

The Keller Manufacturing Company, Inc. signs non-binding letter of intent to acquire light manufacturing business

LOUISVILLE, KY December 13, 2005 – The Keller Manufacturing Company, Inc. (“KMFI.PK”) announced today that it has entered into a non-binding letter of intent to acquire the large majority of the stock of a local light manufacturing business for approximately \$1.14 million in cash. The non-binding letter of intent was signed on December 12, 2005. At this point, neither Keller nor the target is subject to any legally binding obligation to consummate the transaction and no such obligation will exist until the parties have negotiated and signed a definitive purchase agreement. The acquisition is further dependent upon the satisfactory completion of Keller’s due diligence investigation and Keller’s ability to obtain commercial financing of existing bank debt of the target and will be subject to other customary closing conditions. There is no assurance that a definitive purchase agreement will be entered into or, if such agreement is entered into, that the transaction will close. If the transaction is closed, the closing is expected to occur in the first quarter of 2006.

Keller commenced a search for a new operating business earlier this year and has evaluated over 75 potential opportunities. Keller was a manufacturer and importer of quality solid wood bedroom, dining room, and occasional furniture. In January of 2005 Keller announced that it was exiting all furniture operations and would begin a search for a new operating business.

For more information about Keller, visit our website www.kellerfurniture.com.