



Commonwealth of Kentucky
Office of the Governor

FOR IMMEDIATE RELEASE
DRAFT – FOR REVIEW ONLY

Contact: Kerri Richardson
502.564.2611
502.330.6633

Jill Midkiff
502.564.2611
502.330.1185

Mandy Lambert
502.564.7670

Barry Hytinen
Tempur-Pedic
International Inc.
800-805-3635

**Governor Beshear Announces Tempur-Pedic to Expand Global
Headquarters in Lexington**

Company to construct new facility in UK's Coldstream Research Campus, create 65 new jobs and approximately \$18 million in investment

FRANKFORT, Ky. (April 28, 2011) – Gov. Steve Beshear today announced Lexington-based Tempur-Pedic, an international company focused on innovative sleep products, is reaffirming its commitment to Kentucky with the expansion of its global headquarters. The company, which is one of the fastest growing public companies in Kentucky, will add 65 new jobs over the next five years to its existing employment base of 237, consistent with those of a worldwide headquarters.

“The expansion of Tempur-Pedic will provide a tremendous economic boost to the Lexington community, enhancing the growing list of international corporations headquartered in the city,” said Gov. Beshear. “Kentucky is proud to have built a strong partnership with Tempur-Pedic over the years and looks forward to continuing that relationship for years to come.”

Tempur-Pedic is a billion dollar company that started in Lexington, Ky. in 1993. The company plans to invest approximately \$18 million as a result of the project, which will involve the construction of a new, approximately 100,000 square-foot facility in the University of Kentucky's Coldstream Research Campus. Construction is expected to begin this fall and should be completed by December 2012.

"Tempur-Pedic is proud to be a part of the dynamic business environment that is Lexington, Kentucky," said Mark Sarvary, CEO of Tempur-Pedic International Inc. "We couldn't be more pleased that our success is driving expansion into a new facility, creating new job opportunities right here in the heart of the Bluegrass. Tempur-Pedic also strongly believes in the importance of community involvement as demonstrated by both corporate and employee support for Lexington area organizations."

The company supports, among others; The Ronald McDonald House of the Bluegrass, United Way of the Bluegrass, Lexington Habitat for Humanity, Sunrise Children's Home and Junior Achievement of the Bluegrass.

An economic impact study performed by the Cabinet for Economic Development shows the number of direct, indirect and induced jobs that will result from Tempur-Pedic's existing and new employment is 772 jobs. Those jobs will provide an annual \$72.8 million boost to Kentucky's Gross Domestic Product.

"Tempur-Pedic brings extraordinary, broad recognition and new jobs - good jobs - to Lexington," said Lexington Mayor Jim Gray. "Growing and retaining the headquarters of this rapidly growing, internationally known brand is essential. Helping local businesses grow is a major part of our economic development efforts. Not only will Tempur-Pedic serve as a vote of confidence for Lexington, it will once again show the world that Lexington is a viable and thriving location for a world headquarters operation."

"Tempur-Pedic is known around the world for its line of products that help people rest and relax," said Bob Quick, president and CEO of Commerce Lexington Inc. "Tempur-Pedic certainly does not rest in its efforts to innovate, develop new products, and enhance what it already does well. As the site of its world headquarters, we are proud that Tempur-Pedic chose Lexington over other states for its expansion to the Coldstream Research Campus. We appreciate the commitment and investment that Tempur-Pedic has provided to central Kentucky. It's clear that Tempur-Pedic stands firmly behind our community in the same way it stands behind its revolutionary products."

"The Tempur-Pedic announcement demonstrates the power of our Lexington partnership to put together a compelling package that includes a premier location for an international headquarters at Coldstream," said University of Kentucky President Lee T. Todd Jr. "It fulfills one of our goals of creating innovation at Coldstream where research and excellent companies like Tempur-Pedic International can come together to work on projects that add value to people's lives."

The Kentucky Economic Development Finance Authority preliminarily approved Tempur-Pedic for tax incentives up to \$8 million through the Kentucky Business Investment program. The performance-based incentive allows the company to keep a portion of its investment over a five-year period through corporate income tax credits and wage assessments by meeting job and investment targets.

“I am very excited that Tempur-Pedic has decided to locate a new global headquarters at Coldstream in Lexington,” said Sen. Julian M. Carroll, of Frankfort. “The company’s investment will create 65 new jobs for the area. This will not only provide new opportunities for our workforce, but will also provide a boost to our economy.”

“Having Tempur-Pedic expand its global headquarters in Lexington is certainly great news for our community and the Commonwealth,” said Rep. Jesse Crenshaw, of Lexington. “The company has long played an integral role in our region’s economy, and there is now no doubt that this will only continue to grow in the years ahead.”

ABOUT TEMPUR-PEDIC

Tempur-Pedic International Inc. (NYSE: TPX) manufactures and distributes mattresses and pillows made from its proprietary TEMPUR® pressure-relieving material. It is the worldwide leader in premium and specialty sleep. The Company is focused on developing, manufacturing and marketing advanced sleep surfaces that help improve the quality of life for people around the world. The Company's products are currently sold in over 80 countries under the TEMPUR® and Tempur-Pedic® brand names. World headquarters for Tempur-Pedic International is in Lexington, Ky. For more information, visit <http://www.tempurpedic.com> or call 800-805-3635.

Information on Kentucky’s economic development efforts and programs is available at www.ThinkKentucky.com.

A detailed community profile for Lexington (Fayette County) can be viewed at <http://thinkkentucky.com/EDIS/cmnty/index.aspx?cw=053>.

###