



1st Quarter Financial Results
April 20, 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 recent 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 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.



- 1st Quarter Assessment
- Review of 1st Quarter Financials
- Outlook
- Q&A

Income Statement	1Q11	1Q10	\$ Change	% Change % Pt Change	Comments
Net Sales	396.2	363.5	32.6	9.0%	
Non-GAAP Gross Profit (excluding restructuring, impairment and transition costs)	134.7	120.7	14.0	11.6%	Increase in margin mainly due to higher volume and cost reduction initiatives offset partially by increased material costs.
<i>% of Net Sales</i>	34.0%	33.2%		0.8% pts	
Restructuring and Impairment	-	0.6	(0.6)		1Q10 includes accelerated depreciation related to closure of office furniture facilities.
Transition Costs	-	0.9	(0.9)		1Q10 includes \$0.8M and \$0.1M of transition costs not classified as restructuring costs related to transitioning production to other office furniture and hearth facilities, respectively.
GAAP Gross Profit	134.7	119.2	15.5	13.0%	
<i>% of Net Sales</i>	34.0%	32.8%		1.2% pts	
Freight & Distribution	38.6	34.8	3.8	10.9%	Increased volume, higher fuel costs and mix of customers.
<i>% of Net Sales</i>	9.7%	9.6%		0.1% pts	
Non-GAAP Other SG&A (excluding F&D, non-operating gain, restructuring and transition costs)	93.8	88.6	5.3	5.9%	Dollar increase mainly due to investments in strategic growth initiatives, volume related expenses and increased incentive based compensation.
<i>% of Net Sales</i>	23.7%	24.4%		-0.7% pts	
Restructuring and Impairment	1.4	1.8	(0.4)	-24.2%	1Q11 includes restructuring costs related to closure of previously announced office furniture facilities (\$1.0M) and restructuring costs related to consolidation of hearth production and shutdown of distribution locations (\$0.4M); 1Q10 includes restructuring costs related to the closure of three office furniture facilities (\$1.7M) and restructuring costs related to the consolidation of hearth production facilities and shutdown of hearth distribution locations (\$0.1M).
Transition - Net of Non-Operating Gain	-	(0.5)	0.5		Gain on sale of office furniture facility.
GAAP SG&A	133.8	124.6	9.2	7.4%	
<i>% of Net Sales</i>	33.8%	34.3%		-0.5% pts	
GAAP Operating Income from Cont Ops	0.9	(5.5)	6.4	116.9%	Excluding restructuring and transition costs and non-operating gains non-GAAP OI from Cont Ops is \$2.3M compared to a loss of \$2.7M in prior year.
<i>% of Net Sales</i>	0.2%	-1.5%		1.7% pts	
Interest Expense (Net)	3.5	2.6	0.8	31.2%	
Income Tax Rate	29.1%	48.8%		-19.7% pts	
Discontinued Ops (net of tax)	-	(1.7)	1.7		Includes Omni and HHT Building Materials business.
Noncontrolling Interest	(0.0)	0.1	(0.2)		
Net Income - Parent Company	(1.8)	(6.0)	4.2	70.7%	
<i>% of Net Sales</i>	-0.4%	-1.6%		1.2% pts	
EPS Cont Ops (diluted) - GAAP	\$ (0.04)	\$ (0.09)	\$ 0.05	55.6%	
EPS Cont Ops (diluted) - Non-GAAP	\$ (0.02)	\$ (0.06)	\$ 0.04	66.7%	
EPS (diluted) - GAAP	\$ (0.04)	\$ (0.13)	\$ 0.09	69.2%	
Shares (diluted)	44.9	45.2	(0.3)	-0.7%	Repurchased 323,965 shares for \$10M in 1Q11.

1st Quarter Results - Segments

Segment Breakdown	1Q11	1Q10	\$ Change	% Change % Pt Change	Comments
Sales					
Office Furniture	331.1	300.0	31.1	10.4%	Supplies driven channel up 4.8%; all other up 16.1% .
Hearth Products	65.0	63.5	1.6	2.4%	New construction channel down 13.6%; remodel/retrofit up 15.5%.
Total	396.2	363.5	32.6	9.0%	
Operating Profit					
Office Furniture	8.1	6.2	1.8	29.6%	Excluding restructuring charges, non-operating gains and transition costs non-GAAP operating profit is \$9.1M vs \$8.8M prior year.
Office Furn Oper Margin	2.4%	2.1%		0.3% pts	Margin positively impacted by higher volume and lower restructuring/transitions costs offset partially by lower price realization, increased input costs, investments in strategic growth initiatives and higher incentive based compensation.
Hearth Products	(0.6)	(2.9)	2.3	79.5%	Excluding restructuring and transition costs non-GAAP operating profit (loss) was (\$0.2M) vs (\$2.7M) in prior year.
Hearth Oper Margin	-0.9%	-4.6%		3.7% pts	Margin positively impacted by higher price realization and cost control initiatives offset partially by investments in strategic growth initiatives and higher incentive based compensation.
Unalloc Corp Exp	(10.0)	(11.4)	(1.4)	-12.2%	
Income Before Taxes	(2.5)	(8.1)	5.6	68.7%	

Net Sales – Consolidated	Up 8-11%
Office Furniture Sales	Up 10-13%
Hearth Sales	Flat to down 4%
Gross Profit Margin (excluding restructuring and transition costs)	Down 0.8% to 1.2% pts.
Accelerated Depreciation and Transition Costs – Cost of Sales	None anticipated
SG&A (excluding restructuring and transition costs)	Up 0.3% to 0.6% pts.
Restructuring Charges – SG&A	\$0.5 million
Interest Expense	\$3.0 million
Effective Tax Rate	36%

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 (loss) and operating income (loss) 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.



First Quarter – Non-GAAP Financial Measures – Continuing Operations

(Reconciled with most comparable GAAP financial measures)

Dollars in millions except per share data

As reported (GAAP)

% of Net Sales

Restructuring and impairment

Transition costs

Non-operating gain

Results (non-GAAP)

% of Net Sales

	Three Months Ended 4/02/2011			Three Months Ended 4/03/2010		
	Gross Profit	Operating Income	EPS	Gross Profit	Operating (Loss)	EPS
As reported (GAAP)	\$134.7	\$0.9	(\$0.04)	\$119.2	(\$5.5)	(\$0.09)
% of Net Sales	34.0%	0.2%		32.8%	-1.5%	
Restructuring and impairment	-	\$1.4	\$0.02	\$0.6	\$2.4	\$0.03
Transition costs	-	-	-	\$0.9	\$0.9	\$0.01
Non-operating gain	-	-	-	-	(\$0.5)	(\$0.01)
Results (non-GAAP)	\$134.7	\$2.3	(\$0.02)	\$120.7	(\$2.7)	(\$0.06)
% of Net Sales	34.0%	0.6%		33.2%	-0.7%	



Additional Non-GAAP Reconciliations

First Quarter – Non-GAAP Financial Measures
 (Reconciled with most comparable GAAP financial measures)

	Office Furniture			Hearth Products		
	Three Months Ended	Percent		Three Months Ended	Percent	
Dollars in millions	<u>4/2/2011</u>	<u>4/3/2010</u>	<u>Change</u>	<u>4/2/2011</u>	<u>4/3/2010</u>	<u>Change</u>
Operating profit (loss) as reported (GAAP)	\$8.1	\$6.2	29.6%	(\$0.6)	(\$2.9)	79.5%
% of Net Sales	2.4%	2.1%		-0.9%	-4.6%	
Restructuring and impairment	\$1.0	\$1.7		\$0.4	\$0.1	
Transition costs	-	\$1.4		-	\$0.1	
Non-operating gains	-	(\$0.5)		-	-	
Operating profit (loss) (non-GAAP)	\$9.1	\$8.8	3.3%	(\$0.2)	(\$2.7)	91.6%
% of Net Sales	2.8%	2.9%		-0.3%	-4.3%	