating is not a recommendation to purchase, sell or hold any particular security, including the notes. These ratings do not comment as to market price or suitability for a particular investor. In addition, ratings at any time may be lowered or withdrawn in their entirety. The ratings of the notes may not reflect the potential impact of all risks related to structure and other factors on any trading market for, or trading value of, the notes. Actual or anticipated changes or downgrades in our credit ratings, including any announcement that our ratings are under review for a downgrade, could affect the market value of the notes and increase our corporate borrowing costs.

An increase in market interest rates could result in a decrease in the value of the notes.

In general, as market interest rates rise, notes bearing interest at a fixed rate generally decline in value. Consequently, if you purchase fixed rate notes and market interest rates increase, the market value of your notes may decline. We cannot predict the future level of market interest rates.

We may not be able to repurchase the notes upon a Change of Control Repurchase Event.

Upon the occurrence of a Change of Control Repurchase Event, unless we have exercised our right to redeem the notes, each holder of notes will have the right to require us to repurchase all or a part of such holder s notes at a price equal to 101% of the principal amount, plus accrued and unpaid interest, if any, to, but excluding, the date of repurchase. Our other notes, including the Senior Notes due 2022, the Senior Notes due 2024, and the Senior Notes due 2027, have similar repurchase features. If we experience a Change of Control Repurchase

Event, there can be no assurance that we would have sufficient financial resources available to satisfy our obligations to repurchase the notes. Our failure to repurchase the notes would result in a default under the notes, which could have material adverse consequences for us and the holders of the notes. See Description of Notes Repurchase at Option of Holders Upon Change of Control Repurchase Event .

The notes are effectively subordinated to the existing and future liabilities of our subsidiaries and to our secured debt.

Our subsidiaries are separate and distinct legal entities from us. The notes are obligations exclusively of Leggett & Platt, Incorporated and are not guaranteed by our subsidiaries, which have no obligation to pay any amounts due on the notes. Although our subsidiaries have no material indebtedness as of the date of this prospectus supplement, our subsidiaries are not prohibited from incurring additional debt or other liabilities, including senior indebtedness, that have priority over our interests in the subsidiaries. If our subsidiaries were to incur additional debt or liabilities that have priority over our interests in the subsidiaries, our ability to pay our obligations on the notes could be adversely affected. In addition, any payment of dividends, loans or advances by our subsidiaries could be subject to statutory or contractual restrictions or limitations. Payments to us by our subsidiaries will also be contingent upon the subsidiaries earnings and business considerations. Our right to receive any assets of any of our subsidiaries upon their bankruptcy, liquidation or reorganization, and therefore the right of the holders of the notes to participate in those assets, will be effectively subordinated to the claims of that subsidiary s creditors, including trade creditors. In addition, even if we are a creditor of any of our subsidiaries, our rights as a creditor would be subordinate to any security interest in the assets of our subsidiaries and any indebtedness of our subsidiaries senior to that held by us.

The notes will be our senior unsecured obligations and will rank equal in right of payment to our other senior unsecured debt from time to time outstanding. As of December 31, 2018, on an actual basis, we had a carrying value of approximately $1,169 million of long-term debt and current maturities of long-term debt, all of which, other than $5 million, was unsecured indebtedness that would rank equally with the notes. As of December 31, 2018, on a pro forma as adjusted basis giving effect to the ECS Acquisition, the CP Program and Term Loan Facility borrowings and issuance of notes, we would have had outstanding $2,419 million of long-term debt and current maturities of long-term debt, all of which, other than $5 million, was unsecured indebtedness that would rank equally with the notes. The notes are not secured by any of our assets. Any future claims of secured lenders with respect to assets securing their loans will be prior to any claim of the holders of the notes with respect to those assets. We do not currently have any material secured obligations.

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USE OF PROCEEDS

We expect that the net proceeds from this offering will be approximately $492,305,000, after deducting the underwriting discount and estimated offering expenses payable by us.

We intend to use the net proceeds from this offering to repay a portion of our commercial paper indebtedness incurred under our CP Program to fund a portion of the ECS Acquisition. As of March 1, 2019, our commercial paper indebtedness has various maturity dates ranging from 3 to 26 days with a weighted-average interest rate of 2.7768%. Before we use the net proceeds for these purposes, we may invest them in short term investments.

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CAPITALIZATION

The following table sets forth our total debt and equity as of December 31, 2018 on:

a historical basis;

a pro forma basis to give effect to the ECS Acquisition and related borrowings under our CP Program and Term Loan Facility; and

a pro forma as adjusted basis to give effect to the sale of the notes offered hereby and the use of proceeds. The following information should be read in conjunction with our consolidated financial statements and the accompanying notes, which are incorporated by reference herein. Refer to Where You Can Find More Information in this prospectus supplement.

	At December 31, 2018		
	Actual	Pro Forma	Pro Forma As Adjusted
	(Dollars in millions)		
Cash and cash equivalents	$ 268	$ 289	$ 289
Current maturities of long-term debt	$ 1	$ 39	$ 39
Long-term debt outstanding:			
3.4% Senior Notes due 2022[1]	$ 299	$ 299	$ 299
3.8% Senior Notes due 2024[2]	298	298	298
3.5% Senior Notes due 2027[3]	493	493	493
4.40% Senior Notes due 2029 offered hereby[4 5]	0	0	500
5-Year Term Loan Facility	0	461	461
Commercial paper (classified as long-term debt)	70	820	320
Industrial development bonds (principally variable interest rates)	4	4	4
Capitalized leases and other[6]	4	5	5
Total long-term debt	$ 1,168	$ 2,380	$ 2,380
Total Debt	$ 1,169	$ 2,419	2,419
Equity:			
Common stock ($.01 par value per share)	$ 2	$ 2	$ 2
Additional Contributed Capital	527	527	527
Retained earnings	2,614	2,614	2,614
Accumulated other comprehensive loss	(78)	(78)	(78)

Treasury stock	(1,908)	(1,908)	(1,908)
Total Company equity	$ 1,157	$ 1,157	$ 1,157
Noncontrolling interest	1	1	1
Total Equity	$ 1,158	$ 1,158	$ 1,158
Capitalization	$ 2,327	$ 3,577	$ 3,577

1 In 2010, we entered into forward starting interest rate swap agreements. The swaps managed benchmark interest rate risk associated with a $200 million debt issuance. The swaps had a weighted-average interest rate of 4.0%. Upon the issuance of the 3.4% Senior Notes due 2022, the settlement of the swap agreements resulted in a cash payment of $42.7 million, which is being amortized using the effective interest rate method each year, over the ten year term of the 3.4% Senior Notes due 2022. This converts the 3.4% interest rate into a fully weighted rate of 5% over the life of the notes.

2 In the fourth quarter of 2014, we entered into a treasury lock agreement. The treasury lock managed benchmark interest rate risk associated with a $50 million debt issuance. The treasury lock had an interest

rate of 2.36%. Upon the issuance of the 3.8% Senior Notes due 2024, the settlement of the treasury lock did not result in a material gain or loss.

3 In the fourth quarter of 2017, we entered into certain treasury lock agreements. The treasury locks managed benchmark interest rate risk associated with a $100 million debt issuance. The treasury locks had a weighted-average interest rate of 2.3981%. Upon the issuance of the 3.5% Senior Notes due 2027, the settlement of the treasury lock did not result in a material gain or loss.

4 Amount presented on a gross basis, excluding any discounts or offering costs.

5 In the first quarter of 2019, we entered into a treasury lock agreement. The treasury lock managed benchmark interest rate risk associated with $75 million debt issued. The treasury lock had an interest rate of 2.65%. Upon the issuance of the 4.40% Senior Notes due 2029, the settlement of the treasury locks is not expected to result in a material gain or loss.

6 Consists primarily of machinery, vehicle and office equipment leases.

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UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

The unaudited pro forma condensed combined financial information is presented to illustrate the effects of the ECS Acquisition and certain contemporaneous financing transactions (collectively, the Transaction). We financed the ECS Acquisition using borrowings of approximately $750 million under our CP Program and $500 million under our Term Loan Facility. See Recent Developments in this prospectus supplement.

The unaudited pro forma condensed combined financial information is not necessarily indicative of the combined financial position or results of operations that would have been realized had the Transaction occurred as of the dates indicated, nor is it meant to be indicative of any anticipated combined financial position or future results of operations that the Company will experience after the Transaction. The accompanying unaudited pro forma condensed combined statement of operations does not include benefits expected from revenue or product mix enhancements, operating synergies or cost savings that may be realized, or integration-related costs that may be incurred subsequent to the Transaction.

The unaudited pro forma condensed combined balance sheet as of December 31, 2018, and the unaudited pro forma condensed combined statement of operations for the year ended December 31, 2018 are based upon, derived from and should be read in conjunction with the historical audited consolidated financial statements of the Company for the year ended December 31, 2018 and the historical financial statements of ECS, each of which are incorporated by reference in this prospectus supplement.

For purposes of the pro forma condensed combined statement of operations, results for ECS are presented for the twelve-month period ended December 29, 2018. This information was derived from the historical audited statement of operations of ECS for the year ended September 29, 2018 and the historical unaudited statements of operations of ECS for the three months ended December 29, 2018 and December 30, 2017, each as incorporated by reference in this prospectus supplement. For purposes of the pro forma condensed combined balance sheet, we utilized the unaudited historical balance sheet of ECS as of December 29, 2018 incorporated by reference in this prospectus supplement.

The unaudited pro forma condensed combined statement of operations for the year ended December 31, 2018 assumes that the Transaction occurred on January 1, 2018, the beginning of our fiscal year ended December 31, 2018. The unaudited pro forma condensed combined balance sheet as of December 31, 2018 assumes that the Transaction occurred on December 31, 2018. The historical combined financial information has been adjusted to give effect to pro forma events that are: 1) directly attributable to the Transaction; 2) factually supportable; and 3) with respect to the unaudited pro forma condensed combined statement of operations, expected to have a continuing impact on the combined results. In the opinion of management, all adjustments necessary to present fairly the unaudited pro forma condensed combined financial information have been made. The assumptions underlying the pro forma adjustments are described fully in the accompanying notes, which should be read in conjunction with the unaudited pro forma condensed combined financial information.

The ECS acquisition is being accounted for as a business combination using the acquisition method of accounting under the provisions of Accounting Standards Codification (ASC) Topic 805, Business Combinations (ASC 805), and using the fair value concepts defined in ASC Topic 820, Fair Value Measurements (ASC 820). ASC 820 defines the term fair value and sets forth the valuation requirements for any asset or liability measured at fair value, expands related disclosure requirements and specifies a hierarchy of valuation techniques based on the nature of the inputs used to develop fair value measures.

Fair value is defined in ASC 820 as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This is an exit price concept for the valuation of the asset or liability. In addition, market participants are assumed to be buyers and sellers in the principal (or the most advantageous) market for the asset or liability. Many of these fair value measurements can be highly subjective, and it is possible that other professionals, applying reasonable judgment to the same facts and circumstances, could develop and support a range of alternative estimated amounts. Under ASC 805, all assets acquired and liabilities assumed are recorded at their acquisition date fair value.

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Assets acquired and liabilities assumed in a business combination that arise from contingencies must be recognized at fair value if the fair value can be reasonably estimated. If the fair value of an asset or liability that arises from a contingency cannot be determined, the asset or liability would be recognized in accordance with ASC 450, Disclosure of Certain Loss Contingencies (ASC 450). If the fair value is not determinable and the ASC 450 criteria are not met, no asset or liability would be recognized. Management is not aware of any material contingencies related to the ECS Acquisition.

Under ASC 805, all assets acquired and liabilities assumed are recorded at their acquisition date fair value. The allocation of the purchase price as reflected in the unaudited pro forma condensed combined financial information is based upon management s internally developed preliminary estimates of the fair market value of the assets acquired and liabilities assumed, as if the ECS Acquisition had occurred on the above dates. This allocation of the purchase price depends upon certain estimates and assumptions, all of which are preliminary and, in some instances, are incomplete and have been made solely for the purpose of developing the unaudited pro forma condensed combined financial information. Any adjustments to the preliminary estimated fair value amounts could have a significant impact on the unaudited pro forma condensed combined financial information contained herein, and our future results of operations and financial position.

The unaudited pro forma condensed combined financial information should be read in conjunction with the:

Accompanying notes to the unaudited pro forma condensed combined financial information;

Separate historical financial statements of Leggett included in the Company s Annual Report on Form 10-K as of and for the year ended December 31, 2018; and

Separate historical financial statements of ECS included as Exhibit 99.1 and Exhibit 99.2 within the Company s Current Report on Form 8-K/A, filed with the SEC on February 28, 2019, as of and for the year ended September 29, 2018 and as of and for the three months ended December 29, 2018 and December 30, 2017, respectively.

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Leggett & Platt, Incorporated

Unaudited Pro Forma Condensed Combined Balance Sheet

As of December 31, 2018

(Amounts in millions, except per share data)	Leggett 12/31/18	ECS 12/29/18 (Note 4)	Financing Adjustments	Note	Acquisition Adjustments	Note	Pro Forma Combined
ASSETS							
Current Assets							
Cash and cash equivalents	**$ 268.1**	**$ 21.1**	**$ 1,250.0**	**6a**	**$ (1,250.0)**	**5a**	**$ 289.2**
Trade receivables, net	545.3	77.5			(1.4)	5g	**621.4**
Other receivables, net	26.3	1.6					**27.9**
Total receivables, net	**571.6**	**79.1**			**(1.4)**		**649.3**
Inventories							
Finished goods	331.6	25.2			5.1	5b	**361.9**
Work in process	49.6	1.8			.2	5b	**51.6**
Raw materials and supplies	334.9	28.3					**363.2**
LIFO reserve	(82.2)						**(82.2)**
Total inventories, net	**633.9**	**55.3**			**5.3**		**694.5**
Prepaid expenses and other current assets	51.0	2.2					**53.2**
Total current assets	**1,524.6**	**157.7**	**1,250.0**		**(1,246.1)**		**1,686.2**
Property, Plant and Equipment at cost							
Machinery and equipment	1,281.7	60.5			(9.7)	5c	**1,332.5**
Buildings and other	656.8	26.4			.7	5c	**683.9**
Land	42.4	.6			1.6	5c	**44.6**
Total property, plant and equipment	**1,980.9**	**87.5**			**(7.4)**		**2,061.0**
Less accumulated depreciation	1,252.4	16.0			(16.0)	5c	**1,252.4**
Net property, plant and equipment	**728.5**	**71.5**			**8.6**		**808.6**
Other Assets							
Goodwill	833.8	225.6			312.4	5e	**1,371.8**
Other intangibles, net	178.7	212.6			431.3	5d	**822.6**
Sundry	116.4	1.2					**117.6**
Total other assets	**1,128.9**	**439.4**			**743.7**		**2,312.0**

TOTAL ASSETS	**3,382.0**	**668.6**	**1,250.0**		**(493.8)**		**4,806.8**
LIABILITIES AND EQUITY							
Current Liabilities							
Current maturities of long-term debt	1.2	20.7	37.5	6a	(20.7)	5h	**38.7**
Accounts payable	465.4	30.7			(1.4)	5g	**494.7**
Accrued expenses	262.7	37.4			(14.5)	5j	**285.6**
Other current liabilities	86.4						**86.4**
Total current liabilities	**815.7**	**88.8**	**37.5**		**(36.6)**		**905.4**
Long-term Liabilities							
Long-term debt	1,167.8	355.0	1,212.5	6a	(355.0)	5h	**2,380.3**
Other long-term liabilities	155.3						**155.3**
Deferred income taxes	85.6	24.5			98.1	5f	**208.2**
Total long-term liabilities	**1,408.7**	**379.5**	**1,212.5**		**(256.9)**		**2,743.8**
Commitments and Contingencies							
Equity							
Capital stock: Preferred stock authorized, 100.0 shares; none issued; Common stock authorized, 600.0 shares of $.01 par value; 198.8 shares issued	2.0						**2.0**
Additional contributed capital	527.1	224.6			(224.6)	5i	**527.1**
Retained earnings	2,613.8	(24.3)			24.3	5i	**2,613.8**
Accumulated other comprehensive loss	(77.6)						**(77.6)**
Less treasury stock at cost (68.3 shares at December 31, 2018)	(1,908.3)						**(1,908.3)**
Total Leggett & Platt, Inc. equity	**1,157.0**	**200.3**			**(200.3)**		**1,157.0**
Noncontrolling interest	.6						**.6**
Total equity	**1,157.6**	**200.3**			**(200.3)**		**1,157.6**
TOTAL LIABILITIES AND EQUITY	**$ 3,382.0**	**$ 668.6**	**$ 1,250.0**		**$ (493.8)**		**$ 4,806.8**

The accompanying notes are an integral part of this Unaudited Pro Forma Condensed Combined Balance Sheet

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Leggett & Platt, Incorporated

Unaudited Pro Forma Condensed Combined Statement of Operations

For the Year Ended December 31, 2018

(Amounts in millions, except per share data)	Leggett 12/31/18	ECS 12/29/18 (Notes 2 and 4)	Financing Adjustments	Note	Acquisition Adjustments and Eliminations	Note	Pro Forma Combined
Net sales	$ 4,269.5	$ 603.7			$ (2.4)	7a	$ 4,870.8
Cost of goods sold	3,380.8	481.6			(.8)	7b	3,861.6
Gross profit	888.7	122.1			(1.6)		1,009.2
Selling and administrative expenses	425.1	45.7			(3.7)	7c	467.1
Amortization of intangibles	20.5	11.3			37.0	7d	68.8
Impairments	5.4						5.4
Gain on sale of assets and businesses	(1.9)						(1.9)
Other expense (income), net	2.7	(.9)					1.8
Earnings before interest and income taxes	436.9	66.0			(34.9)		468.0
Interest expense	60.9	41.2	(.2)	8a	(3.2)	7e	98.7
Interest income	8.4						8.4
Earnings from operations before income taxes	384.4	24.8	.2		(31.7)		377.7
Income taxes	78.3	7.8		8b	(7.9)	7f	78.2
Net earnings	306.1	17.0	.2		(23.8)		299.5
(Earnings) attributable to noncontrolling interest, net of tax	(.2)						(.2)
Net earnings attributable to Leggett & Platt, Inc. common shareholders	$ 305.9	$ 17.0	$ .2		$ (23.8)		$ 299.3
Net earnings per share attributable to Leggett & Platt, Inc. common shareholders							
Basic	$ 2.28						$ 2.23
Diluted	$ 2.26						$ 2.21
Basic Shares	134.3			8c			134.3
Diluted Shares	135.2			8c			135.2

The accompanying notes are an integral part of this Unaudited Pro Forma Condensed Combined Statement of Operations

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1. Basis of Presentation

The unaudited pro forma condensed combined financial information has been derived from historical consolidated financial statements of Leggett and ECS. The historical financial information is adjusted in the unaudited pro forma condensed combined financial information to give effect to pro forma adjustments that are: (1) directly attributable to the ECS Acquisition; (2) factually supportable; and (3) with respect to the pro forma statement of operations, expected to have a continuing impact on the combined results. The unaudited pro forma adjustments are based on certain assumptions that we believe are reasonable and described in the notes. In these accompanying notes, amounts are presented in millions, except per share data.

The unaudited pro forma condensed combined financial information is presented solely for informational purposes and is not necessarily indicative of the combined results of operations or financial position that might have been achieved for the periods presented, nor is it necessarily indicative of the future results of the combined company. The unaudited pro forma condensed combined financial information does not reflect any cost savings from future operating synergies or integration activities, if any, or any revenue, tax, or other synergies, if any, that could result from the ECS Acquisition.

2. Conforming Year-Ends

Leggett s fiscal year ended on December 31, 2018 and ECS s fiscal year ended on September 29, 2018. Therefore, ECS s historical statement of operations has been recast to conform with Leggett s fiscal calendar.

The following table presents the reconciliation of the information derived from the ECS historical unaudited statements of operations for the three-month periods ended December 29, 2018 and December 30, 2017, and the audited year ended September 29, 2018 included in the Form 8-K/A filed with the SEC on February 28, 2019, to the twelve-month period ended December 29, 2018, presented in the unaudited pro forma statement of operations.

Financial Statement Element	Fiscal Year Ended September 29, 2018	Plus Quarter Ended December 29, 2018	Less Quarter Ended December 30, 2017	12 Months Ended December 29, 2018
Net Sales	$ 611.5	$ 148.6	$ 156.4	$ 603.7
Cost of sales	494.2	117.6	130.2	481.6
Gross Profit	117.3	31.0	26.2	122.1
Selling, general and administrative	51.9	18.5	13.4	57.0
Income from operations	65.4	12.5	12.8	65.1
Other expense (income):				
Interest	40.8	10.3	9.9	41.2
Other income, net	(.9)	.2	.2	(.9)
Total other expenses, net	39.9	10.5	10.1	40.3
Income before income taxes	25.5	2.0	2.7	24.8

(Benefit) provision for income taxes		(1.4)		.7		(8.5)		7.8
Net income		26.9		1.3		11.2		17.0
Other comprehensive income								
Comprehensive income	$	26.9	$	1.3	$	11.2	$	17.0

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3. Accounting Policies

Acquisition accounting rules require evaluation of certain assumptions and estimates, as well as determination of financial statement classifications which are completed during the measurement period as defined in current accounting standards. Leggett has completed a preliminary review of accounting policies for purposes of the unaudited pro forma condensed combined financial information and did not identify any material differences in accounting policies and determined that no significant adjustments are necessary to conform with accounting principles generally accepted in the United States of America.

Management will conduct a final review of ECS s accounting policies to determine if differences in accounting policies require adjustment of ECS s results of operations or of assets or liabilities to conform to the Company s accounting policies, or other adjustments which may be required by acquisition accounting rules. As a result of that review, management may identify differences that, when conformed, could have a material impact on this unaudited pro forma condensed combined financial information.

4. Reclassifications of Historical ECS Business Financial Information

The adjustments listed below reclassify the presentation of financial statement information in the ECS statement of operations, as conformed for the 12 months ended December 29, 2018 (Note 2), to that of Leggett:

Financial Statement Element for ECS	ECS 12 Months Ended December 29, 2018 (Note 2)	Reclassification Adjustments	ECS 12 Months Ended December 29, 2018 Reclassified to Leggett s Presentation	Financial Statement Element for Leggett
Net Sales	$ 603.7	$	$ 603.7	Net Sales
Cost of sales	481.6		481.6	Cost of good sold
Gross Profit	122.1		122.1	Gross Profit
Selling, general and administrative	57.0	(11.3)	45.7	Selling and administrative expenses
		11.3	11.3	Amortization of intangibles
Other income, net	(.9)		(.9)	Other expense (income), net
	66.0		66.0	Earnings before interest and income taxes
Interest	41.2		41.2	Interest expense
Income before income taxes	24.8		24.8	Earnings from operations before income taxes
Provision (Benefit) for income taxes	7.8		7.8	Income taxes
Net income	$ 17.0	$	$ 17.0	Net earnings

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The reclassification adjustments to the historical ECS balance sheet to conform ECS s presentation of financial statement information to that of Leggett are as follows:

Financial Statement Element for ECS	Historical ECS Presentation December 29, 2018	Reclassification Adjustments	ECS December 29, 2018 Reclassified to Leggett s Presentation	Financial Statement Element for Leggett
Cash	$ 21.1	$	$ 21.1	Cash and cash equivalents
Accounts receivable, net	77.5		77.5	Trade receivables, net
		1.6	1.6	Other receivables, net
Inventory	55.3	(55.3)		
		25.2	25.2	Finished goods
		1.8	1.8	Work in process
		28.3	28.3	Raw materials and supplies
Other current assets	2.4	(.2)	2.2	Prepaid expenses and other current assets
Income tax receivable	1.4	(1.4)		
Property, plant and equipment, net	71.5	(71.5)		
		60.5	60.5	Machinery and equipment
		26.4	26.4	Buildings and other
		.6	.6	Land
		(16.0)	(16.0)	Less accumulated depreciation
Intangible assets, net	212.6		212.6	Other intangibles, net
Goodwill	225.6		225.6	Goodwill
Other assets	1.2		1.2	Sundry
Total assets	$ 668.6	$	$ 668.6	Total assets
Accounts payable	$ 30.7	$	$ 30.7	Accounts payable
Accrued expenses	22.9	14.5	37.4	Accrued expenses
Deferred compensation	14.5	(14.5)		
Current portion of long-term debt	20.7		20.7	Current maturities of long-term debt
Long-term debt, net of deferred financing fees	355.0		355.0	Long-term debt
Deferred tax liabilities	24.5		24.5	Deferred income taxes
Shareholder s Equity	200.3	(200.3)		
		224.6	224.6	Additional contributed capital
		(24.3)	(24.3)	Retained earnings
Total liabilities and shareholder s equity	$ 668.6	$	$ 668.6	Total liabilities and shareholders equity

5. Unaudited Pro Forma Condensed Combined Balance Sheet Adjustments Related to the Acquisition

The allocation of the purchase price discussed below is preliminary. The final allocation of the purchase price will be determined at a later date and is dependent on a number of factors, including the final evaluation of the fair value of ECS s tangible and identifiable intangible assets acquired and liabilities assumed at the date of closing. Such final adjustments, which may include other increases or decreases to amortization resulting from the allocation of the purchase price to amortizable tangible and intangible assets for purposes of these unaudited pro forma condensed combined financial information, along with the related income tax effect, may be material.

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The consideration paid and preliminary allocation of the purchase price to the fair value of ECS s assets acquired and liabilities assumed, prepared as if the acquisition date were December 31, 2018, is presented as follows:

	Note	Amounts as of Acquisition Date	
Total Consideration paid to Sellers	**5a**	**$**	**1,250.0**
Book value of net assets acquired at December 29, 2018			200.3
Adjusted for:			
Elimination of existing goodwill and intangible assets			(438.2)
Employee incentive plan obligation not assumed by Leggett	5j		14.5
Long-term debt not assumed by Leggett	5h		375.7
Adjusted book value of net assets acquired		$	152.3
Preliminary adjustments to:			
Inventories	5b		5.3
Net property, plant and equipment	5c		8.6
Other intangibles, net	5d		643.9
Deferred income taxes	5f		(98.1)
Goodwill	5e		538.0
Reconciliation to consideration transferred		**$**	**1,250.0**

5a. Represents cash consideration transferred to the Sellers as calculated below:

Consideration paid to sellers	
Cash consideration from issuances of commercial paper	$ 750.0
Cash consideration from issuance of term loan	500.0
Total consideration paid to sellers	$ 1,250.0

There is no contingent consideration associated with the ECS Acquisition.

5b. The fair value of finished goods is estimated at selling price less cost to dispose and a reasonable profit allowance for completing the selling effort. Work in process inventory is valued based on the estimated selling prices of finished goods less the sum of (a) costs to complete, (b) costs of disposal, and (c) a reasonable profit allowance for the completing and selling efforts of Leggett based on profit for similar finished goods.

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5c. The fair value estimate for net property, plant and equipment is preliminary and is determined based on the assumptions that market participants would use in pricing an asset, based on the most advantageous market for the asset (i.e., its highest and best use). The final fair value determination for fixed assets may differ from this preliminary determination. The fair value of fixed assets is determined primarily using a combination of the cost approach and the sales comparison approach.

	Preliminary Estimated Useful Life (years)	Historical Carrying Amount	Preliminary Fair Value Adjustment	Preliminary Fair Value	Preliminary Estimated Annual Depreciation Expense
Machinery and equipment	7	$ 60.5	$ (9.7)	$ 50.8	$ 7.3
Buildings and other	20-30	26.4	.7	27.1	1.4
Land	N/A	.6	1.6	2.2	
Total property, plant and equipment	N/A	87.5	(7.4)	80.1	8.7
Accumulated depreciation	N/A	(16.0)	16.0		
Net property, plant and equipment		$ 71.5	$ 8.6	$ 80.1	$ 8.7

An increase/decrease of one year in the preliminary estimated useful life would decrease/increase depreciation expense by approximately $1.1 for the year ended December 31, 2018. An increase/decrease of 10% in the preliminary fair value would increase/decrease depreciation expense by approximately $.9 for the year ended December 31, 2018.

5d. The fair value estimate for identifiable intangible assets is preliminary and is determined based on the assumptions that market participants would use in pricing an asset, based on the most advantageous market for the asset (i.e., its highest and best use). The final fair value determination for identified intangibles may differ from this preliminary determination.

The fair value is determined primarily using the income approach, which provides an estimate of the fair value of an asset based on market participant expectations of the cash flows an asset would generate over its remaining useful life. Some of the more significant assumptions inherent in the calculation include the estimated after-tax cash flows that will be received for the intangible asset, the appropriate discount rate selected in order to measure the risk inherent in each future cash flow stream, the assessment of each asset s life cycle, and competitive trends impacting the asset and each cash flow stream. No assurances can be given that the underlying assumptions used to prepare the discounted cash flow analysis will not change. For these and other reasons, actual results may vary significantly from estimated results. The following table represents preliminary fair value adjustments in the general categories of the acquired identified intangible assets:

	Preliminary Estimated Useful	Historical Carrying	Preliminary Fair	Preliminary Fair

	Life (years)	Amount	Value Adjustment	Value
Trade names	15	$ 17.2	$ 48.6	$ 65.8
Customer relationships	15	176.6	195.1	371.7
Technology	14	13.9	159.4	173.3
Non-compete agreements	5	4.9	25.8	30.7
Favorable leasehold position	4		2.4	2.4
		$ 212.6	$ 431.3	$ 643.9

With Leggett s adoption of ASU 2016-02 on January 1, 2019, the favorable leasehold position discussed above will be recorded as a right of use asset when purchase accounting is applied to the January 16, 2019 closing balance sheet of ECS.

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5e. Based on the preliminary allocation of the purchase price, $538.0 of goodwill was recorded and was calculated as the difference between the fair value of the consideration transferred and the values assigned to the identifiable tangible and intangible assets acquired and liabilities assumed.

5f. Reflects deferred income tax liabilities resulting from fair value adjustments. The estimates of deferred tax liabilities were determined based on the book and tax basis differences of the fair value step-ups attributable to the net assets acquired at a weighted average statutory tax rate of 25%. The weighted average statutory tax rate was based upon the jurisdictions of the net assets acquired. This estimate of deferred income tax liabilities is preliminary and is subject to change based upon management s final determination of the fair values of tangible and identifiable intangible assets acquired by jurisdiction.

5g. Represents the elimination of transactions between Leggett and ECS reflected in the historical balance sheets of Leggett and ECS as follows:

Amounts included in ECS accounts receivable and Leggett accounts payable	$ (1.0)
Amounts included in Leggett accounts receivable and ECS accounts payable	(.4)
Pro Forma reduction to accounts receivable and accounts payable	$ (1.4)

5h. Represents the elimination of historical ECS debt that Leggett did not assume in the ECS Acquisition.

5i. Represents the elimination of the historical equity accounts of ECS that were eliminated as part of the purchase accounting.

5j. Represents the elimination of an ECS employee incentive plan obligation not assumed by Leggett.

6. Unaudited Pro Forma Condensed Combined Balance Sheet Adjustments Related to Financing the Acquisition

6a. To fund the ECS Acquisition, the Company issued $750.0 of commercial paper under its existing commercial paper program and issued a $500.0 term loan from its existing banking partners. $37.5 of the term loan is due within twelve months of December 31, 2018 and has been classified as current maturities of long-term debt. Debt issuance costs of $2.1 related to the expansion of our commercial paper program and the issuance of our term loan were recorded in the Company s December 31, 2018 historical balance sheet.

7. Unaudited Pro Forma Condensed Combined Statement of Operations Adjustments Related to the Acquisition

7a. This adjustment represents the elimination of sales activity between Leggett and ECS reflected in the historical statements of operations of Leggett and ECS as follows:

Sales by ECS to Leggett	$ (1.9)

Sales by Leggett to ECS	(.5)
Pro Forma Reduction of Net sales	$ (2.4)

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7b. Cost of goods sold has been adjusted by the effect of sales activity between Leggett and ECS and purchase accounting adjustments as follows:

Purchases by Leggett of ECS products	$ (1.9)
Purchases by ECS of Leggett products	(.5)
Removal of historical ECS depreciation expenses	(5.9)
Depreciation expense on revalued property, plant and equipment	7.5
Pro forma reduction of Cost of goods sold	$ (.8)

The profit elimination on inventories was immaterial (and no pro forma adjustment recorded) as the amount of Leggett inventory at ECS facilities as of December 29, 2018, and the amount of ECS inventory at Leggett facilities as of December 31, 2018 was immaterial.

7c. Selling and administrative expenses have been adjusted as follows:

Removal of historical ECS depreciation expenses	$ (1.0)
Depreciation expense on revalued property, plant and equipment	1.2
Direct, incremental acquisition related costs	(3.9)
Pro forma reduction of Selling and administrative expenses	$ (3.7)

Direct, incremental acquisition related costs include financial advisory fees, legal, accounting, and other professional fees incurred by the Company and ECS. These costs are directly related to the Transaction and nonrecurring in nature.

7d. Represents the elimination of historical ECS intangible asset amortization of $11.3 and the recognition of pro forma amortization expense of $48.3 on the portion of the purchase price allocated to definite-lived intangible assets as follows:

	Preliminary Estimated Useful Life (years)	**Preliminary Fair Value Adjustment**	**Preliminary Estimated Annual Amortization Expense**
Trade names	15	$ 65.8	$ 4.4
Customer relationships	15	371.7	24.8
Technology	14	173.3	12.4
Non-compete agreements	5	30.7	6.1
Favorable leasehold position	4	2.4	.6
		$ 643.9	$ 48.3

Less: historical ECS amortization		(11.3)
Pro forma adjustment of amortization expense	$	37.0

Amortization expense has been calculated on a preliminary basis, using the straight-line method over the estimated useful life. An increase/decrease of one year in the estimated useful lives would decrease/increase amortization expense by $4.3 for the year ended December 31, 2018. The effect of a 10% increase or decrease in preliminary estimated fair value would result in an increase or decrease of amortization expense of $4.9 for the year ended December 31, 2018.

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7e. This adjustment represents the elimination of a $3.2 charge for a financing commitment fee related to our temporary bridge financing arrangement entered into concurrent with the signing of the agreement to purchase ECS in November 2018. This non-refundable fee was amortized over the commitment period, which ended in December 2018 concurrent with the expansion of our credit facility and agreement upon a 5-year term loan. This charge was recorded in interest expense and was directly related to the Transaction and nonrecurring in nature.

7f. Represents the income tax effect for the unaudited pro forma condensed combined statement of operations adjustments related to the acquisition of ECS calculated using a weighted average statutory tax rate of 25%. Because the adjustments contained in this unaudited pro forma condensed combined financial information are based on estimates, the effective tax rate will likely vary in periods subsequent to the merger. Adjustments to established deferred tax assets and liabilities as well as the recognition of additional deferred tax assets and liabilities upon detailed analysis of the acquired assets and assumed liabilities may occur in conjunction with the finalization of the purchase accounting, and these items could be material.

8. Unaudited Pro Forma Condensed Combined Statement of Operations Adjustments Related to Financing the Acquisition

8a. Represents adjustments to eliminate the interest expense in the historical ECS statement of operations and the addition of interest expense and amortization of debt issuance costs related to the financing transactions discussed above. A recap of these adjustments is presented below:

Commercial paper interest expense	$ 21.5	1
Term loan interest expense	19.1	2
Amortization of debt issuance costs	.4	3
	41.0	
Historical ECS interest expense	41.2	
Pro forma adjustment of interest expense	$ (.2)	

1 Assumes $750.0 of commercial paper was outstanding for all of 2018 at an interest rate of 2.87%, which was the average rate of all outstanding commercial paper on the date of the Transaction. An increase/decrease of 1/8 percent in this rate would result in an increase/decrease in interest expense of $.9.

2 Assumes the $500.0 term loan, less current maturities, was outstanding during 2018 at an average interest rate of 3.90%, which was the rate of the term loan on the date of the Transaction. This rate is based on the interest rate formula contained in the term loan agreement. An increase/ decrease of 1/8 percent would result in an increase/ decrease of interest expense of $.6.

3 Estimated annual amortization of debt issuance costs of $2.1 directly incurred for the expansion of the commercial paper program and the term loan.

8b. Represents the income tax effect of the pro forma adjustments related to the financing of the Transaction calculated using a weighted average statutory rate of 25%.

8c. Leggett did not issue any stock or stock-based awards in connection with the Acquisition. Therefore, the number of weighted average common shares outstanding used to compute pro forma basic and diluted earnings per share are the same as the Leggett historical amounts.

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DESCRIPTION OF NOTES

General

The following description of the particular terms of the notes offered by this prospectus supplement augments, and to the extent inconsistent replaces, the description of the general terms and provisions of the debt securities under Description of Debt Securities on page 3 of the accompanying prospectus. The following discussion summarizes selected provisions of the Senior Indenture, dated as of May 6, 2005, between Leggett and U.S. Bank National Association (successor in interest to JPMorgan Chase Bank, N.A.), as trustee (the Senior Indenture). Because this is only a summary, it is not complete and does not describe every aspect of the notes and the Senior Indenture. Whenever there is a reference to defined terms of the Senior Indenture, the defined terms are incorporated by reference, and the statement is qualified in its entirety by that reference. A copy of the Senior Indenture can be obtained by following the instructions under the heading Where You Can Find More Information in this prospectus supplement. You should read the Senior Indenture for provisions that may be important to you but which are not included in this summary.

Principal, Maturity and Interest

The notes will be initially limited to $500 million aggregate principal amount and will mature on March 15, 2029. The notes will bear interest at 4.40% per annum. Interest on the notes will begin accruing on March 7, 2019. Interest will be paid semi-annually on March 15 and September 15 of each year, commencing on September 15, 2019 to the person in whose name the note is registered at the close of business on the March 1 or September 1 (whether or not a business day) immediately preceding the applicable interest payment date. Interest on the notes will be computed on the basis of a 360-day year of 30-day months. If any interest payment date, any redemption date or the maturity date falls on a day that is not a business day, the required payment of principal and/or interest will be made on the next succeeding business day as if made on the date such payment was due, and no interest will accrue on such payment for the period from and after such interest payment date, redemption date or maturity date, as the case may be, to the date of such payment on the next succeeding business day. Interest payable at maturity or on a redemption date will be paid to the person to whom principal is payable.

Ranking and Further Issuances of Notes

The notes will rank equally with all of our other unsecured and unsubordinated debt. We may from time to time, without giving notice to or seeking the consent of the holders of the notes, issue debt securities having the same terms (except for the issue date and, in some cases, the public offering price, the first interest payment date and the initial interest accrual date) as, and ranking equally and ratably with, the notes. Any additional debt securities having such similar terms, together with the notes, will constitute a single series of securities under the Senior Indenture, including for purposes of voting and redemptions. Such additional notes will only be issued as part of the series of these notes if they are fungible with the notes for U.S. federal income tax purposes. As of December 31, 2018, on an actual basis, we had a carrying value of approximately $1,169 million of long-term debt and current maturities of long-term debt, all of which, other than $5 million, was unsecured indebtedness that would rank equally with the notes. As of December 31, 2018, on a pro forma as adjusted basis, giving effect to the ECS Acquisition, the CP Program and Term Loan Facility borrowings and the issuance of the notes, we would have had outstanding $2,419 million of long-term debt and current maturities of long-term debt, all of which, other than $5 million, was unsecured indebtedness that would rank equally with the notes.

Optional Redemption

On or after December 15, 2028 (three months prior to the maturity date of the notes (the Par Call Date)), we may redeem the notes, in whole or in part, at any time and from time to time, at a redemption price equal to 100% of the principal amount of the notes being redeemed plus accrued and unpaid interest to, but excluding, the redemption date.

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Prior to the Par Call Date, we may redeem the notes, in whole or in part, at any time and from time to time, at our option, at a redemption price equal to the greater of: (i) 100% of the principal amount of the notes to be redeemed, and (ii) as determined by the Quotation Agent (as defined below), the sum of the present values of the remaining scheduled payments of principal and interest thereon that would be due if the notes matured on the Par Call Date (not including any portion of those payments of interest accrued as of the date of redemption) discounted to the date of redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate (as defined below) plus 30 basis points plus, in each case, accrued and unpaid interest thereon to, but excluding, the date of redemption.

Adjusted Treasury Rate means, with respect to any date of redemption, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for that date of redemption.

Comparable Treasury Issue means the United States Treasury security selected by the Quotation Agent as having a maturity comparable to the remaining term of the notes to be redeemed (assuming for this purpose that the notes matured on the Par Call Date) that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of those notes.

Comparable Treasury Price means, with respect to any date of redemption, (i) the average of the Reference Treasury Dealer Quotations for the date of redemption, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (ii) if the Quotation Agent obtains fewer than five Reference Treasury Dealer Quotations, the average of all such Reference Treasury Dealer Quotations.

Quotation Agent means the Reference Treasury Dealer appointed by us.

Reference Treasury Dealer means each of (i) J.P. Morgan Securities LLC and Wells Fargo Securities, LLC and their respective successors, and three additional primary U.S. Government securities dealers in New York, New York (each a Primary Treasury Dealer) selected by us and their successors; provided, however, that if any of them shall cease to be a Primary Treasury Dealer, we shall substitute another Primary Treasury Dealer; and (ii) any other Primary Treasury Dealers selected by us.

Reference Treasury Dealer Quotations means, with respect to each Reference Treasury Dealer and any date of redemption, the average, as determined by the Quotation Agent, after consultation with us, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Quotation Agent by that Reference Treasury Dealer at 5:00 p.m., New York time, on the third business day preceding that date of redemption.

Notice of any redemption will be delivered at least 30 days but not more than 60 days before the date of redemption to each holder of the notes to be redeemed. Unless we default in payment of the redemption price, on and after the date of redemption, interest will cease to accrue on the notes or portions thereof called for redemption. If less than all of the notes are to be redeemed, the notes shall be selected for redemption by the trustee by such method as the trustee shall deem fair and appropriate; provided, that as long as the notes are represented by one or more global securities, beneficial interests in the notes will be selected for redemption by the Depositary in accordance with its standard procedures.

In addition, we may at any time purchase any of the notes by tender, in the open market or by private agreement, subject to applicable law.

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Repurchase at Option of Holders Upon Change of Control Repurchase Event

If a Change of Control Repurchase Event (as defined below) occurs, unless we have exercised our right to redeem the notes by giving notice of such redemption to each holder of the notes to be redeemed as described above, we will make an offer to each holder of the notes to repurchase all or any part (equal to $1,000 and integral multiples of $1,000 in excess thereof, provided that the unrepurchased portion of any note must be in a minimum principal amount of $2,000) of that holder s notes at a repurchase price in cash equal to 101% of the aggregate principal amount of notes repurchased plus any accrued and unpaid interest on the notes repurchased to, but excluding, the date of repurchase. Within 30 days following any Change of Control Repurchase Event or, at our option, prior to any Change of Control (as defined below), but after the public announcement of an impending Change of Control, we will send a notice to each holder, with a copy to the trustee, describing the transaction or transactions that constitute or may constitute the Change of Control Repurchase Event and offering to repurchase the notes on the payment date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is sent. The notice shall, if sent prior to the date of consummation of the Change of Control, state that the offer to repurchase is conditioned on the Change of Control Repurchase Event occurring on or prior to the payment date specified in the notice.

Our ability to pay cash to holders of notes upon a repurchase may be limited by our then existing financial resources. See Risk Factors in this prospectus supplement. We may not be able to repurchase the notes upon a Change of Control Repurchase Event. Moreover, holders will not be entitled to require us to purchase their notes in the event of a takeover, recapitalization, leveraged buyout or similar transaction that is not a Change of Control Repurchase Event. Furthermore, holders may not be entitled to require us to purchase their notes upon a Change of Control Repurchase Event in certain circumstances involving a significant change in the composition of our board, including in connection with a proxy contest where our board does not endorse a dissident slate of directors but approves them for purposes of the definition of Continuing Directors below.

We will comply with the requirements of Rule 14e-1 under the Exchange Act, and any other securities laws and regulations thereunder, to the extent those laws and regulations are applicable in connection with the repurchase of the notes as a result of a Change of Control Repurchase Event. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control Repurchase Event provisions of the notes, we will comply with the applicable securities laws and regulations and will not be deemed to have breached our obligations under the Change of Control Repurchase Event provisions of the notes by virtue of such conflict.

On the Change of Control Repurchase Event payment date, we will, to the extent lawful:

- accept for payment all notes or portions of notes properly tendered pursuant to our offer;

- deposit with the paying agent an amount equal to the aggregate purchase price in respect of all notes or portions of notes properly tendered; and

- deliver or cause to be delivered to the trustee the notes properly accepted, together with an officers certificate stating the aggregate principal amount of notes being purchased by us.

We will not be required to make an offer to repurchase the notes upon a Change of Control Repurchase Event if a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirements for an offer made by us and such third party purchases all notes properly tendered and not withdrawn under its offer. An offer to repurchase the notes upon a Change of Control Repurchase Event may be made in advance of a Change of Control Repurchase Event, if a definitive agreement is in place for a Change of Control at the time of the making of such an offer.

We have no present intention to engage in a transaction involving a Change of Control, although it is possible that we would decide to do so in the future. We could, in the future, enter into certain transactions, including acquisitions, refinancings or other recapitalizations, that would not constitute a Change of Control, but that could increase the amount of debt outstanding at such time or otherwise affect our capital structure or credit

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ratings. If a Change of Control Repurchase Event occurs, this may have the effect of deterring certain mergers, tender offers or other takeover attempts of us, and could have a possible adverse effect on the market price of the notes, or on our ability to obtain additional financing in the future.

Definitions

Below Investment Grade Rating Event occurs if the rating on the notes is lowered by each of the Rating Agencies (as defined below) and the notes cease to be rated Investment Grade by each Rating Agency on any date during the period (the Trigger Period) commencing on the date of the first public announcement by us of any Change of Control (or pending Change of Control) and ending 60 days following consummation of such Change of Control (which Trigger Period will be extended following consummation of a Change of Control for so long as any of the Rating Agencies has publicly announced that it is considering a possible ratings downgrade). If a Rating Agency is not providing a rating for the notes at the commencement of any Trigger Period, the ratings on the notes will be deemed to have been lowered below Investment Grade by such Rating Agency during that Trigger Period. Notwithstanding the foregoing, no Below Investment Grade Rating Event will be deemed to have occurred in connection with any particular Change of Control unless and until such Change of Control has actually been consummated.

Change of Control means the occurrence of any of the following:

(1) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of our properties or assets and those of our subsidiaries taken as a whole to any person (as that term is used in Section 13(d)(3) of the Exchange Act), other than us or one of our subsidiaries;

(2) the adoption of a plan relating to our liquidation or dissolution;

(3) the first day on which a majority of the members of our Board of Directors are not Continuing Directors;

(4) the consummation of any transaction or series of related transactions (including, without limitation, any merger or consolidation) the result of which is that any person (as that term is used in Section 13(d)(3) of the Exchange Act), other than us or one of our subsidiaries, becomes the beneficial owner, directly or indirectly, of more than 50% of the then outstanding shares of our Voting Stock, measured by voting power rather than number of shares; or

(5) we consolidate with, or merge with or into, any person, or any person consolidates with, or merges with or into, us, in any such event pursuant to a transaction in which any of our outstanding Voting Stock or Voting Stock of such other person is converted into or exchanged for cash, securities or other property, other than any such transaction where our Voting Stock outstanding immediately prior to such transaction constitutes, or is converted into or exchanged for, Voting Stock representing more than 50% of the voting power of the Voting Stock of the surviving person immediately after giving effect to such transaction.

Notwithstanding the foregoing, a transaction will not be deemed to involve a Change of Control if (i) we become a direct or indirect wholly owned subsidiary of a holding company and (ii) (A) the direct or indirect holders of the Voting Stock of such holding company immediately following that transaction are substantially the same as the holders of our Voting Stock immediately prior to that transaction or (B) immediately following that transaction no person (other than a holding company satisfying the requirements of this sentence) is the beneficial owner, directly or indirectly, of more than 50% of the Voting Stock of such holding company.

The definition of Change of Control includes a phrase relating to the direct or indirect sale, transfer, conveyance or other disposition of all or substantially all of our properties or assets and those of our subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase substantially all there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a

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holder of notes to require us to repurchase its notes as a result of a sale, transfer, conveyance or other disposition of less than all of our properties and assets and those of our subsidiaries taken as a whole to another person or group may be uncertain.

Change of Control Repurchase Event means the occurrence of both a Change of Control and a Below Investment Grade Rating Event.

Continuing Directors means, as of any date of determination, any member of our Board of Directors who (1) was a member of such Board of Directors on the date of the issuance of the notes; or (2) was nominated for election, elected or appointed to such Board of Directors with the approval of a majority of the Continuing Directors who were members of such Board of Directors at the time of such nomination, election or appointment (either by a specific vote or by approval of our proxy statement in which such member was named as a nominee for election as a director).

Holders would not be entitled to require us to purchase the notes in certain circumstances involving a significant change in the composition of our Board of Directors, including in connection with a proxy contest where our Board of Directors does not approve a dissident slate of directors but approves them as Continuing Directors, even if our Board of Directors initially opposed the directors.

Investment Grade means a rating of Baa3 or better by Moody s (or its equivalent under any successor rating categories of Moody s) and a rating of BBB- or better by S&P (or its equivalent under any successor rating categories of S&P) or the equivalent investment grade credit rating from any additional Rating Agency or Rating Agencies selected by us in accordance with the definition of Rating Agency below.

Moody s means Moody s Investors Service Inc., and its successors.

Rating Agency means (1) each of Moody s and S&P; and (2) if any of Moody s or S&P ceases to rate the notes or fails to make a rating of the notes publicly available for reasons outside of our control, a nationally recognized statistical rating organization within the meaning of Section 3(a)(62) of the Exchange Act, selected by us as a replacement agency for Moody s or S&P, as the case may be.

S&P means S&P Global Ratings, a division of S&P Global Inc., and its successors.

Voting Stock means, with respect to any person, capital stock of any class or kind the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors (or persons performing similar functions) of such person, even if the right so to vote has been suspended by the happening of such a contingency.

Paying Agent

U.S. Bank National Association, the trustee under the Senior Indenture, is our paying agent at its principal corporate trust office at U.S. Bank National Association, Corporate Trust Services, SL-MO-T3 CT, One U.S. Bank Plaza, St. Louis, MO 63101. We may at any time designate additional paying agents or rescind the designations or approve a change in the offices where they act.

Global Securities

We will issue the notes only in fully registered, book-entry form, without coupons, through the facilities of The Depository Trust Company, DTC or the Depositary, and sales in book-entry form may be affected only through a participating member of the Depositary. The notes will be represented by a global security registered in the name of the nominee of the Depositary. We will issue the notes only in denominations of $2,000 and integral multiples of $1,000 in excess thereof. We will deposit the global security with the Depositary or its custodian and will register the global security in the name of the Depositary s nominee. See Global Debt Securities beginning on page 16 of the accompanying prospectus.

Ownership of Notes through the Depositary, Clearstream and Euroclear

When you purchase notes through the Depositary system, the purchases must be made by or through a direct participant, which will receive credit for the notes on the Depositary s records. When you actually purchase the notes, you will become their beneficial owner. Your ownership interest will be recorded only on the direct or indirect participants records. The Depositary will have no knowledge of your individual ownership of the notes. The Depositary s records will show only the identity of the direct participants and the principal amount of the notes held by or through them. You will not receive a written confirmation of your purchase or sale or any periodic account statement directly from the Depositary. You should instead receive these from your direct or indirect participant. As a result, the direct or indirect participants are responsible for keeping accurate account of the holdings of their customers. We understand that under existing industry practice, in the event an owner of a beneficial interest in the global security desires to take any actions that the Depositary, as the holder of the global security, is entitled to take, the Depositary would authorize the participants to take such action, and that participants would authorize beneficial owners owning through such participants to take such action or would otherwise act upon the instructions of beneficial owners owning through them.

No beneficial owner of an interest in the global security will be able to transfer the interest except in accordance with the Depositary s applicable procedures, in addition to those provided for under the Senior Indenture and, if applicable, those of Euroclear Bank S.A./N.V. (Euroclear) and Clearstream Banking S.A. (Clearstream), which are two European international clearing systems similar to the Depositary. The trustee will wire payments on the notes to the Depositary s nominee. We and the trustee will treat the Depositary s nominee as the owner of each global security for all purposes. Accordingly, we, the trustee and any paying agent will have no direct responsibility or liability to pay amounts due on a global security to you or any other beneficial owners in that global security.

It is the Depositary s current practice, upon receipt of any payment of distributions or liquidation amounts, to proportionately credit direct participants accounts on the payment date based on their holdings. In addition, it is the Depositary s current practice to pass through any consenting or voting rights to such participants by using an omnibus proxy. Those participants will, in turn, make payments to and solicit votes from you, the ultimate owner of the notes, based on their customary practices. Payments to you will be the responsibility of the participants and not of the Depositary, the trustee or us.

Links have been established among the Depositary, Clearstream and Euroclear to facilitate the cross-market transfers of the notes associated with secondary market trading. Note holders may hold their notes through the accounts maintained by either Euroclear or Clearstream in the Depositary only if they are participants of such European international clearing system, or indirectly through organizations that are participants in such system. Euroclear and Clearstream will hold omnibus book-entry positions on behalf of their participants through customers securities accounts in Euroclear s or Clearstream s names on the books of their respective depositaries, which in turn will hold such positions in customers securities accounts in the names of the nominees of the depositaries on the books of the Depositary. All securities in Euroclear and Clearstream are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts.

Transfers of notes by persons holding through Euroclear or Clearstream participants will be effected through the Depositary, in accordance with the Depositary s rules, on behalf of the relevant European international clearing system by its depositaries; however, such transactions will require delivery of exercise instructions to the relevant European international clearing system by the participant in such system in accordance with its rules and procedures and within its established deadlines. The relevant European international clearing system will, if the exercise meets its requirements, deliver instructions to its depositaries to take action to effect exercise of the notes on its behalf by delivering the notes through the Depositary and receiving payment in accordance with its normal procedures for next-day funds settlement. Payments with respect to the notes held through Euroclear or Clearstream will be credited to the cash accounts of Euroclear participants or Clearstream participants in accordance with the relevant European international clearing systems rules and procedures, to the extent received by its depositaries.

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All information in this prospectus supplement on the Depositary, Euroclear and Clearstream is derived from the Depositary, Euroclear or Clearstream, as the case may be, and reflects the policies of such organizations. These organizations may change these policies without notice.

Sinking Fund

There is no sinking fund.

Defeasance

The notes are subject to our ability to choose legal defeasance and covenant defeasance as described under the caption Description of Debt Securities Defeasance; Satisfaction and Discharge beginning on page 13 of the accompanying prospectus. The covenants subject to defeasance include the covenant described under the caption Repurchase at Option of Holders Upon Change of Control Repurchase Event in this prospectus supplement.

Definitive Securities

A permanent global security is exchangeable for definitive notes registered in the name of any person other than the Depositary or its nominee, only if:

(i) the Depositary notifies us that it is unwilling, unable or no longer qualified to continue as a depositary, unless a replacement is named;

(ii) when an Event of Default on the notes has occurred and has not been cured; or

(iii) when and if we decide (subject to the procedures of the Depositary) to terminate the global security.

Same-Day Settlement and Payment

The underwriters will make settlement for the notes in immediately available or same-day funds. So long as the notes are represented by the global security, we will make all payments of principal and interest in immediately available funds. Secondary trading in notes and debentures of corporate issuers is generally settled in clearing-house or next-day funds. In contrast, so long as the notes are represented by the global security registered in the name of the Depositary or its nominee, the notes will trade in the Depositary s Same-Day Funds Settlement System. Secondary market trading activity in the notes represented by the global security will be required by the Depositary to settle in immediately available or same-day funds. We cannot give any assurances as to the effect, if any, of settlement in same-day funds on trading activity in the notes.

Governing Law

The Senior Indenture provides that it and the notes will be governed by, and construed in accordance with, the laws of the State of New York.

Trustee

We maintain customary banking relationships with U.S. Bank National Association, the trustee under the Senior Indenture, and its affiliates. U.S. Bancorp Investments, Inc., an affiliate of the trustee, is one of the underwriters.

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MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES

The following discussion is a summary of the material U.S. federal income tax consequences of the purchase, ownership and disposition of the notes issued pursuant to this offering, but does not purport to be a complete analysis of all potential tax effects. The effects of other U.S. federal tax laws, such as estate and gift tax laws, and any applicable state, local or foreign tax laws are not discussed. This discussion is based on the U.S. Internal Revenue Code of 1986, as amended (the Code), Treasury Regulations promulgated thereunder, judicial decisions, and published rulings and administrative pronouncements of the U.S. Internal Revenue Service (the IRS), in each case in effect as of the date hereof. These authorities may change or be subject to differing interpretations. Any such change or differing interpretation may be applied retroactively in a manner that could adversely affect a holder of the notes. We have not sought and will not seek any rulings from the IRS regarding the matters discussed below. There can be no assurance the IRS or a court will not take a contrary position to that discussed below regarding the tax consequences of the purchase, ownership and disposition of the notes.

This discussion is limited to holders who hold the notes as capital assets within the meaning of Section 1221 of the Code (generally, property held for investment). In addition, this discussion is limited to persons purchasing the notes for cash at original issue and at their original issue price within the meaning of Section 1273 of the Code (*i.e.*, the first price at which a substantial amount of the notes is sold to the public for cash). This discussion does not address all U.S. federal income tax consequences relevant to a holder s particular circumstances, including the impact of the Medicare contribution tax on net investment income. In addition, it does not address consequences relevant to holders subject to special rules, including, without limitation:

- U.S. expatriates and former citizens or long-term residents of the United States;
- persons subject to the alternative minimum tax;
- U.S. Holders (as defined below) whose functional currency is not the U.S. dollar;
- persons holding the notes as part of a hedge, straddle or other risk reduction strategy or as part of a conversion transaction or other integrated investment;
- banks, insurance companies, and other financial institutions;
- real estate investment trusts or regulated investment companies;