

SLIGH FURNITURE CO. 1201 INDUSTRIAL AVENUE HOLLAND, MICHIGAN 49423 616-392-7101 FAX 616-392-9495 www.sligh.com

May 17, 2005

Dear Friends,

Thanks for your support over the years. With your help and guidance we have developed and produced what many people consider to be the finest grandfather clocks ever.

There was a sense of sadness and melancholy when we discussed at Sligh the decision that this will be our last year in the clock business. Grandfather clocks are not the growth market they once were and the economics are not there for us to continue. Furniture is a much bigger part of our business. It's a fast growing market where we are economically successful.

On the day of our announcement three television stations and two newspapers surprised us by showing up at our headquarters and plant, filming, photographing and interviewing production employees and management. One television reporter said he's covered more than 100 similar manufacturing plant stories over the years and Sligh is the only one where not one employee had anything bad to say about the company. But you already knew that. The people making Sligh clocks are exceptional.

Through the hugs and tears following last weeks' announcement people expressed their interest in seeing things through to the end. In an expression of personal pride, many talked of their determination that the best ever Sligh clock quality will be produced over the next few months.

We expect it will take us until mid September to produce the clocks necessary to support you with shipments through to the end of the year. We may run out of some clocks well before December because of unpredictable demand. While we won't restrict shipments without cause, we will limit shipments to those with a current account aging that stay within their credit limit. Enclosed is an Available to Promise (ATP) report for your review showing all of the remaining clock cuttings so you can plan and order with that in mind. New clocks shown at the April market in High Point will not be cut.

In this grand finale year, each Sligh clock is particularly valuable. The most effective dealer promotions this summer and fall will emphasize the limited opportunity for consumers to own a soon to be rare Sligh clock. If I can help you make some Sligh clocks even more unique for your consumer customers with a customized letter or by signing some clocks, please let me know. I'd be happy to help.

Of course our clock warranty, as outlined on our dealer price lists, remains in place.

These changes are difficult for all of us. We appreciate your business and your friendship. You can count on us to do our very best to serve you during our final year in clocks.

Kindest regards,

Rob Sligh Chairman



SLIGH FURNITURE CO. 1201 INDUSTRIAL AVENUE HOLLAND, MICHIGAN 49423 616-392-7101 FAX 616-392-9495 www.sligh.com

Dear Clock Connoisseur,

We commend to you this Sligh clock of rare distinction. From precisely machined woods, to the artful finish, to its intricate mechanical movement, this is one of the finest grandfather clocks ever produced.

Sligh Furniture Co. was founded in 1880 in Grand Rapids, Michigan as a bedroom furniture maker. The company moved to Holland, Michigan in 1933 and began making desks. It phased out of bedroom furniture entirely by 1957. From the late 1950s to the early 1970s, college dormitory furniture was an important line for the company.

In 1968 Sligh entered the clock business and became the quality leader in grandfather clocks by the 1980s. Clocks continued to be an important line for Sligh through 2005. This clock is one of the last produced by Sligh. It exemplifies the high quality Sligh is known for in all its products.

Today Sligh focuses on developing and selling through retailers the very best in home entertainment, home library and home office furniture. Over the years its offerings of bedroom and dormitory furniture, clocks and its current lines all have one thing in common: they represent the very best quality and craftsmanship for people who appreciate the difference.

Thanks for purchasing this Sligh clock. We hope its presence in your life reminds you of the best of times.

Kindest regards,

SLIGH FURNITURE CO.

Rob Sligh Chairman