

LEGGETT & PLATT INC
Form 11-K
June 22, 2005
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SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

(Mark One):

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the fiscal year ended December 31, 2004

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED].

For the transition period from _____ to _____.

Commission File Number 001-07845

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

LEGGETT & PLATT, INCORPORATED

401(k) PLAN

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

LEGGETT & PLATT, INCORPORATED

NO. 1 LEGGETT ROAD

CARTHAGE, MISSOURI 64836

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REQUIRED INFORMATION

(As required by Items 1 through 3)

LEGGETT & PLATT, INCORPORATED

401(k) PLAN AND TRUST

EIN 44-0324630 PN 025

December 31, 2004 and 2003

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LEGGETT & PLATT, INCORPORATED

401(k) PLAN AND TRUST

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* Other schedules required by 29 CFR 2520.103-10 of the Department of Labor's Rules and Regulations for reporting and disclosure under ERISA have been omitted because they are not applicable.

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Report of Independent Registered Public Accounting Firm

To the Participants and Administrator of

The Leggett & Platt, Incorporated

401(k) Plan and Trust

In our opinion, the accompanying statements of net assets available for benefits and the related statements of changes in net assets available for benefits present fairly, in all material respects, the net assets available for benefits of the Leggett & Platt, Incorporated 401(k) Plan and Trust (the Plan) at December 31, 2004 and 2003, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental Schedule of Delinquent Participant Contributions and Schedule of Assets (Held at End of Year) are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. These supplemental schedules are the responsibility of the Plan's management. The supplemental schedules have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ PricewaterhouseCoopers LLP

St. Louis, Missouri
June 17, 2005

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Leggett & Platt, Incorporated

401(k) Plan and Trust

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31,

	<u>2004</u>	<u>2003</u>
ASSETS		
Investments, at fair value	\$ 51,646,148	\$ 22,284,903
Employer contributions receivable		10,960
	<u>51,646,148</u>	<u>22,295,863</u>
Total assets	51,646,148	22,295,863
LIABILITIES		
Due to broker	407	
	<u>407</u>	
Total liabilities	407	
NET ASSETS AVAILABLE FOR BENEFITS	\$ 51,645,741	\$ 22,295,863

The accompanying notes are an integral part of these financial statements.

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Leggett & Platt, Incorporated

401(k) Plan and Trust

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Years Ended December 31,

	<u>2004</u>	<u>2003</u>
Additions		
Investment income		
Net appreciation in value of investments	\$ 2,481,903	\$ 2,048,942
Interest and dividends	472,855	102,647
	<u>2,954,758</u>	<u>2,151,589</u>
Contributions		
Employer	264,236	171,430
Participant	6,863,559	5,695,027
Rollovers	1,999,915	386,966
	<u>9,127,710</u>	<u>6,253,423</u>
Total additions	<u>12,082,468</u>	<u>8,405,012</u>
Deductions		
Benefit payments	4,191,393	1,995,512
Administrative fees	97,236	55,672
	<u>4,288,629</u>	<u>2,051,184</u>
Net increase	<u>7,793,839</u>	<u>6,353,828</u>
Transfers from merged plans	21,556,039	3,036,117
Net increase and transfers from merged plans	<u>29,349,878</u>	<u>9,389,945</u>
NET ASSETS AVAILABLE FOR BENEFITS		
BEGINNING OF PERIOD	<u>22,295,863</u>	<u>12,905,918</u>
END OF PERIOD	<u>\$ 51,645,741</u>	<u>\$ 22,295,863</u>

The accompanying notes are an integral part of these financial statements.

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Leggett & Platt, Incorporated

401(k) Plan and Trust

NOTES TO FINANCIAL STATEMENTS

December 31, 2004 and 2003

NOTE A DESCRIPTION OF PLAN

The following description of the Leggett & Platt, Incorporated (L&P or the Company) 401(k) Plan and Trust (Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan was originally established on September 1, 2000 and restated effective January 1, 2003 to consolidate certain active 401(k) plans of the Company's subsidiaries and affiliates. The Plan is a defined contribution plan covering employees who meet eligibility requirements. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Eligibility of Employees

Employees of an L&P branch or subsidiary who are classified as full-time and have completed one year of service, part-time employees credited with one year of service and at least 1,000 hours of service in the first twelve months of employment or in any calendar year, and bargaining unit employees who have negotiated inclusion into the plan and credited with 1,000 hours of service in the first twelve months of employment or in any calendar year covered by the Plan are considered eligible for participation. If a previously ineligible employee changes employment status and as a result meets the above criteria, the employee may participate in the plan the first day of the second month after becoming eligible. Eligible employees may participate beginning on January 1 or July 1 after meeting eligibility requirements or on any special entry date according to the adoption agreement.

Contributions

Employer contributions, including matching contributions, are made in accordance with the Plan document and are at the discretion of the employer. When other benefit plans are consolidated into this Plan, participating subsidiaries or affiliates have the option of not making any contributions or matching 20% or 40% of employee contributions, limited by 6% of eligible employee compensation. Employer discretionary contributions will be allocated based on each participant's eligible contributions in proportion to total eligible employee contributions.

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Employees may elect to voluntarily contribute up to 15% of eligible compensation, limited by annual Internal Revenue Service (IRS) contribution limits. Employee rollover contributions are also permitted. Participants direct the investment of all contributions into various investment options offered by the Plan. The Plan currently offers mutual funds and common trust funds as investment options for participants.

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Leggett & Platt, Incorporated

401(k) Plan and Trust

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE A DESCRIPTION OF PLAN - CONTINUED

Vesting and Distributions

Participants are always 100% vested in their employee contributions and rollover accounts. A participant's prior plan company matching contribution account and prior plan company profit sharing account merged into this Plan shall continue to vest in accordance with the vesting schedule set forth in the prior plan. In addition, company contributions are not vested until three years of service with 1,000 hours have been completed, at which time they will become 100% vested. A participant's entire account balance will become fully vested at normal retirement age or termination due to disability or death. A participant's non-vested account balance will be forfeited at the time of distribution of the vested account balance. The forfeitures will be used to restore accounts, pay Plan fees and expenses, and reduce Company matching contributions and/or Company discretionary matching contributions, as directed by the Plan Administrative Committee. Forfeitures for the years ended December 31, 2004 and 2003 were \$12,047 and \$6,404, respectively.

Participants with a rollover account may withdraw part or all of this account at any time for any reason. Upon separation of employment, participants with account balances of \$5,000 or less will receive a lump sum taxable distribution unless the separated employee chooses to directly roll over the amount into an individual retirement account, annuity or trust. Participants with account balances over \$5,000 may elect the following: defer payment until their normal retirement date; directly roll over the balance into an individual retirement account or be paid in a single lump sum. In-service withdrawals are allowed by participants after reaching age 59 ½. In-service hardship withdrawals are also allowed by participants prior to reaching age 59 ½, provided they meet the hardship withdrawal requirements set forth by the Plan.

Participant Loans

Participants may borrow from any of their vested participant accounts up to a maximum equal to the lesser of \$50,000 (reduced by their highest outstanding loan balance during the twelve months immediately preceding the loan) or fifty percent (50%) of their vested account balance. The minimum loan amount is \$500 and the interest rate will be set at the Prime Rate as quoted in the Wall Street Journal on the day the loan is processed, plus one percent (1%). The maximum number of loans that may be outstanding at any one time is two, one for any reason and one to acquire a principal residence.

Plan Trustee

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Wachovia Bank, N.A., the sole trustee of the Plan, holds all Plan assets, executes all of the investment transactions, maintains the financial records relating to the trust, and makes all benefit payments as directed by the Plan Administrative Committee.

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Leggett & Platt, Incorporated

401(k) Plan and Trust

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE A DESCRIPTION OF PLAN - CONTINUED

Administrative Expenses

Administrative expenses are paid by both L&P and the Plan. Some expenses related to the investment funds are paid from participants' accounts and are reflected in the financial statements of the Plan. All other expenses are paid directly by L&P and are not reflected in the financial statements of the Plan.

Plan Termination

Although it has not expressed any intent to do so, L&P has the right, by action of its Board of Directors, to terminate the Plan at any time. In the event of termination, participant accounts will immediately become 100% vested.

NOTE B SUMMARY OF ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting, except for benefits payments, which are recorded when paid.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Investments

The market value of Plan investments is based upon quoted market prices as of the close of business on the last day of the year. Common trust funds are valued at the reported unit value, which is derived from the market value of the underlying investments. Purchases and sales of investments are recorded on a trade-date basis. Investment securities are exposed to various risks, such as interest rate, market, and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term could materially affect the amounts reported in the Statement of Net Assets Available for Benefits.

Income Taxes

The Plan is a qualified tax-exempt plan under the Internal Revenue Code (IRC) and, therefore, is exempt from federal and state income taxes. A favorable determination letter was received on March 8, 2002. Amendments have been made to the Plan and L&P has applied for a new determination letter. L&P believes the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC and conforms to the requirements of ERISA.

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Leggett & Platt, Incorporated

401(k) Plan and Trust

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE C INVESTMENTS

The following presents the fair values of investments greater than 5 percent of net assets at December 31, 2004 and 2003:

	<u>2004</u>	<u>2003</u>
Wachovia Bank, N.A.		
Stable Portfolio Group Trust	\$ 22,989,599*	\$ 11,502,339*
Diversified Bond Group Trust	3,235,709*	1,516,835*
Enhanced Stock Market Fund	2,797,804*	1,518,227*
Evergreen Special Equity Fund	2,046,828	1,189,139*
Dreyfus S&P Midcap Index Fund	5,321,955*	1,814,030*
Fidelity Advisors Equity Growth Fund	5,158,161*	1,461,616*
Van Kampen Equity and Income Fund	2,568,115	1,201,519*

* Represents an investment which exceeds 5 percent or greater of net assets available for Plan benefits.

During 2004 and 2003, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value as follows:

	<u>2004</u>	<u>2003</u>
Mutual Funds	\$ 1,530,190	\$ 1,468,242
Common Trust Funds	951,713	580,700
	<u>\$ 2,481,903</u>	<u>\$ 2,048,942</u>

Interest and dividends received on the Plan's investments in 2004 and 2003 were \$472,855 and \$102,647, respectively.

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Leggett & Platt, Incorporated

401(k) Plan and Trust

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE D RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits according to the financial statements to Form 5500:

	December 31,	
	2004	2003
Net assets available for benefits per the financial statements	\$ 51,645,741	\$ 22,295,863
Amounts allocated to withdrawing participants	(9,240)	(752)
Net assets available for benefits per Form 5500	<u>\$ 51,636,501</u>	<u>\$ 22,295,111</u>

The following is a reconciliation of benefits paid to participants according to the financial statements to Form 5500:

	Year Ended
	December 31, 2004
Benefits paid to participants per the financial statements	\$ 4,191,393
Add: Amounts allocated to withdrawing participants at December 31, 2004	9,240
Less: Amounts allocated to withdrawing participants at December 31, 2003	(752)
Benefits paid to participants per Form 5500	<u>\$ 4,199,881</u>

Amounts allocated to withdrawing participants are recorded on Form 5500 for benefit claims that have been processed and approved for payment prior to December 31, but not yet paid as of that date.

NOTE E PARTIES-IN-INTEREST TRANSACTIONS

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At December 31, 2004 and 2003, the Plan held units of participation in investment funds of Wachovia Bank, N.A. with a total market value of \$31,069,940 and \$15,726,540, respectively. In addition, the Plan held investments in loans to participants at December 31, 2004 and 2003 with a total market value of \$1,965,739 and \$545,499, respectively. These transactions are allowable party-in-interest transactions under Section 408(b)(8) of ERISA regulations and the regulations promulgated thereunder.

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Leggett & Platt, Incorporated

401(k) Plan and Trust

NOTES TO FINANCIAL STATEMENTS - CONTINUED

NOTE F ASSETS TRANSFERRED INTO PLAN

In an effort to consolidate its benefit plans, the Company transferred assets into this Plan from other various plans during the year. A summary of the transferred net assets available for benefits, including loans, that were merged into this Plan during the year is as follows:

		<u>2004</u>	
<u>Merger Date</u>	<u>Merged Plan</u>		<u>Amount</u>
2/1/2004	Product Technologies		\$ 1,081,166
5/1/2004	Cambridge Tool		6,776,964
6/1/2004	Mangas Tool		2,898,499
6/1/2004	Super Sagless		8,138,524
Various	Other		2,660,886
Total net assets merged into Plan in 2004			\$ 21,556,039

		<u>2003</u>	
<u>Merger Date</u>	<u>Merged Plan</u>		<u>Amount</u>
7/11/2003	Davidson Plyforms		\$ 2,034,920
Various	Other		1,001,197
Total net assets merged into Plan in 2003			\$ 3,036,117

NOTE G PLAN RESOLUTION AND SUBSEQUENT EVENT

On November 17, 2004, the Company's board of directors adopted a resolution to merge selected plans of the Company's subsidiaries and affiliates into this Plan. At various dates from January 1, 2005 through June 1, 2005, assets totaling approximately \$11,300,000 were merged into this Plan, of which \$1,537,156 were transferred in from the Leggett & Platt, Incorporated Frozen 401(k) Plan and Trust on June 1, 2005.

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SUPPLEMENTAL SCHEDULES

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Leggett & Platt, Incorporated

401(k) Plan and Trust

EIN 44-0324630 PN 025

SCHEDULE H, LINE 4a - SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS

December 31, 2004

Participant Contributions		Total That Constitute Non-exempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
Transferred Late To Plan		Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction In VFCP	
Amount	Original Due Date				
\$ 201	December 31, 2003		\$ 201 ¹		
\$ 1,404	Various Dates in 2004		\$ 1,404 ²		

¹ Leggett & Platt, Incorporated remitted the December 31, 2003 withholdings to the Plan in July 2004. Transaction was fully corrected July 2004.

² Leggett & Platt, Incorporated remitted various 2004 withholdings to the Plan in April 2005. Transaction was fully corrected April 2005.

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Leggett & Platt, Incorporated

401(k) Plan and Trust

EIN 44-0324630 PN 025

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

December 31, 2004

<u>Identity of Issuer</u>	<u>Description of Investment Account</u>	<u>Current Value</u>
* Wachovia Bank, N.A.	Stable Portfolio Group Trust	\$ 22,989,599
Dreyfus	Dreyfus S&P Midcap Index Fund	5,321,955
Fidelity	Fidelity Advisors Equity Growth Fund	5,158,161
* Wachovia Bank, N.A.	Diversified Bond Group Trust	3,235,709
* Wachovia Bank, N.A.	Enhanced Stock Market Fund	2,797,804
Van Kampen	Van Kampen Equity and Income Fund	2,568,115
* Wachovia Bank, N.A.	Evergreen Special Equity Fund	2,046,828
Putnam	Putnam International Growth Fund	1,815,908
Federated	Federated Stock Fund	1,445,905
Columbia	Columbia Small Cap Fund	1,117,595
American Century	American Century Small Co Fund	628,607
Fidelity	Fidelity Advisor Diversified International Fund	554,223
* Various Participants	Participant Loans with interest rates set at the Prime Rate plus 1% (4.75% - 11.5%)	1,965,739
		<u>\$ 51,646,148</u>

* Investments in securities of parties-in-interest to the Plan.

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B. Exhibit List.

Exhibit 23 Consent of PricewaterhouseCoopers LLP

SIGNATURES

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned thereunto duly authorized.

LEGGETT & PLATT, INCORPORATED
401(k) PLAN

Date: June 22, 2005

By: /s/ Ernest C. Jett

Ernest C. Jett
Senior Vice President - General Counsel and
Plan Administrative Committee Member

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EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Document Description</u>
Exhibit 23	Consent of PricewaterhouseCoopers LLP