



4th Quarter Financial Results
February 9, 2011

Forward Looking Statements

Statements in this presentation that are not strictly historical, including statements as to plans, outlook, objectives, and future financial performance, are "forward-looking" statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Words such as "anticipate," "believe," "could," "confident," "estimate," "expect," "forecast," "hope," "intend," "likely," "may," "plan," "possible," "potential," "predict," "project," "should," "will," "would," and variations of such words and similar expressions identify forward-looking statements. Forward-looking statements involve known and unknown risks, which may cause the Corporation's actual results in the future to differ materially from expected results. These risks include, without limitation: the Corporation's ability to realize financial benefits from its (a) price increases, (b) cost containment and business simplification initiatives for the entire Corporation, (c) investments in strategic acquisitions, new products and brand building, (d) investments in distribution and rapid continuous improvement, (e) ability to maintain its effective tax rate, (f) repurchases of common stock, and (g) consolidation and logistical realignment initiatives; uncertainty related to the availability of cash and credit, and the terms and interest rates on which credit would be available, to fund operations and future growth; lower than expected demand for the Corporation's products due to uncertain political and economic conditions, including the current credit crisis, slow or negative growth rates in global and domestic economies and the protracted decline in the domestic housing market; lower industry growth than expected; major disruptions at key facilities or in the supply of any key raw materials, components or finished goods; uncertainty related to disruptions of business by terrorism, military action, acts of God or other Force Majeure events; competitive pricing pressure from foreign and domestic competitors; higher than expected costs and lower than expected supplies of materials (including steel and petroleum based materials); higher than expected costs for energy and fuel; changes in the mix of products sold and of customers purchasing; relationships with distribution channel partners, including the financial viability of distributors and dealers; restrictions imposed by the terms of the Corporation's revolving credit facility, term loan credit agreement and note purchase agreement; currency fluctuations and other factors described in the Corporation's annual and quarterly reports filed with the Securities and Exchange Commission on Forms 10-K and 10-Q. The Corporation undertakes no obligation to update, amend, or clarify forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by applicable law.



Non-GAAP Financial Measures

This presentation contains certain non-GAAP financial measures. A "non-GAAP financial measure" is defined as a numerical measure of a company's financial performance that excludes or includes amounts different than the most directly comparable measure calculated and presented in accordance with GAAP in the statements of income, balance sheets or statements of cash flow of the company. Pursuant to the requirements of Regulation G, the Corporation has provided a reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measure.

The non-GAAP financial measures used within this presentation are: (i) gross profit, operating profit and operating income excluding restructuring charges, non-operating gains and transition costs, and (ii) other selling, general and administrative expense excluding restructuring and transition costs. These measures are presented because management uses this information to monitor and evaluate financial results and trends. Management believes this information is also useful for investors.



- 4th Quarter Assessment
- Review of 4th Quarter Financials
- Outlook
- Q&A

Income Statement	4Q10	4Q09	\$ change	% Change % Pt Change	Comments
Net Sales	466.1	405.6	60.6	14.9%	
Non-GAAP Gross Profit (excluding restructuring, impairment and transition costs)	164.4	150.1	14.3	9.5%	Decrease in margin mainly due to reduced price realization, increased material costs and higher mix of lower margin products in the office furniture segment offset partially by higher volume.
<i>% of Net Sales</i>	35.3%	37.0%		-1.7% pts	
Restructuring and Impairment	0.3	1.2	(0.9)	-75.6%	4Q10 includes accelerated depreciation related to closure of office furniture facilities; 4Q09 includes \$0.7M related to office furniture and \$0.5M related to hearth.
Transition Costs	0.2	1.0	(0.8)	-79.0%	4Q10 includes transition costs not classified as restructuring costs related to transitioning production to other office furniture facilities; 4Q09 includes \$0.6M related to office furniture and \$0.4M related to hearth.
GAAP Gross Profit	163.9	148.0	16.0	10.8%	
<i>% of Net Sales</i>	35.2%	36.5%		-1.3% pts	
Freight & Distribution	39.5	36.9	2.6	7.0%	Increased volume and higher fuel costs offset by improved efficiency.
<i>% of Net Sales</i>	8.5%	9.1%		-0.6% pts	
F&D Transition Costs	-	0.3	(0.3)	-100.0%	
Non-GAAP Other SG&A (excluding F&D, restructuring, impairment, transition costs and redeemable liability adjustments)	97.4	93.9	3.5	3.8%	Dollar increase due mainly to investments in selling and growth initiatives, volume related expenses and higher incentive based compensation.
<i>% of Net Sales</i>	20.9%	23.2%		-2.3% pts	
Restructuring and Impairment	6.6	27.0	(20.4)	-75.5%	4Q10 includes restructuring costs related to shutdown of previously announced office furniture facilities (\$1.4M) and writedown to fair value of small Hearth distribution locations classified as held for sale (\$5.2M); 4Q09 includes restructuring costs related to the closure of three office furniture facilities (\$1.4M); goodwill and trade name impairments connected with office furniture reporting units (\$25.0M) and restructuring costs related to the consolidation of Hearth production facilities and shutdown of Hearth distribution locations (\$0.6M).
GAAP SG&A	143.5	158.2	(14.6)	-9.2%	
<i>% of Net Sales</i>	30.8%	39.0%		-8.2% pts	
GAAP Operating Income from Cont Ops	20.4	(10.2)	30.6	299.7%	Excluding restructuring and transition costs and non-operating gains non-GAAP OI from Cont Ops is \$27.5M compared to \$19.3M in prior year
<i>% of Net Sales</i>	4.4%	-2.5%		6.9% pts	
Interest Expense (net of income)	3.2	2.6	0.6	23.3%	
Income Tax Rate	26.9%	27.3%		-0.4% pts	
Discontinued Ops (net of tax)	(0.0)	(1.5)	1.5		Includes Omni and HHT Building Materials business
Noncontrolling Interest	0.0	0.0	0.0		
Net Income - Parent Company	12.5	(10.8)	23.3	216.4%	
<i>% of Net Sales</i>	2.7%	-2.7%		5.4% pts	
EPS Cont Ops (diluted) - GAAP	\$ 0.27	\$ (0.21)	\$ 0.48	228.6%	
EPS Cont Ops (diluted) - Non-GAAP	\$ 0.39	\$ 0.27	\$ 0.12	44.4%	
EPS (diluted) - GAAP	\$ 0.27	\$ (0.24)	\$ 0.51	214.7%	
Shares (diluted)	45.7	45.1	0.7	1.5%	



4th Quarter Results - Segments

Segment Breakdown	4Q10	4Q09	\$ change	% Change % Pt Change	Comments
Sales					
Office Furniture	374.8	321.9	52.9	16.4%	Supplies driven channel up 10.1%; all other up 23.3%
Hearth Products	91.3	83.6	7.7	9.2%	New Construction Channel up 2.1%; Remodel/Retrofit up 12.2%
Total	466.1	405.6	60.6	14.9%	
Operating Profit					
Office Furniture	24.6	(5.3)	29.8	567.4%	Excluding restructuring and transition costs non-GAAP operating profit is \$26.4M vs \$22.5M prior year Margin positively impacted by higher volume, improved distribution efficiencies and lower restructuring/impairment costs offset partially by lower price realization, higher input costs, unfavorable mix and investments in selling initiatives.
Office Furn Oper Margin	6.6%	-1.6%		8.2% pts	
Hearth Products	5.4	3.7	1.7	45.3%	Excluding restructuring and transition costs non-GAAP operating profit of \$10.7M vs \$5.5M in prior year Margin positively impacted by higher volume, better price realization and cost control initiatives offset partially by higher restructuring/impairment costs.
Hearth Oper Margin	5.9%	4.5%		1.4% pts	
Unalloc Corp Exp	(12.8)	(11.2)	1.6		Higher interest expense and incentive based compensation.
Income Before Taxes	17.2	(12.8)	30.0	234.8%	

- Experienced stronger than anticipated sales across all businesses
- 2009 and 2010 cost reset actions and strategic growth initiatives led to strong results
 - Office furniture sales up 16.4%
 - Contract and international business up 23%, driven by large projects
 - Supplies-driven channel up 10%
 - Hearth sales up 9.2%
 - Remodel-retrofit up 12%, driven by the expiring energy efficiency tax credits
 - New construction channel up 2%
- Our performance allowed us to deliver significantly improved results over prior year
 - Non-GAAP operating income increased 42% as profit margins in both the office furniture and hearth segments improved from prior year period

Fourth Quarter – Non-GAAP Financial Measures – Continuing Operations

(Reconciled with most comparable GAAP financial measures)

Dollars in millions except
per share data

	<u>Three Months Ended 1/01/2011</u>				<u>Three Months Ended 1/02/2010</u>			
	<u>Gross Profit</u>	<u>SG&A</u>	<u>Operating Income</u>	<u>EPS</u>	<u>Gross Profit</u>	<u>SG&A</u>	<u>Operating Inc (Loss)</u>	<u>EPS</u>
As reported (GAAP)	\$163.9	\$143.5	\$20.4	\$0.27	\$148.0	\$158.2	(\$10.2)	(\$0.21)
% of Net Sales	35.2%	30.8%	4.4%		36.5%	39.0%	-2.5%	
Restructuring and impairment	\$0.3	(\$6.6)	\$6.9	\$0.11	\$1.2	(\$27.0)	\$28.2	\$0.46
Transition costs	\$0.2	-	\$0.2	\$0.01	\$1.0	(\$0.3)	\$1.3	\$0.02
Results (non-GAAP)	\$164.4	\$136.9	\$27.5	\$0.39	\$150.1	\$130.8	\$19.3	\$0.27
% of net sales	35.3%	29.4%	5.9%		37.0%	32.3%	4.8%	



1st Quarter Outlook

- Optimistic about the economy and the prospect of growth initiatives
 - Split and focus with leverage strategy drives the broadest and deepest coverage across the industry
 - Uniquely positioned to benefit from multiple growth platforms
- Current expectations for Q1:
 - Anticipate double-digit growth to continue in the contract business in the near term
 - See significant growth opportunities in our international business, particularly in China
 - Expect recovery to continue in the supplies driven channel
 - Anticipate the hearth business to be challenged by uncertainty in the new construction market
- Remain focused on improving operations, reducing cost and generating cash
- Financially strong and well positioned for long term profitable growth

Net Sales - Consolidated	Up 6-9%
Office Furniture	Up 9-11%
Hearth	Down 4-8%
Gross Profit Margin (excluding restructuring and transition costs)	Up 0.4% to 0.6% pts.
SG&A (excluding restructuring and transition costs)	Up 0.2% to 0.7% pts.
Restructuring Charges – SG&A	\$0.75 million
Interest Expenses	\$3.2 million
Effective Tax Rate	36%

Additional Non-GAAP Reconciliation

Office Furniture

Fourth Quarter – Non-GAAP Financial Measures

(Reconciled with most comparable GAAP financial measures)

Dollars in millions	Three Months Ended		Percent Change
	1/1/2011	1/2/2010	
Operating profit (loss) as reported (GAAP)	\$24.6	(\$5.3)	567.4%
% of Net Sales	6.6%	-1.6%	
Restructuring and impairment	\$1.7	\$27.1	
Transition costs	\$0.2	\$0.6	
Operating profit (non-GAAP)	\$26.4	\$22.5	17.5%
% of Net Sales	7.1%	7.0%	



Additional Non-GAAP Reconciliation

Hearth Products

Fourth Quarter – Non-GAAP Financial Measures

(Reconciled with most comparable GAAP financial measures)

Dollars in millions	Three Months Ended		Percent Change
	1/1/2011	1/2/2010	
Operating profit as reported (GAAP)	\$5.4	\$3.7	45.3%
% of Net Sales	5.9%	4.5%	
Restructuring and impairment	\$5.3	\$1.1	
Transition costs	-	\$0.7	
Operating profit (non-GAAP)	\$10.7	\$5.5	
% of Net Sales	11.7%	6.6%	