

SEALY CORPORATION announces license agreements with DOWNLITE and AMERICAN TEXTILE COMPANY

Sealy Partnerships Take Basic Bedding to New Levels

TRINITY, N.C. – May 23, 2012 – SEALY CORPORATION (NYSE: ZZ), the largest bedding manufacturer in the world, has signed new licensing agreements with two companies to manufacture and market basic bedding accessories. A new, comprehensive line of sleep products will be offered by DOWNLITE and AMERICAN TEXTILE COMPANY beginning early in 2013.

Under the agreements, DOWNLITE will produce and market down and synthetic filled bedding including pillows, blankets, comforters, etc, as well as sheeting products, for the Sealy, Sealy Posturepedic and Stearns & Foster brands. AMERICAN TEXTILE COMPANY will produce and market mattress and pillow protectors for the same brands.

“We’re taking a fresh look at this category, and have selected two dynamic organizations known for high-quality products and innovation,” says Sealy President and Chief Executive Officer Lawrence J. "Larry" Rogers. “They are forward-thinking, which is consistent with our strategy to grow through licensing and other strategic partnerships. With this new direction, Sealy will offer customers down and down-alternative products, protectors, and encasements that are the best made and most technologically advanced in the world.”

For DOWNLITE, the licensing agreement provides the opportunity to reach new markets and customers in partnership with Sealy, a brand recognized as a global leader for more than a century. "This is a great honor for us and DOWNLITE is extremely proud to be partnered with a leading brand like Sealy," said James Lape, CEO of DOWNLITE. “Our company is forever linked with the highest quality and innovation. We are focused on developing intelligent partnerships, with complementary brands, who allow us to manifest our corporate strategies.”

“We are very excited about our new partnership with Sealy, “ said Blake Ruttenberg, EVP of Sales and Marketing for AMERICAN TEXTILE COMPANY. “This license is a great addition to our portfolio and will give AMERICAN TEXTILE COMPANY the opportunity to further capitalize on developing new and innovative product under the Sealy brand. We believe that our consumer-focused approach to product development combined with the power of the Sealy brand will expand the protector category within the U.S. and Canada.”

“We like the culture of innovation we see in both companies,” says Director of Licensing Margo Borgione. “We believe the basic bedding category represents a significant growth opportunity and looked for technology-driven companies with a proven track record in developing and marketing innovative products with high consumer appeal.”

About SEALY

Sealy owns one of the largest bedding brands in the world, with sales of \$1.2 billion in fiscal 2011. The Company manufactures and markets a broad range of mattresses and foundations

under the Sealy®, Sealy Posturepedic®, Sealy Embody™, Stearns & Foster®, and Bassett® brands. Sealy operates 25 plants in North America, and has the largest market share and highest consumer awareness of any bedding brand on the continent. In the United States, Sealy sells its products to approximately 3,000 customers with more than 7,000 retail outlets. Sealy is also a leading supplier to the hospitality industry. For more information, please visit www.sealy.com.

About DOWNLITE

The family owned luxury bedding business has been successfully run for over twenty-six years by brothers Larry Werthaiser, Marvin Werthaiser and longtime family friend Bob Altbaier. Today, DOWNLITE is the largest and fastest growing major U.S. luxury down-filled bedding manufacturer. DOWNLITE's down and down alternative products (comforters, pillows, mattress pads, feather and fiber beds) are sold under private label and licensed brands in most department stores, as well as in specialty stores, wholesale clubs, and catalogs/on-line retailers. Their luxury bedding can also be found in rooms of upscale hotels and resorts worldwide. In addition, DOWNLITE sells their quality bulk down fills to furniture makers, and garment and sleeping bag manufacturers around the world. For more, see www.downlite.com.

About AMERICAN TEXTILE COMPANY

AMERICAN TEXTILE COMPANY is a leader in the manufacturing, marketing and selling of basic bedding products. The Company has been a successful family owned business for 86 years supplying quality pillow protectors, mattress protectors, bed pillows, mattress pads and comforters that provide innovative sleep solutions to consumers. Today, AMERICAN TEXTILE COMPANY'S products are sold under private label and best selling company brands, including Aller-Ease and Rest Right in over 40,000 stores, catalogs and on-line retailers across the United States and Canada. Visit www.americantextile.com for more information.

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