

# **The Keller Manufacturing Company, Inc. Proposes Plan to Sell Furniture Operations and Seek Acquisition**

LOUISVILLE, KY January 4, 2005 – The Keller Manufacturing Company, Inc. (“KMFI.PK”) (the “Company”) announced today that its Board of Directors unanimously approved, on January 3, 2005, a plan to offer for sale its furniture operations and assets and to seek an acquisition.

“Effective today, all furniture operations and assets of the Company are for sale. The decision has been made not to sell the legal entity but to sell only the furniture operations and assets. This includes, but is not limited to, our customer list, ten product groups, marketing materials, product inventory, web site, High Point showroom, and the “Keller Furniture” name”, stated David T. Richardson, Keller’s Chief Operating Officer.

The second major announcement is that the Company is commencing a search process to purchase a new business using its remaining cash and other assets. “We are seeking an acquisition and the Company plans to purchase a business in 2005. We are generally targeting service industries, light manufacturing, and distribution companies”, stated Keith Williams, the Company’s Chief Executive Officer. We are not targeting businesses in the furniture industry. The Company began exploring this option in late December and has preliminarily identified approximately twelve companies for consideration.

Ken Fonville, President of the Keller Design Center and a member of the Company’s Board of Directors resigned both positions last week to pursue other opportunities. Keith Williams, President and Chief Executive Officer, will be leaving the Keller management team on February 15, 2005, to focus on identifying an attractive operating business to acquire. Williams will remain on the Board of Directors. Effective February 15th, David T. Richardson, the Company’s current Chief Operating Officer, will become the President and Chief Executive Officer of Keller.

The Keller Manufacturing Company, Inc. (KMFI.PK) is a provider of solid wood bedroom, dining room and occasional furniture to furniture retailers. Keller furniture is sold through retailers in all 50 United States and Canada. For more information about The Keller Manufacturing Company, Inc., visit our website at [www.kellerfurniture.com](http://www.kellerfurniture.com).