



The World Class Furniture Company®

Continual Growth. Continual Improvement.



## Our Vision

**We want to be the  
best furniture company.**

## Our Mission

**Improve Quality**

**Reduce Cost**

**Do More Business**

**Be Profitable**

**Stay in Business**

#1 Selling Furniture Store Brand in the World

World's Largest Manufacturer of Furniture

# Our People

## Our products, our commitment, your opportunity

At a time of unprecedented challenges, Ashley's global supply chain and our team of 23,000+ worldwide employees are aligned with a common purpose: to make beautiful home furnishings affordable.

Ashley understands that the real secret to success is sustaining it. As the world's largest manufacturer of furniture, we strive to exceed the expectations of our retail partners and consumers in more than 123 countries across the globe.

Ashley has successfully managed 12 major rebirths since 1970 due, in no small part, to extensive market research and productive capital investments. Our company continues to strategically develop new products and aggressively tailor our operations to address the demands of our customers.

Since 1945, our teamwork, systems and desire to continuously improve demonstrates a company whose passion is put into every action. Ashley's vision is "We want to be the best furniture company". We strive for nothing less than earning the loyalty and trust of our employees and customers every day.



President & CEO Todd R. Wanek





“ you get what you  
**inspect**  
not what you  
**expect** ”

## RON WANEK

FOUNDER AND CHAIRMAN

As a young man, Ron Wanek's enthusiasm for furniture was inspired by his grandfather and great uncle who built furniture as a hobby.

Working for a newly formed company called Winona Industries, Ron reported to three brilliant owners who he described as perfectionists. One was an engineer, one was a marketer and innovator, and the other was an excellent administrator. Ron was fortunate to be able to work with each of them to learn virtually every aspect of the manufacturing business.

In 1963, an opportunity arose to start a new operation in Red Wing, Minnesota, and Ron became involved in the startup and management of the business, receiving excellent mentoring. It was this history that helped create Ron's foundation for his life and business career.

In 1970, Ron Wanek and a group of investors set out to make a difference in the furniture industry by forming Arcadia Furniture Corporation. This upstart furniture manufacturing company - with Ron Wanek responsible for establishing and managing operations - was in an industry dominated by large companies. In the beginning, Arcadia Furniture Corporation wasn't considered a serious contender in the U.S. furniture industry.

Over the next six years, Ron learned all facets of the furniture business, including the importance of having a strong brand name. In 1976 Arcadia Furniture Corporation and Ashley Furniture merged into one company: Ashley Furniture Industries, Inc. The new company could now fully leverage a brand name that had been in existence since 1945. Ron's determination and expertise were the driving force in laying the groundwork for one of the most incredible success stories in the history of the furniture industry.

### Recognized for the following achievements:

- Wisconsin Entrepreneur of the Year  
Ernst & Young
- National Finalist Entrepreneur of the Year  
Ernst & Young
- Innovator of the Year  
Woodworking Machinery Industry Assn.
- Leadership Award  
Furniture Today
- Spirit of Life Award  
City of Hope
- Pillar of the Industry  
International Home Furnishings Reps Assn.
- Anti-Defamation League's  
American Heritage Award
- Lifetime Achievement  
American Home Furnishings Association
- Master of the Game  
Furniture Today
- Honorary Recognition  
Wisconsin Foundation of the Arts
- President & Chairman  
AHFA
- Supplier of the Year  
Furniture Today
- Distinguished Service  
AHFA
- Industry Patriot  
Regency Home
- Hall of Fame  
Wisconsin Business
- Distinguished Service - Community  
Deloitte 75

**Ron Wanek was inducted into the Furniture Hall of Fame in October 2006.**



“ we strive for nothing less than earning the  
**loyalty**  
and  
**trust**  
of our customers every day.”

**TODD  
WANEK**  
PRESIDENT AND CEO

The seeds of Todd Wanek’s passion for furniture were planted in the mid-1980s. During high school and college, Todd worked in all aspects of the business including shipping, production line, machine maintenance, product design and engineering, finance, and global sourcing.

Shortly after graduating from the University of Wisconsin-Stout, with a Bachelor’s Degree in Industrial Technologies, he moved to Asia to serve as the general manager of Ashley Taiwan. He continued to live and work in Asia from 1989-1993, establishing and managing Ashley’s business development in China, Malaysia, Thailand, Taiwan and Indonesia.

Todd returned to the U.S. in 1994, spearheading the purchase of an upholstered furniture manufacturing operation in Ecu, MS. At that time he assumed responsibility for Ashley’s upholstery production as well as the company’s growing international operations. Two years later, Todd Wanek was promoted to Ashley’s President and Chief Operations Officer, assuming responsibility for all of Ashley’s worldwide operations.

By 1999, Ashley was a major player in almost every product category and one of the best marketers in the furniture industry. Just three years later, Todd succeeded his father to become Ashley’s Chief Executive Officer, a position he holds today. Todd is widely considered the industry’s foremost authority on international trade, manufacturing, marketing, and distribution.

Todd, through his leadership and vision, has been responsible for Ashley’s sustained growth since he became CEO in 2002. Staying true to Ashley’s vision, “We want to be the best furniture company,” Todd continues to cultivate the company’s continuous improvement culture. Todd’s passion for improving Ashley’s operations, products and services is unrelenting to this day, positioning the company for continued growth into the future.

**Recognized for the following achievements:**

Lead Advocate of Innovative Medical Research  
Mayo Clinic

National Finalist Entrepreneur of the Year  
Ernst & Young

Board of Directors  
American Home Furnishings Association

Principal Partner Benefactor  
Mayo Clinic

Board of Directors  
Wisconsin Manufacturers and Commerce

Supplier of the Year  
Furniture Today

Distinguished Alumnus  
Arcadia School District

Distinguished Service - Community  
Deloitte 75

Spirit of Life Award  
City of Hope

**Todd Wanek was awarded the  
Pillar of the Industry award from the  
International Home Furnishings  
Reps Assn. in April 2015.**

# Since 1945

founded with a belief that furniture could be made a better way.

## OUR HISTORY

### 1945

Carlyle Weinberger founds Ashley Furniture Corporation as a sales organization with headquarters in Chicago, Illinois.

### 1970

Arcadia Furniture - Ron Wanek with 35 employees opens his first manufacturing facility in Arcadia, WI. The company specializes in occasional tables in its 35,000 sq. ft. building.



### 1984

As imports take over the table business, Ashley converts to making bedroom furniture.



Ashley begins overseas trading and manufacturing.

### 1986

Millennium Concept: Ron Wanek and his design team develop a unique polyester finishing technique that gives wood furniture an impeccable luster. This is the largest product line investment ever made in the furniture industry.

## 1970's

### 1974

The furniture company develops its own transportation fleet.



### 1976

Major ownership and restructuring occurs. The company rebirths product lines, and expands and retools its facilities.

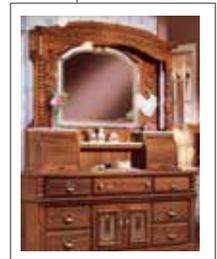


### 1982

Arcadia Furniture and Ashley Furniture merge into one company - Ashley Furniture Industries, Inc. Corporate offices are relocated from Chicago, IL to Arcadia, WI.

### 1988

Ashley introduces formal and casual dining rooms, and mixed media furniture with various combinations of glass, marble, steel and wood.



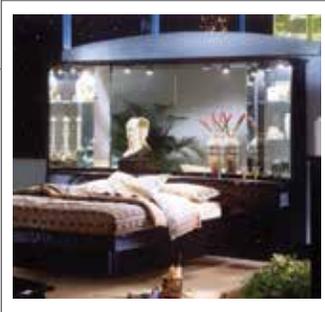
## 12 Major Rebirths

- Occasional tables 1970
- Upholstery 1994
- Wall systems 1972
- Leather Upholstery 1996
- Bedroom 1983
- Recliners 1997
- Global sourcing 1984
- Motion 1998
- Dining Room 1985
- Mattresses 2009
- Millennium Line 1986
- Omni-channel 2014

## Sustained Growth

Ashley's sales growth chart.





**MILLENNIUM**  
by **ASHLEY**

**"Most Innovative Product of the 1980's"**  
*Jerry Epperson - Furniture Today*



### 1994

Ashley adds upholstery to its product lineup.



### 1996

Ashley introduces leather upholstery.

### 2000

First International HomeStore opens in Aichi, Japan.

### 2005

Ashley becomes the world's largest manufacturer of furniture.

### 2006

Ashley Furniture HomeStore becomes the #1 selling furniture store brand in the world.

### 2009

Ashley launches mattress line: Ashley Sleep.

### 2012

Ashley accelerates the expansion of its international retail presence.

## 1990's

## 2000's

### 1992

Ashley's Intermodal rail yard is established, the only one in Wisconsin and one of eight private yards in the U.S.



### 1997

First Ashley Furniture HomeStore opens in Anchorage, Alaska.

Ashley introduces motion upholstery, including recliners.



### 2002

Ashley establishes powerhouse manufacturing and distribution facility in China.

### 2007

Ashley Furniture HomeStore passes Wal-Mart to become the No. 1 retailer of furniture and bedding in the United States.

### 2014

Ashley launches its Omni-channel platform to address the needs of today's consumer.



Ashley launches Ashley Express Next-day delivery, with sights on same-day delivery.

## Striving For Perfection

- Largest upholstery manufacturer in the World
- The largest casegoods manufacturer in North America
- #1 searched furniture term on Google in the United States
- North America's largest importer of furniture/ 12th largest user of containers in the U.S.
- Over 7,000 SKUs
- Approaching 30 million pieces sold annually
- Over 300 acres of manufacturing and distribution capacity under roof worldwide
- Ability to deliver to 95% of North America weekly
- Worldwide offices and manufacturing facilities
- Partnered with best-in-class suppliers
- Global supply chain
- Industry leading marketing solutions

# Total Optimization

All Ashley products are simultaneously developed and engineered by our designers and engineers to allow for ease of manufacturing, cost control and speed to market.

Operating U.S. facilities in California, Florida, Mississippi, North Carolina, Pennsylvania and Wisconsin, as well as international manufacturing locations in China and Vietnam, Ashley employs state-of-the-art manufacturing equipment (often designed and built by in-house engineers), proprietary and patented assembly methods, streamlined systems and strict quality control processes. Ashley's comprehensive approach aims to ensure total optimization of every piece of equipment, every skilled craftsman, every square foot of space - every day. Computer integrated manufacturing systems allow the company to effectively manage more than 7,000 product SKUs in over 22 product categories annually.

## Arcadia, WI: Est. 1970 - Largest Casegoods facility in the U.S.

52 acres under roof (2,200,000 sq. ft.) • 175 acre site

Original Plant 1970 - 35,000 sq. ft.



# Saving You Time & Money

Regionally located manufacturing and distribution centers save you time and money.



Advance, NC: Est. 2013 - **Largest Furniture Manufacturing and Distribution Facility in the World** (upon completion)  
64 acres under roof (2,700,000 sq. ft.) • 668 acre site





**Ecu, MS: Est. 1994 - WORLD'S LARGEST UPHOLSTERY PRODUCING PLANT**  
46 acres under roof (Nearly 2,000,000 sq. ft.) • 100 acre site



**Redlands, CA: Est. 2006**  
16 acres under roof (684,000 sq. ft.) • 35 acre site



**Ripley, MS: Est. 1999**  
14 acres under roof (615,000 sq. ft.) • 35 acre site



**Leesport, PA: Est. 2004**  
29 acres under roof (1,248,000 sq. ft.) • 172 acre site

# Building On A Strong Foundation

Manufacturing continues to be a major focus of reinvestments and improvements.



**Colton, CA: Est. 2001**  
30 acres under roof (1,296,000 sq. ft.) • 85 acre site



**Whitehall, WI: Est. 1987**  
4 acres under roof (160,000 sq. ft.) • 35 acre site (winter photo)



**Brandon, FL: Est. 2004 - Corporate Offices & Distribution Center**  
3 acres under roof (120,000 sq. ft.) • 40 acre site

**VERONA, MS: Est. 2013**  
6 acres under roof (275,320 sq. ft.) • 32 acre site

- **Largest investment of capital in the U.S. furniture industry**
- Lean Manufacturing processes
- Modern, state-of-the-art super plants worldwide
- Industry-leading, high-speed automated equipment and manufacturing systems
- Over 300 acres under roof of manufacturing and distribution capacity worldwide
- World's largest upholstery plant in Ecu, Mississippi
- Largest casegoods production plant in the U.S.
- Regional manufacturing and distribution centers in California, Florida, Mississippi, North Carolina, Pennsylvania and Wisconsin

- Partnered with best-in-class suppliers
- World's most innovative production equipment for consistent product quality and value
- **Global manufacturing systems and processes improve quality, reduce cost and increase throughput to promote retail profitability and growth**
- Low cost manufacturing promotes customer pricing and quality advantages
- **Over 450 diversified assembly lines are capable of quick changeovers**
- Worldwide product testing and quality control laboratories
- Committed, disciplined and talented team focused on continuous improvement

# All Around The World

World-class manufacturing generates world-class customer service.

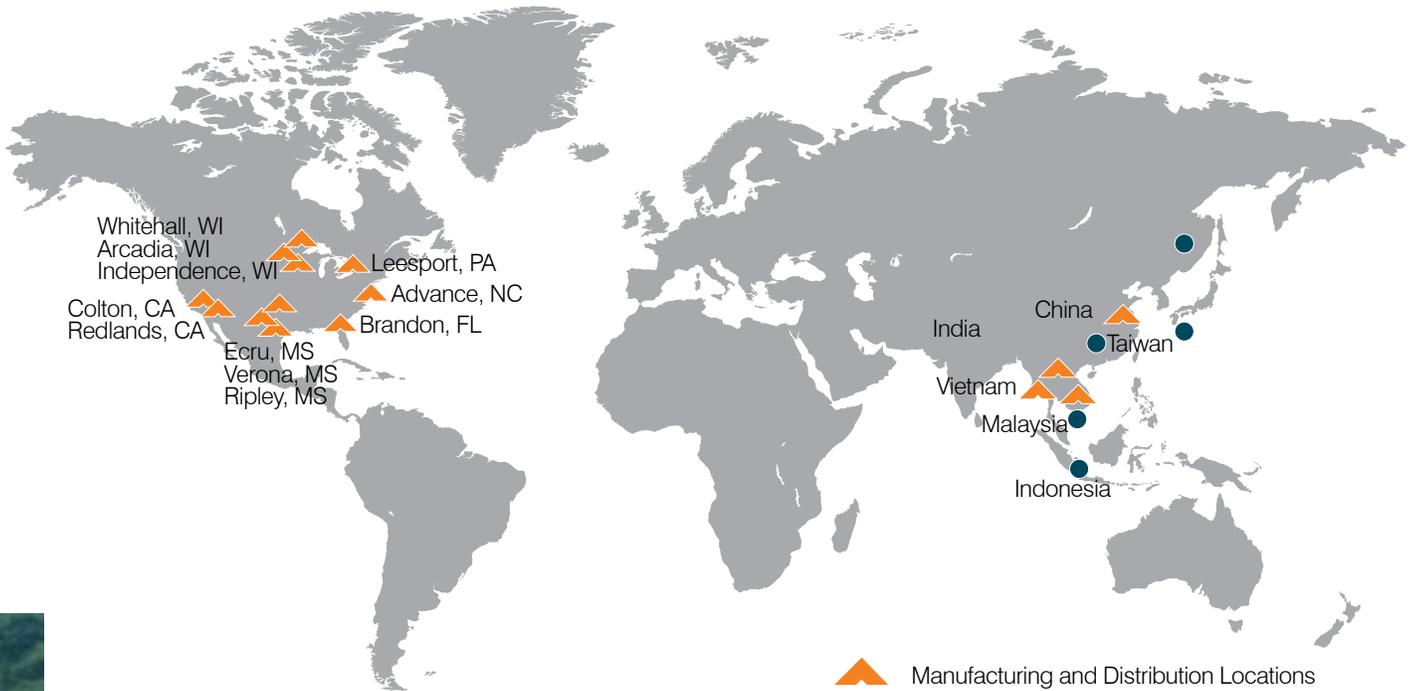
While Ashley is the largest home furnishings manufacturer in the world, we continue to have the most agile operations in the industry - combining a highly skilled workforce, the most advanced equipment available, and incredible computer optimization to schedule our facilities for maximum speed and flexibility. **Exceeding more than 100 WIP (Work in Progress) turns a year**, Ashley sets a pace out of reach by others in the industry.

**Kunshan, China:** 47 acres under roof (1,548,000 sq. ft.) • 85 acre site



# Ashley Super Plants

More than 13,000,000 Sq. Ft. (300 acres under roof) of manufacturing and distribution capacity to furnish homes across the globe.



**My Phuoc 3 Ip, Vietnam:**  
 14.5 acres under roof (631,620 sq. ft.)  
 18.5 acre site



**Binh Duong City, Vietnam:**  
 6.5 acres under roof with  
 2 two-story factories (283,140 sq. ft.)  
 6.8 acre site



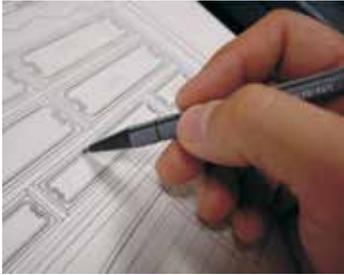
**Tan Uyen Town, Vietnam:**  
 10 acres under roof (435,600 sq. ft.)  
 40 acre site

## Global Reach Delivers Customer Value

Ashley blends and optimizes domestic and foreign production efforts to the maximum benefit of our customers - quality product delivered on time at exceptional value.

# Getting It Right, The 1st Time

Products are reviewed at all stages in our supply chain to ensure consistent quality, design, and value.



## We design it

Perfect pieces for every major room in the home.



## We build it

13 locations across the world, with over 13,000,000 square feet of manufacturing capacity.



## We stock it

Our product is shipped locally to retailers from the closest of our five distribution warehouses to help keep shipping and delivery time to a minimum.

we do it all

vertically integrated



## We ship it

One of the industry's largest transportation fleets carefully delivers product to the store in one of our many state-of-the-art air-ride trailers.



## We deliver it

We deliver value. Our floor to the retail store to the homeowner's door, every day.



## We improve it

Ashley's continued growth is predicated on its management model of continuous improvement which focuses on "systems thinking" to improve quality and efficiencies, while reducing cost.



# Furniture Is Our Passion

Great product design doesn't end with a great sketch.

**Ashley's in-house Designers & Engineers** react quickly to consumer trends.

Talented and ambitious, they **travel the world to gain an understanding of the latest trends and emerging materials and technologies**, working closely with one another to assure that the product is properly executed. This approach contributes to Ashley's ease of manufacturing, cost control and speed to market.



# Ashley's Laboratories

Developing new & superior product quality standards.



Ashley's clear and comprehensive approach to improving the quality of our products adds to our reputation as a "World-Class Furniture Manufacturer". Drawing from over 65 years of innovation, Ashley has become the largest manufacturer of quality furniture products.

**Quality testing labs in Arcadia, WI; Ecu, MS; Leesport, PA; Colton, CA; Shanghai, China and Vietnam** stay in constant communication as tests and product standards are developed and executed both in the lab and on the factory floor.

Ashley's objective is **100% out of the box quality** and we work toward that goal every day.

# Designed For You And Your Family

State-of-the-art worldwide testing labs help bring quality & design to your home.

We realize it is a privilege for our products to be invited into our customers' homes and we strive to exceed their expectations.

- State-of-the-art worldwide physical testing labs allow us to continually analyze the quality of our raw materials, construction methods and finished products.
- Ashley prides itself for always being on the cutting edge of casegood and upholstery technology.
- Finished products undergo extensive critical evaluations for durability, appearance, feel (hand) and overall performance.





Ashley sells furniture in 123 Countries...

## A Positive Balance Of Trade

Every City, County, State and Nation wants a positive balance of trade – bringing money into their region, boosting their economy, and increasing their tax base through the creation of businesses, jobs and quality services. **Ashley supports more than 9,000 U.S. vendors** and Ashley's employees support thousands of additional businesses. These businesses create and support thousands of additional jobs and businesses. This phenomenon is repeated again and again. In economics it is called the ripple effect and is most commonly associated with manufacturing. One manufacturing job creates 2.5 additional jobs and tens of thousands of dollars in economic activity.

## The Ripple Effect

Ashley contributes approximately **\$2 billion** annually to the U.S. economy in the form of employee payroll and benefits, purchases and capital investments, taxes and utility expenses. If these **dollars turn over 7 times** as they circulate within the country, this equates to **\$14 billion** in annual economic activity.

# Business Creates Business

One manufacturing job  
has a ripple effect of 2.5  
additional jobs.





## Your Business-to-Business Website

**Ashley Direct** provides 24/7 access to the information our customers need to run their business.

# Customer Service

Professional, Dependable, and Reliable.

**Knowledge is Power - available 24/7.** Ashleydirect.com provides quick and easy access to the information our customers need to run their business. Ashleydirect.com and its companion systems provide our customers and our independent marketing specialists with 24/7 online access to:

- Order entry with immediate availability dates
- Invoices and e-payment
- Complete product catalog
- Photography downloads
- Product availability
- Product Training
- Historical sales information
- Contact links to Customer Relations, Marketing Specialists, Credit Analysts
- And more...

**Value-driven information – Packaged the way you like it.** Cutting edge information technology provides our customers with the tools needed to maximize GMROI (Gross Margin Return on Investment). Our Customers choose how they want to receive their information - by EDI (electronic data interchange), by email, by fax or any combination.

**Personal Touch.** Our experienced customer service agents answer calls in an average of three seconds, allowing you to talk to a person, not just a computer.

**Customer Order, Distribution & Inventory System (CODIS)** This unique system was developed to provide our customers, independent marketing specialists and customer service agents with immediate information and transparency on any order any time. Complete visibility to the order status including the moment it is processed, loaded, in route and delivered to the customer.

**Ashley's Information Systems** unite an expert staff with state-of-the-art technology to serve internal and external business partners. Ashley **invests over \$30 million dollars** in technology and system upgrades annually. Our "world class" data center helps us deliver reliable, around the clock access.



# The Logistics Leader

One of the most sophisticated and efficient logistics systems in the world lowers customer costs.

- Ashley's supply chain management system directs every variable that goes into making and moving product
- Delivery capacity of the industry's largest fleet is paired with an intermodal rail transport system to reduce freight costs and stay on schedule
- **Reduced inventory** on component parts to provide competitive pricing
- Sourcing components globally through worldwide offices
- Planned inventory levels ensure constant, timely supply of product
- Increase on-time delivery
- Reduced operating expenses
- State-of-the-art wireless bar code scanning technology deploys "task directed" instructions that are optimized for the efficient put-away, picking, loading and delivery of finished goods.



Our  
Longest Aisle  
1,320 ft.  
that's over  
4 football fields!



# Global Logistics

No one delivers across North America and around the world like Ashley.

- The only furniture company in the country that delivers throughout the U.S. in 2 days or less
- **Capable of delivering to 95% of North America any given week**
- **Approximately 30 million pieces of furniture delivered to homes annually**
- Over **800 tractors** and **2,500 trailers** make up the industry's largest fleet and electronic load tendering Ashley carrier network
- Our drivers relish in their role of ambassadors of the company, putting safety and professionalism first.
- **Air-ride suspension protects product from damage and provides comfort for our drivers**
- Advanced dispatch and routing system improves on-time delivery, using the most efficient routes to reduce mileage
- Regionally located, superior truck shop maintenance facilities produce equipment out service rates that are 1/3 the national average
- **One of Transport Topics Top 100 private carriers.**
- 1 of 8 privately-owned intermodal rail yards in the United States.
- Frequent deliveries of mixed truckloads keep product flowing throughout the supply chain and straight to the consumer's home.
- Our retail partners are able to reduce inventory levels and bring savings straight to our customer.
- The Ashley Fleet presents over 6 billion consumer impressions each year.
- During a year, the Ashley Fleet travels the equivalent of approximately 160 trips to the moon and back.
- Ashley handles in excess of 70,000 containers per year that are shipped around the world.

# Key To Success

By effectively managing the flow of inventory - throughput - retailers increase profits substantially without increasing prices to consumers.



**EXAMPLE:** Two chairs. Same price. Same gross margin. Same unit sales per month. Which chair do you want to sell?

	CHAIR A	CHAIR B
Selling Price	\$200	\$200
Cost	\$100	\$100
Gross Margin	\$100	\$100
Gross Margin Percent	50%	50%
Sales per Month	100 units	100 units
Reorder Lead Time	14 days	140 days
Average Inventory	50 chairs	400 chairs
Gross Margin per Chair	\$100	\$100
Gross Margin x 100 Chairs/Mo.	\$10,000	\$10,000
Annual Gross Margin-12 Months	\$120,000	\$120,000
Inventory (Avg. Inventory x Cost)	\$5,000	\$40,000
<b>GMROI</b>	<b>\$24</b>	<b>\$3</b>

**GMROI = annual gross margin \$ divided by average annual inventory at cost \$**

**GMROI— Gross Margin Return On Investment**— is an essential retail performance indicator.

Key to the successful management of GMROI is the successful management of a retailer's largest investment— inventory. By keeping stock tight and lean, turn rates are higher and profitability increases.



“ It’s all about throughput, Baby! ”

-Ron Wanek

# Ashley's Environmental Efforts

For Ashley, environmental stewardship begins at home. We continually seek to recycle, reuse and replenish every day.

Restoring, protecting & enhancing our environment.

Ashley restored and enhanced wetlands totaling **more than 87 acres**, including farm land and an area formerly zoned industrial, at a **cost to Ashley of more than \$1.2 million**. These investments allowed Ashley to maintain and expand its Arcadia manufacturing facility, to continue to provide **more than 4,000 jobs for Wisconsin workers** and to continue its support for more than 80 Wisconsin subcontractors who provided additional jobs.

Students learn about wetland creation



### Every year Ashley recycles

- 65,000 tons of wood by-products
- 300 tons of metal
- 45 tons of office paper
- 3,000 light bulbs
- 7,000 pounds of computer equipment
- 18 trailers of plastic film
- Over 400 trailers of corrugated cardboard
- 100 tons of high density Styrofoam

### Sustainable Practices

- Wood as boiler fuel: Replaces 25 million cubic feet of natural gas
- Clean burning natural gas is used for building heat and upholstery ovens
- All of our finishes and most of our adhesives are water based which allows us to clean with water instead of petroleum-based solvents
- We have realized a 99.5% reduction in our waste stream since 1994
- Used oil that is re-refined into new oil: 12,500 gallons per year

### When “White” is Green

- Ashley paints its plant interiors white to save on energy costs
- Ashley saves 40% on lighting energy and it makes a nicer work environment
- Ashley has made an initial investment of over \$1 million in painting our new plants and additions, which will save on lighting energy costs forever

### Trees...Trees...Trees!

- Over 800 trees planted in community programs
- Over 1,000 trees and shrubs planted on the Arcadia campus
- Tens of thousands of trees distributed for annual Arbor Day observance

### Energy Saving Projects

- 350 solar light pipe devices have been installed to reduce lighting requirements
- Lighting in plants has been upgraded to new energy efficient fluorescent lamps
- Began use of occupancy sensors which turn lights off when not needed
- Standard motors have been replaced with variable frequency drives which reduce air compressor energy usage
- Plant roof's have been retrofitted with anti-reflective material and more insulation – reducing the amount of energy needed for heating and cooling

### Ashley's Green Fleet

- APU's (auxiliary power units/generator): decreases emissions and fuel consumption
- Truck engines burn one gallon per hour at idle; whereas an APU burns 1/10th gallon.
- Bio-diesel fuel is used when available.
- Equipment is U.S. EPA smartway certified
- Our 2008 motors can return cleaner air to the environment than what they intake

# The Right Stuff

Our sales organization is primarily made up of independent sales representatives.



Independent marketing specialists are not Ashley employees and we wouldn't have it any other way. Our team of independent marketing specialists, as entrepreneurs themselves, speak the same language as our retail partners – the language of owning and running a business. **Knowledgeable. Trained. Efficient.** They are in the business to help retailers succeed and bring the best tools, the right support and unsurpassed market expertise to our retail partners everyday.

# Ashley: Your Furniture

Over 30 million pieces of Ashley furniture are invited into homes worldwide.

- The core foundation of success in **business** must be **consumer-centered**.
- Ashley's operational excellence, superior consumer-driven product designs, and powerful marketing tools and strategies translate into a clear competitive advantage for Ashley's retail partners.
- The Ashley brand has appeal across multiple age and income segments, and Ashley is featured in **millions of television, internet, radio, newspaper and direct mail pieces annually**.



# Reinvesting In Our People

Dedicated employees and positive attitudes make the difference.

Total company investments have exceeded **\$500 million the past 5 years**. At Ashley, it's not just a philosophy, it's a practice. Not only do we invest in the latest design tools and production equipment, logistics and supply chain systems, we invest in our people.

**Continuous Quality Improvement is our company's management approach and it includes:**

- Job skills/training
- Management coaching
- New ideation
- Lean Manufacturing training
- Six Sigma Certification

Our team continually strives to advance, focusing on processes, statistics and leadership. Creative thinking applied to business analytics results in innovation every year.

# idea network

IMPROVING | DEVELOPING | ELIMINATING | ACHIEVING

Employees are rewarded for being agents of change.

**Over 8000 registered IDEAs** flow through Ashley's IDEA Network system each year.

Employee IDEAs save the company millions of dollars in operational costs, which are passed on to Ashley's customers in the form of furniture savings.



# Looking Forward

While the U.S. furniture industry has closed hundreds of plants & eliminated hundreds of thousands of U.S. jobs, Ashley is charting a course for long-term growth and success.

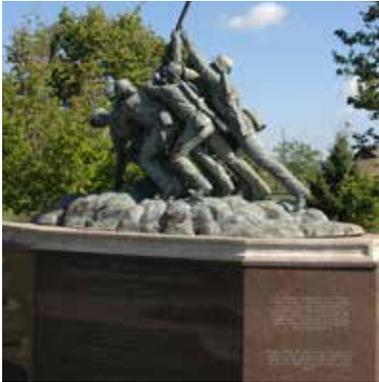
**People are our most important resource.** Ashley recognizes that every employee holds an important key to the company's success no matter what part they play in it. By sharing their vast knowledge and practical experience with the next generation of Ashley workers, Ashley Furniture is charting a course for long term success. **Along with knowledge and experience, the most important ideal being handed down is the passion for improving.** This attitude has become a part of Ashley's culture and has propelled the company forward as it breaks new ground every day in its quest to be the best furniture company.

“Sustained success is rooted in a culture defined by innovation, continuous improvement and mentoring.”

- Todd Wanek

# Salute To Our Military

Ashley volunteers have given thousands of hours in planning & developing Arcadia's Memorial Park.



World War II Iwo Jima Monument



General's Overlook



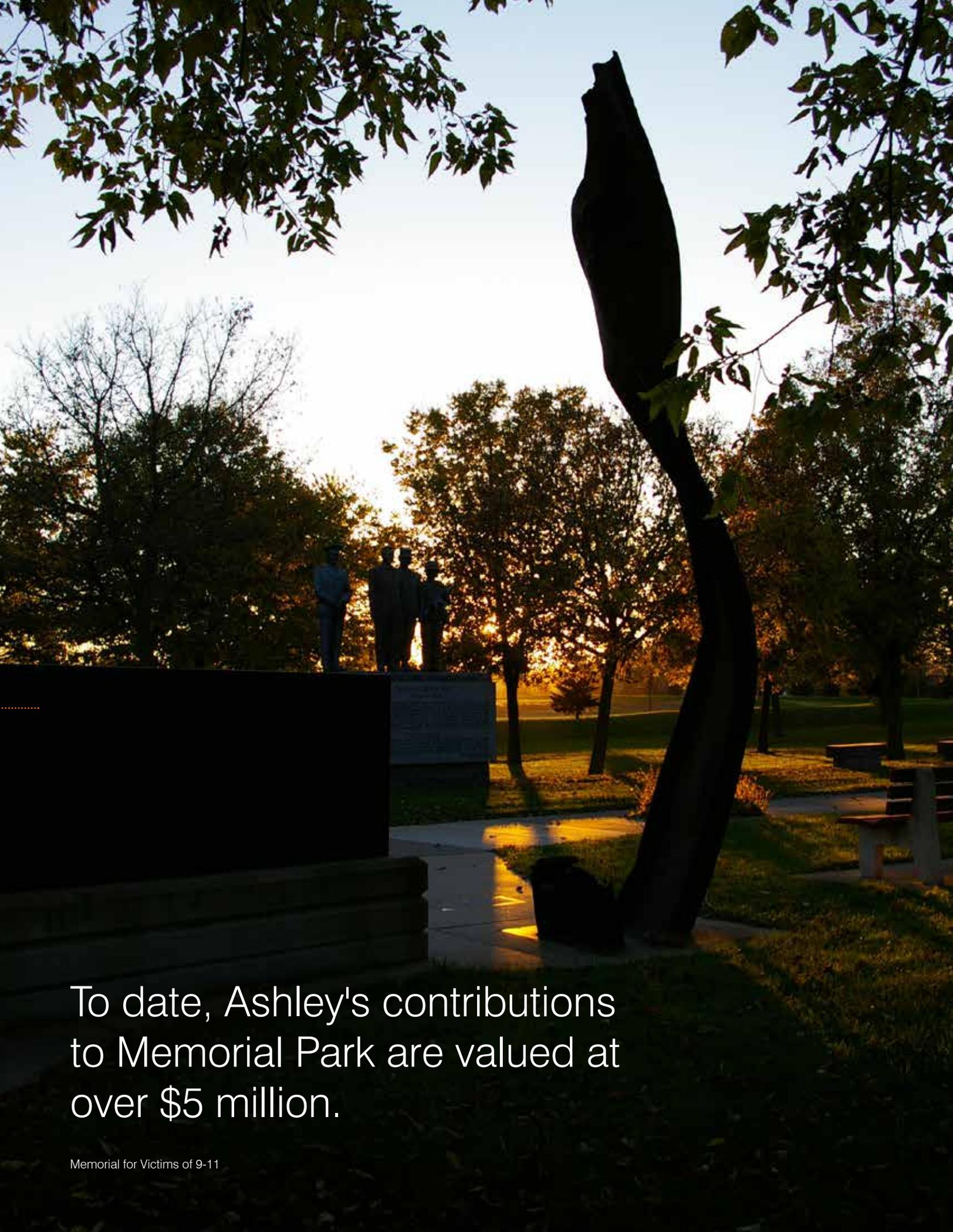
Korean War Monument

Among his many philanthropic contributions, Ron Wanek, founder of contemporary Ashley, is the lead benefactor of the Avenue of Heroes/Soldier's Walk. Located at Memorial Park in Arcadia, Wisconsin, Soldier's Walk is the premier war memorial in the United States outside of Washington, D.C. This memorial captures all U.S. wars with monuments and memorials in chronological order along a 500 meter walk to honor those leaders and veterans who fought to give us the life and freedom we enjoy today.

Soldier's Walk also records significant events specific to the Arcadia area on 12" x 24" gray granite stones embedded in the walk. War years are represented with planters one meter in length for each year of the war.

**A twisted, scarred I-beam**, once a support for one of the World Trade Center towers, arcs into the sky. Rising between two etched memorial stones are two large granite blocks representing the Twin Towers. Engraved is the date memorializing this tragic moment in U.S. history: **9/11/2001, the day that changed America forever.**





To date, Ashley's contributions to Memorial Park are valued at over \$5 million.

# Positive Community Impact

Enhancing the communities where we have a presence.

Ashley has always had a proud sense of its history and the wisdom to know what made it great. **Our company continues to strive toward enhancing its communities by working to improve their infrastructure and community services.** Ashley's presence in a community and its economic impact in an area aid local government efforts to garner grants, tax-advantaged financing, and other incentives. **Ashley contributes several million dollars annually to local and national charities, seeking to improve the lives of people around the world.**

Ashley has a long history of supporting medical research organizations including:



The Todd and Karen Wanek Family Foundation at Mayo Clinic, supports research into how and why heart disease develops and progresses and into potential cell-based therapies to repair heart tissue.

Recognition plaque located at concourse area in Mayo Clinic Building in Rochester, MN

Ashley proudly supports local communities and organizations that help make the world a better place.

# When we invest in our students, we invest in our future

Ashley and The Wanek Family  
have awarded over \$1,500,000 in  
scholarships throughout the years.



Todd Wanek shown with scholarship recipients



Ronald & Joyce Wanek  
Scholarship Recipients

- Ashley and Ashley Furniture HomeStore donated **\$1,100,000** to the Red Cross to aid Hurricane Katrina victims
- Ashley donated **\$1,000,000** in furniture to the Minnesota and Wisconsin flood victims
- For many years, Todd & Ron Wanek have been a strong supporters of Mayo Foundation Medical Research, and have donated significant amounts of money to advancing medical research in the most critical diseases
- Ashley (Todd & Ron Wanek), as a co-chair, along with Ashley's suppliers, marketing specialists, and retail partners, have raised over **\$10,000,000** for the City of Hope to aid their research efforts
- Ashley and Ashley Furniture HomeStores raised over **\$6,000,000** for St. Jude Children's Research Hospital
- Ashley has contributed over **\$2,000,000** to the non-profit Ashley's Little Angels, which provides food, clothing, and toys to thousands of children in need during the holidays.
- Ashley contributes several million dollars annually to local and national charities, seeking to improve the lives of people in remote corners of the small communities where Ashley is located.

**MAIN SHOWROOM:**

WORLD MARKET CENTER  
 ASHLEY SPACE 1500/BLDG B  
 475 S. GRAND CENTRAL PARKWAY  
 LAS VEGAS, NV 89106

**SIGNATURE DESIGN:**

WORLD MARKET CENTER  
 ASHLEY SPACE 1420/50/70 BLDG B  
 495 S. GRAND CENTRAL PARKWAY  
 LAS VEGAS, NV 89106

**HIGH POINT SHOWROOM:**

IHFC (INTERNATIONAL HOME FURNISHINGS  
 CENTER) ASHLEY SPACE H900  
 239 S. WRENN STREET  
 HIGH POINT, NC 27260

**TUPELO SHOWROOM:**

TUPELO FURNITURE MART  
 BLDG #4, SPACE 4000  
 1879 NORTH COLEY ROAD  
 TUPELO, MS 38801

**UK MARKET:**

INTERIORS BIRMINGHAM  
 HALL 2  
 BIRMINGHAM, UK

**SHANGHAI MARKET:**

CMP SINOEXPO LTD.  
 SHANGHAI NEW INTERNATIONAL EXPO  
 HALL W1H 04  
 SHANGHAI, CHINA  
 WWW.CMPSINOEXPO.COM

**CHINA IMPORT & EXPORT FAIR  
(CANTON FAIR) EXHIBITION CENTER:**

NO. 380 MIDDLE YUEJIANG ROAD  
 D06 2ND FLOOR OF HALL 12 AT AREA B  
 HAIZHU DISTRICT  
 GUANGZHOU, PR. CHINA

**OTHER SHOWROOMS:**

MEXICO, SINGAPORE, TURKEY & SOUTH CHINA



**LAS VEGAS, NV SHOWROOM**  
 3.5 acres (150,000 sq ft.)



**HIGH POINT, NC SHOWROOM**  
 3.2 acres (136,000 sq ft.)



**SHANGHAI AND GUANGZHOU,  
 CHINA SHOWROOMS**  
 .5 acres (20,000 sq. ft.)

**CORPORATE OFFICES:**

Ashley Furniture Industries, Inc.  
 One Ashley Way  
 Arcadia, Wisconsin 54612  
 608-323-3377

Ashley Furniture Industries, Inc.  
 3120 Williams Road  
 Brandon, Florida 33510  
 813-620-3444