This 3DAdvisors Report Covers:
✓ **Insider Trading**: Insider Trading Behavior **Accounting**: Quality of Earnings Issues **Governance:** Corporate Governance Issues

Insider Research Bulletin

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Insider Research Bulletin describes significant insider trading behavior that we have identified at the following companies and is a summary of the first step in our research process. The next step is that these same companies will undergo a review of accounting and governance behavior, and if we identify indicative behavior in one or both areas, then a "full 3DA research report" will be published on that company. Note: Inclusion of a company in this report by itself does not necessarily mean a full research report will be published. The ⬆ symbol indicates that we have observed trading behavior that suggests a bullish sentiment.

Insider Research Bulletin is published periodically and exclusively for 3DA Research subscribers.

Companies in this Bulletin

- Adams Respiratory Therapeutics, Inc. (NASDAQ: ARXT)
- Steelcase, Inc. (NYSE: SCS)

Discussion of 3DAdvisors Findings

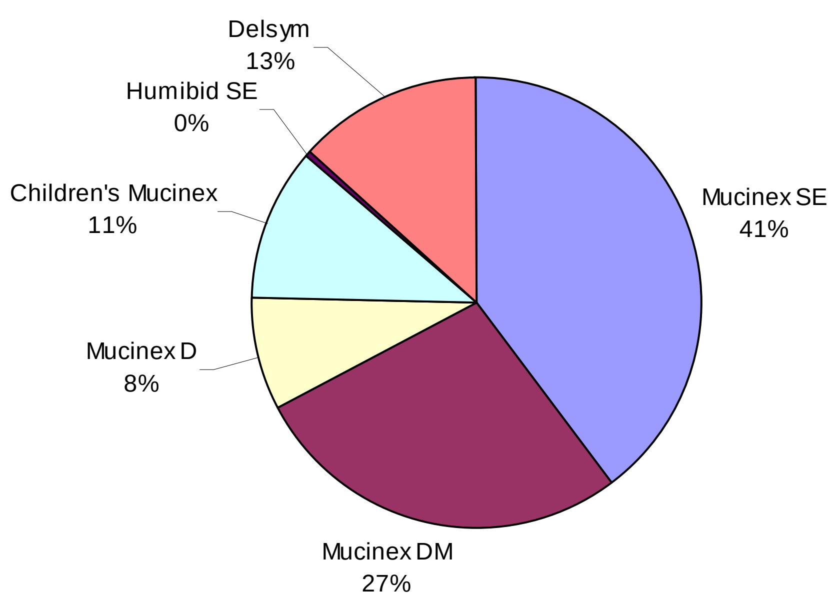
Adams Respiratory Therapeutics, Inc. (NASDAQ: ARXT)

Adams Respiratory Therapeutics, manufacturer of over the counter cold medications Mucinex and Delsym, is a model case of why it is imperative to pay attention to the *actions* of insiders when such behavior is inconsistent with their representation of the company's operations. Quarter after quarter ARXT management has issued very bullish growth projections and outlined the many promising new products in development with optimistic roll-out plans. All the while, a number of executives have reduced their exposure to ARXT stock under the guise of routine 10b5-1 personal sales plan activity, which has muted investor and media awareness of the action. This story came full circle on March 16th when the Company lowered its sales estimates for fiscal third quarter and fiscal full-year 2007, while also announcing setbacks with a key product under development.

Although ARXT's portfolio currently includes six different products, albeit different variations of the same few brand names, two of the six, Mucinex SE and Mucinex DM, accounted for 68% of the Company's fiscal 2007 sales through two quarters (see Figure 1 below). Since the concentration of their products treat the same, or interrelated medical symptoms, the reported weaker trends in the incidence of upper respiratory illness forced the Company to lower forward guidance. While management did hint on the February 7th quarterly conference call that a change in cough and cold trends could hamper sequential sales growth, former CFO **David Becker** provided reassurances that they "would still expect to produce significant year-over-year top-line growth during the March quarter." One month later, management sounded starkly less optimistic when they issued a fiscal third quarter year-over-year sales growth forecast of just 4% but, more importantly, a 32% sequential *decline*.[1] This is just one of a few examples where management was not able to deliver on certain objectives or promises.

The recent deceleration in sales illustrates why the Company's pipeline is an area of concern. Because of the overlap of its current products, the key to the Company's growth lies in its ability to broaden its offerings. Although Mucinex is now one of the top sellers in its category, its upside is limited due to the industry competitiveness and consumer loyalty to entrenched products such as Claritin. Two of the key products either under development or expected to hit the market, which have been a focal point of the Company's growth opportunities, are not only delayed, but might be cancelled altogether. On March 16th it was announced that the Phase II trials of erdosteine, a drug used to treat chronic bronchitis which the Company touted as a "multi-hundred million dollar opportunity", produced disappointing results. There is no longer confidence the drug will advance to Phase III trials.

Figure 1. ARXT Product Mix Through First Two Quarters of 2007. Source: ARXT SEC Filings.



[1] "Adams Respiratory Therapeutics Provides Revenue Outlook for Remainder of Fiscal 2007", PRNewswire-FirstCall, March 16, 2007. The information can also be found in an SEC 8-K filed on the same day.

The Company also seems to be back-peddling on the full launch of Humibid, which was forecasted to generate sales of $30 to $50 million. The Company has already launched one of the maximum strength variations, but the other two scheduled for release this year have stalled. When one analyst pressed the Company for more information during the April 4th Investor Day Meeting, Chief Operating Officer **Robert Casale** provided the following clarification:

> **The fate of -- we are doing a test with one retailer on Humibid right now. At the point when we are establishing the budget or when test is over, which is probably in the early part of next season, we'll make an evaluation on Humibid to determine whether we'll move forward with that or discontinue that proposition.**
>
> **Again, the support will be behind the [Mucinex] maximum strength product and we'll be evaluating the viability of the Humibid name. The Humibid strategy was to bring -- was to kind of to establish an Rx name that the pharmacists are familiar with. But, whether we continue with that effort again, remains to be seen. But, the support will be behind the Maximum Strength Mucinex franchise.**

One of the collateral problems with discontinuing the Humibid rollout is its effect on ARXT's gross margins. Humibid has one of the highest margins of all current products, compared to the Company's fastest growing product, Delsym, which has the lowest. Because of the shifting product mix, the overall gross margin has declined from 79.7% to 75.9% since Delsym was introduced three quarters ago. This figure is expected to fall as new products such as three lower margin nasal sprays are rolled out.

For those still not convinced Adams Respiratory has vulnerabilities, management's aggressive trading behavior should provide the needed confirmation. In a nutshell, insiders shed not only their pre-IPO holdings, but have monetized either the majority, or all, of their stock options as they became actionable. **As of April 17th there is not one Section 16 filing executive who holds even one share of common stock.** The hasty nature of their diversification actually began in December 2005, just five months after the July initial public offering. Even though a six month lock-up period restricted any selling through January 2006, insiders took advantage of a Company sponsored secondary offering to unload significant portions of their holdings after the issue soared more than 170% in its first few months on the market. The table below lists the percentages of ownership shed in the December 2005 offering. These figures are considerably larger than we are accustomed to seeing in lock-up expiration situations, and the fact this was carried out before the restricted period lapsed makes the sales even more egregious.

Executive	Position	% Ownership Sold Dec-2005 Offering
M. Valentino	President, CEO	32%
R. Casale	COO	81%
D. Becker	Former CFO *	40%

W. Riehemann	General Counsel	77%
J. Thievon	EVP – Sales	58%
H. Albrecht	SVP – R&D	96%

* CFO David Becker resigned on February 7, 2007

Despite their considerable profits from the secondary sales, insiders, unbeknownst to the investor community, took measures to extend their course of ownership diversification. In the period leading up to and just after the December offering, nearly every filing executive adopted a 10b5-1 personal sales plan. The Company opted not to disclose the existence of these plans until the actual sales were filed as early as March 2006, promptly after the expiration of the three month restricted period associated with the secondary. Within weeks nearly each executive had commenced his selling. Sales were consistently executed either weekly or quarterly throughout 2006 depending on the individual, and in many cases, under the cover of their respective plans, the participants monetized stock options immediately upon vesting. In order to continue their sales without interruption into 2007, each insider adopted another trading plan in the fourth quarter, with the exception of COO Casale, who entered into a new 10b5-1 on February 13th, just weeks before the Company issued the sales warning. This was also right around the same time CFO **David Becker** unexpectedly resigned to take a position at a private company.

As an example of the urgency with which they have sold, General Counsel **Walter Riehemann**, the executive with the most familiarity of Rule 10b5-1, sold on the very day he adopted his second plan in November. This is significant because most securities attorneys advise clients not to sell for 30 to 60 days after adopting a plan in order to minimize the risk of adverse publicity and also help combat any "good faith" challenge to the plan by the SEC. It is also a recommended “best practice” that insiders make only a small part of their holdings subject to Rule 10b5-1 instructions, which again, ARXT insiders have disregarded. The table below breaks down their ownership at the time of the July 2005 IPO, the number of options that have vested since the IPO, and their current actionable holdings, which includes exercisable stock options and common stock. Directors and Executive Officers owned 18.9% of the outstanding shares at the time of the IPO and now own just 5.2%, 92% of which is held by two individuals.

Executive	Actionable Holdings (IPO)	Options Vested Since IPO	Current Actionable Holdings	% of Ownership Sold Since IPO
M. Valentino	820,148	498,978	687,270	48%
R. Casale	34,814	53,317	21,187	76%
D. Becker *	109,284	56,150	0	100%
W. Riehemann	24,570	58,140	0	100%
J. Thievon	54,591	43,749	0	100%
H. Albrecht	0	55,140	16,571	70%

* CFO David Becker had already cleared out his position prior to his announced resignation

Another compelling aspect of the ARXT activity is the fact that insiders continued to trade under their sales plans *after* the Company issued the revenue warning on March 16th. Between April 2nd and April 25th five insiders, including President, CEO **Michael Valentino**, sold a total of 46,500 shares at prices as low as $33. Keep in mind insiders are permitted to terminate 10b5-1 plans if they do not feel they are getting value out of their shares and can adopt new plans at a later time. We have not seen any disclosure from the Company that any insider has cancelled his plan and it is evident from the continued selling at the lower levels that they did not establish minimum price floors low enough to prohibit selling into sustained price weakness. Again, this illustrates their eagerness to unwind their positions at any cost. A detailed account of the executive sales can be found below.

While the steady stream of insider sales has for the most part been overlooked, the activity of one of the Company's initial investors, **George Soros**, has received plenty of attention. Soros, whose fund owned 25% of the outstanding ARXT shares prior to the 2005 IPO, has gradually sold off his position at opportune times, including his last sale of 1.7 million shares in September 2006 before the issue lost 15% in less than a month. This past March, Soros planned to sell his remaining 1.2 million shares at prices nearly 20% off the YTD high in an offering led by Morgan Stanley. A prospectus was filed by the Company and expectant new shareholders were notified of their purchases, but days later Adams Respiratory issued its fateful press release regarding lowered guidance and the problems with the erdosteine trials and were forced to cancel the offering due to the now-inaccurate information provided in the prospectus. Buyers were saved from taking ownership of the shares before they lost 25% of their value on the news, while Soros was left holding his stock. Although some have questioned whether Soros was in possession of inside information, we find his willingness to unload his remaining position with the stock well off the highs to be more relevant.

- **Michael Valentino (52)** – President, Chief Executive Officer, Director. Valentino joined the Company in 2003 after holding pharmaceutical related jobs over the prior few years with Alpharma and Novartis. His trading history began in December 2005 when he sold one-third of his ownership in a secondary offering which opened the door for insiders to sell prior to the expiration of the July IPO's 180 day lock-up period. One week later he adopted a 10b5-1 trading plan and commenced selling shortly after the conclusion of the secondary offering's blackout period. Under his first plan, he sold 210,000 shares in 2006 and then adopted a second plan in November and has since sold 105,000 shares in 2007. **Since the IPO, Valentino has sold nearly 50% of his total ownership, which takes into account the 500,000 options that became actionable subsequent to the IPO.** We should add that ARXT traded at $42 when he adopted his current 10b5-1 plan and the sales have been executed at prices as low as $33. Valentino will have 125,000 options become actionable by year-end, although some are currently out of the money at the current market price (see Appendix A).

- **Robert Casale (48)** – Chief Operating Officer. Casale had been diversifying his ownership under a 10b5-1 plan since April 2006, methodically monetizing options immediately upon vesting each month. When his first plan neared its expiration, he adopted a new plan this past February and resumed his sales uninterrupted, only now at prices 20% off the YTD high. It appears he even increased his monthly dispositions under the new plan, having sold 2,000 shares per month through March and then selling 6,000 in April. In all, he has **shed 76% of his post-IPO holdings** and all indications point towards a continuation of the same behavior. He is currently on pace to monetize all of the 40,000 options that become actionable throughout 2007 (see Appendix A).

- **Walter Riehemann (40)** – Executive V.P., Chief Compliance Officer, General Counsel. No executive has shown an aversion to holding ARXT stock since the IPO more than head counsel Riehemann. Under two separate trading plans (adoption dates: 11/30/05 and 11/10/06) he has routinely monetized all stock options shortly after they become actionable and has been aggressive with his sales plans, especially in November 2006, when he cleared out the remainder of his ownership on the same day he adopted the plan. This year, he monetized the full 5,265 options two days after they vested on January 25th and **currently does not have any actionable options or common stock**. He will have 36,000 options become actionable in the third quarter (see Appendix A), which we anticipate he will quickly burn through under his existing 10b5-1.

- **John Thievon (38)** – Executive V.P., Sales and Business Development. Thievon is another executive who has abused Rule 10b5-1 by selling his entire position under the guise of routine plan trading. Since his first sale of 33,570 shares in the December 2005 secondary offering, Thievon has monetized all stock options that became actionable over the past year, including the 14,040 sold between January 29th and February 13th at declining prices from $44 to $40. Like Riehemann, **he holds no stock or vested options** and will not have any ownership until 29,000 options vest between July and October (see Appendix A).

- **Helmut Albrecht (51)** – Senior V.P., Research and Development. Since selling 96% of his holdings in the December 2005 secondary, Albrecht has been one of the more restrained executives. Under his first 10b5-1 plan adopted in November 2005, he sold a mere 4,000 shares in August 2006 at $45. His second plan, adopted in December 2006 is more interesting. On a monthly basis he has chipped away at his remaining ownership with 2,000 to 4,000 share sales, only each sale has occurred at successively lower prices from $42 to $37. We find it interesting that after the Company announced a setback with its phase II clinical trials of erdosteine, Albrecht, who is overseeing the research, continued to sell under his trading plan rather than terminate it. He has now **sold 70% of his post-IPO ownership** and at the current selling pace, will burn through the majority of his remaining ownership before 33,000 options vest between July and October (see Appendix A).

Steelcase, Inc. (NYSE: SCS)

It is becoming increasingly more difficult choosing who to believe with regard to the direction of the office furniture market. Managers of Steelcase and Knoll (NYSE: KNL) maintain their decidedly bullish posture. HNI Corp. (NYSE: HNI) executives were at a loss on their recent disappointing Q1 conference call, expressing their belief the industry has slowed, either temporarily or possibly for the longer term. Industry pioneer Herman Miller's (NASDAQ: MLHR) executives attempted to sound optimistic on their March conference call but investors saw through the braggadocio, trading MLHR shares down 12%. And the group with the least to gain, the Business and Institutional Furniture Manufacturers Association (BIFMA), released data showing a dramatic sequential drop in March domestic office furniture orders, prompting one reputable sell-side industry analyst to comment, "Month-to-month volatility aside, industry demand has unquestionably moderated over the past several months."[2] After taking a step back and digesting all the conflicting information and conjecture, it seems to us the most relevant signals come from executives at Steelcase and Knoll, who have publicly expressed bullish outlooks while dumping stock out the back door.

In all fairness, both SCS and KNL beat the consensus in their most recently reported quarters, thanks in part to expanding international sales. But the key issue is the domestic market and regardless of Knoll chief executive officer **Andrew Cogan's** assertion that "Knoll is firing on all cylinders", the Company forecasted a 6% to 10% sales increase for its Q2 after reporting 14% year-over-year growth in Q1. Steelcase's guidance for the current quarter was in the exact same range. When weighing the validity of Cogan's bullishness, consider he monetized 60% of his ownership earlier in the year with other top KNL execs who also shed large percentages of their ownership (see Insider Research Bulletin dated February 27, 2007). We should add here that insider selling has continued at Knoll and we will be issuing an update shortly.

Just as Knoll's top officer aggressively converted his ownership to cash, Steelcase president and chief executive **James Hackett** took definitive measures to curb his exposure to SCS shares. With roughly 20% of his ownership comprised of underwater derivative equity, Hackett began monetizing his profitable options in January and by April 11th erased 50% of his actionable ownership, leaving intact just common stock and one series of options that are priced close to market. For a venerable figurehead who has shown seemingly measured restraint with his profit taking over the years, this sudden turnabout is a good indication he does not quite subscribe to the mantra he peddles to the Street. And from the additional insiders who emulated Hackett's behavior, all signs suggest the Steelcase hierarchy is equally concerned about the future for SCS shares. It is important to recognize that although SCS has lingered near its high for the past three months, the issue is currently up only 5% over the past 52 weeks and trails the Dow by 10%. Knoll has traded roughly in line with the Dow over the same timeframe. Insiders at both firms were quick to take profits on the year-end rallies attributed to the few consecutive quarters of domestic office furniture growth, which we now strongly suspect has reversed course.

[2] "U.S. office furniture orders up 3 pct - trade group," Reuters, May 2, 2007.

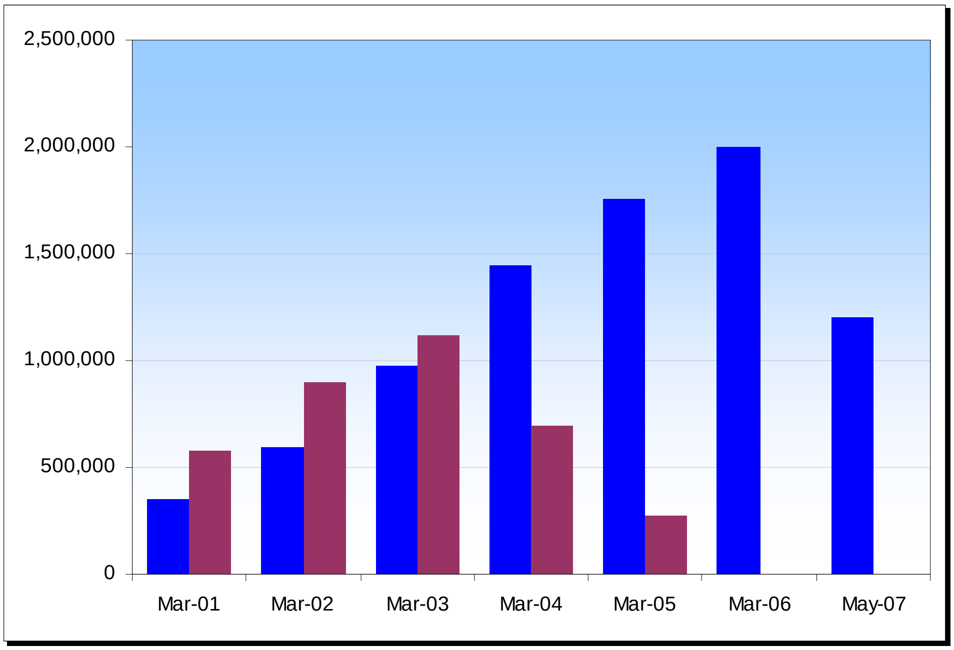
Figure 2. Relative Performance of the DJIA (Red), KNL (Blue) and SCS (Green) Since 05/01/06. Source: Reuters and 3DAdvisors, LLC.

This story hinges on more than just the large position reductions of CEO Hackett and division presidents **Frank Merlotti Jr**. and **Michael Love** who have sold 65% and 40% of their holdings, respectively. We became more convinced of the significance of their actions when we looked for the amount of stock options scheduled to vest downstream as we always do in evaluating the significance of current selling by executives. The answer: there are no options vesting downstream for these individuals. Back in 2003, the Compensation Committee discontinued the use of stock options in its executive compensation package, although it retains the ability to use them later. The last restricted stock to be awarded was in 2003. All of these have vested in full and none has been issued since.

The only stock-based awards now received by SCS executives come from a performance plan where the shares are granted after a three year period only if certain cash flow targets are attained. And the first of these delivered in March still do not vest in full for two years. At this time there are no execs who hold unvested stock options and the amount of restricted stock held is negligible. Figure 3 below shows the holdings of the Company's top five executives at the date of the annual proxy statement, which includes 375,000 out-of-the money options.

In addition to the selling executives, there were also a few board members and one involved beneficial owner who contributed to the 5.3 million shares sold year to date. The board is currently comprised of eleven members, six of whom are current or former employees and four of the six are related. Throw in Chairman Emeritus **Robert Pew II** and the relationships become even more entwined. Calculating the exact ownership of these individuals is complex because this group holds the majority of Class B stock and there is a convoluted assortment of co-trustee designations assigned to a number of family trusts. In other words, there is overlap of the same shares each reports as indirect ownership and the proxy statement is relatively useless for discerning the direct ownership. But here is what we do know with certainty: Directors (and first cousins) **Robert Pew III** and **Craig Welch, Jr.** each converted Class B shares and sold 200,000 and 215,748 shares, respectively, representing small fractions of their ownership. Their sales are quite meaningful because they have been infrequent sellers in the past ten years. They have made their sales count though, taking profits before significant volatility. Even more notable was the activity of another cousin, Director **William Crawford**.

Figure 3. Exercisable (Blue) and Unexercisable (Red) Stock Option Holdings of Steelcase Named Executives, 2001-2007. Source: SCS SEC Filings.



Crawford (64) held various positions at the Company from 1979 until his retirement in 2000, but has retained the board seat he has held since 1979. His 12.7 million share ownership position in January was the largest of any inside shareholder, controlling 14% of the Class B shares. Between 1999 and 2006 he spread out sales covering 1.8 million shares, but his most aggressive diversification occurred this year. On January 17th he sold 2.2 million shares back to the Company for $18.10 per share and then on April 25th sold back another 1.7 million shares to the Company for $19.20. **After funding a stock repurchase plan in October, Steelcase used 75% of the cash to buy back roughly one-third of Director Crawford's ownership**. Even though this fails our smell test it was, nevertheless, disclosed and was reported in SEC 8-Ks together with corporate press releases, though Crawford's name was not provided[3] [4].

[3] "Steelcase Inc. Announces Repurchase of 2.3 million shares of Class B Common Stock," PRNewswire-Firstcall, January 18, 2007. The information can also be found in an SEC 8-K filed on the same day.

[4] "Steelcase Inc. Announces Repurchase of 1,718,750 shares of Class B Common Stock," PRNewswire-Firstcall, April 25, 2007. The information can also be found in an SEC 8-K filed on the same day.

We would like to say that we are ahead of the curve in exposing the shifting sentiment in the office furniture marketplace, but the signs have been there for those paying attention. Executives at the biggest player in the industry (HNI) were candid about the softness they see in the channels and did not say it's a matter of "if", but "how long". Herman Miller forecasted 9% to 14% sales growth for its upcoming quarter, but when pressed, its chief executive said he *hopes they can get up to 9%.* While these two companies proved to be in touch, though in varying degrees, with the environment's current reality, investors should not take the bait dangled by KNL and SCS management, who continue to paint a rosy picture even as they liberate themselves from their ownership.

- **James Hackett (52)** – President, Chief Executive Officer. Hackett has been with Steelcase for more than 25 years, serving in his current role since 1994. The fact he never surfaced to take profits had always been encouraging, which is why his recent behavior is quite a revelation. After buying shares on the open market in the $12 range as recently as May 2004, Hackett cleared out three of his four vested, in-the-money options series between January 12th and April 11th, **effectively liquidating 50% of his actionable ownership**. None of the options exercised was nearing expiration (expiration dates: March 2009, March 2010 and March 2011) and carried strike prices between $10.50 and $14. It looks to us he gave up hope that he would get much more than $20 for his shares. His only remaining vested options carry strike prices of $16.45 and $28, which either leave them underwater or yielding narrow profit at the current market price. Not only are his vested options of little value, but he also does not have any unvested stock options, only 100,000 restricted shares, which will vest over the next two years (see Appendix B).

- **Frank Merlotti Jr. (57)** – President-Design Group. Another seasoned executive, Merlotti's first disposition occurred last May, when he sold 75,000 shares at the peak of $19, just before the issue reversed course and bottomed at a new low of $13. Prescient? Maybe, but his April 27th sale of another 75,000 shares at the same exit price of $19 leads us to believe he views this range as a ceiling. His two sales in the past twelve months, both involving options from his lone series with an expiration date in 2012, **erased nearly 65% of his ownership**. These trades have severely hampered his long-term profit taking opportunities since he has a total of only 12,000 restricted shares scheduled to become actionable by 2009 (see Appendix B).

- **Michael Love (59)** – President-Nurture by Steelcase. Love heads up the division that designs "environments" for the healthcare industry, a position he has held since May 2006 when his former division was realigned. On January 26th and April 17th he sold a total of 45,927 shares at $19 and $20, marking his first sales since registering as a Section 16 insider back in March 2000. Although the **sales shed 40% of his holdings**, our interest in Love stems more from his selection of options to monetize. With lower priced options at his disposal, he opted to cash in those with the highest strike price ($16.45) and outlying expiration date (March 2012). Our only presumption is that he had concerns these options were at risk of slipping underwater in the near term, closing any window for taking profits. Like the rest of the SCS executives, he does not hold any unvested stock options and will have just 12,000 restricted shares vest over the next two years (see Appendix B).

- **P. Craig Welch Jr. (62)** – Director. Like many of his board peers, Welch is a Steelcase lifer. He was an employee between 1967 and 1987 and has served on the board for nearly 30 years. At the start of the year, Welch beneficially owned 5 million shares, most of which is Class B stock and held in a variety of trusts for the benefit of him and his family. On April 3rd he sold 215,748 shares at $20 marking his largest sale on record. Obviously, the disposition had a negligible effect on his total ownership, but Welch has been very selective with his trading decisions over the years. In fact, his only prior sales occurred in late March, early April of 2002 in the $16.50 range just before the Company faced two consecutive quarters of declining sales and earnings. The issue lost 50% of its value by October.

Appendix A

Option and Restricted Stock Vesting Schedules for Selected Adams Respiratory Therapeutics, Inc. Insiders

Grant Date	Equity Type	Options/ Shares	Strike Price (Options)	First Vesting Date	Expiration Date (Options)	Remaining Options/Shares in Series	Unvested Options/Shares in Series	Vesting Dates of Remaining Restricted Shares/Options
Helmut Albrecht, Senior V.P.-Research and Development. Common stock holdings: 0 shares								
10/18/04	Options	122,850	$3.02	10/18/05	10/18/14	90,280	73,710	10/18/07, 10/18/08, 10/18/09
07/20/05	Options	30,000	$17.00	07/20/06	07/20/15	24,001	24,000	07/20/07, 07/20/08, 07/20/09, 07/20/10
08/14/06	Options	13,900	$42.96	08/14/07	08/14/16	13,900	13,900	08/14/07, 08/14/08, 08/14/09, 08/14/10, 08/14/11
Robert Casale, Chief Operating Officer. Common stock holdings: 0 shares								
02/27/04	Options	122,850	$1.42	04/01/04	02/27/14	57,960	47,093	2,047 vest each month through Apr. 2009
07/20/05	Options	51,600	$17.00	07/20/06	07/20/15	51,600	41,280	07/20/07, 07/20/08, 07/20/09, 07/20/10
08/14/06	Options	23,300	$42.96	08/14/07	08/14/16	23,300	23,300	08/14/07, 08/14/08, 08/14/09, 08/14/10, 08/14/11
Walter Riehemann, Executive V.P., General Counsel, Chief Compliance Officer. Common stock holdings: 0 shares								
09/22/03	Options	96,525	$0.40	09/22/04	09/19/13	38,610	38,610	09/22/07, 09/22/08
01/27/04	Options	26,325	$1.42	01/27/05	01/24/14	10,530	10,530	01/27/08, 01/27/09
07/20/05	Options	45,000	$17.00	07/20/06	07/20/15	36,001	36,000	07/20/07, 07/20/08, 07/20/09, 07/20/10
08/14/06	Options	15,100	$42.96	08/14/07	08/14/16	15,100	15,100	08/14/07, 08/14/08, 08/14/09, 08/14/10, 08/14/11
John Thievon, Executive V.P.-Sales and Business Development. Common stock holdings: 0 shares								
10/21/03	Options	15,795	$0.40	10/21/04	10/22/13	6,318	6,318	10/22/07, 10/22/08
01/24/04	Options	70,200	$1.42	01/27/05	01/24/14	28,080	28,080	01/27/08, 01/27/09
07/20/05	Options	45,000	$17.00	07/20/06	07/20/15	36,001	36,000	07/20/07, 07/20/08, 07/20/09, 07/20/10
08/14/06	Options	15,100	$42.96	08/14/07	08/14/16	15,100	15,100	08/14/07, 08/14/08, 08/14/09, 08/14/10, 08/14/11
Michael Valentino, President, Chief Executive Officer. Common stock holdings: 0 shares								
08/08/03	Options	1,366,731	$0.40	08/11/03	08/08/13	757,745	91,115	22,778 vest each month through Aug. 2007
07/20/05	Options	13,200	$17.00	07/20/06	07/20/15	103,200	82,560	07/20/07, 07/20/08, 07/20/09, 07/20/10
08/14/06	Options	66,500	$42.96	08/14/07	08/14/16	66,500	66,500	08/14/07, 08/14/08, 08/14/09, 08/14/10, 08/14/11
David Becker (Former) CFO. Common stock holdings: 0 shares								
01/24/04	Options	61,425	$1.42	01/27/05	01/24/14	24,570	24,570	01/27/08, 01/27/09
07/20/05	Options	51,600	$17.00	07/20/06	07/20/15	41,281	41,280	07/20/07, 07/20/08, 07/20/09, 07/20/10
08/14/06	Options	23,300	$42.96	08/14/07	08/14/16	23,300	23,300	08/14/07, 08/14/08, 08/14/09, 08/14/10, 08/14/11

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Donald Liebentritt, Director. Common stock holdings: 58,437 shares								
12/16/05	Options	4,000	$42.55	12/15/06	12/16/15	4,000	0	Fully Vested
12/15/16	Options	4,000	$40.85	12/15/07	12/15/16	4,000	4,000	12/15/07
William Pate, Director. Common stock holdings: 46,531 shares								
12/16/05	Options	4,000	$42.55	12/15/06	12/16/15	4,000	0	Fully Vested
12/15/16	Options	4,000	$40.85	12/15/07	12/15/16	4,000	4,000	12/15/07
Joan Neuscheler, Director. Common stock holdings: 1,040,320 shares								
12/16/05	Options	4,000	$42.55	12/15/06	12/16/15	4,000	0	Fully Vested
12/15/16	Options	4,000	$40.85	12/15/07	12/15/16	4,000	4,000	12/15/07

Appendix B

Option and Restricted Stock Vesting Schedules for Selected Steelcase, Inc. Insiders

Grant Date	Equity Type	Options/ Shares	Strike Price (Options)	First Vesting Date	Expiration Date (Options)	Remaining Options/Shares in Series	Unvested Options/Shares in Series	Vesting Dates of Remaining Restricted Shares/Options
James Hackett, President, Chief Executive Officer. Common stock holdings: 183,365 shares								
02/18/98	Options	300,000	$28.00	02/18/99	02/18/08	300,000	0	Fully Vested
03/20/02	Options	367,290	$16.45	03/20/03	03/20/12	367,290	0	Fully Vested
03/22/07	R. Stock	150,000	N/A	03/22/07	03/22/09	100,000	100,000	03/22/08, 03/22/09
Michael Love, President-Nurture by Steelcase. Common stock holdings: 4,608 shares								
03/24/99	Options	4,500	$13.93	03/24/00	03/24/09	4,500	0	Fully Vested
03/20/01	Options	53,333	$12.90	03/20/02	03/20/11	53,333	0	Fully Vested
03/20/02	Options	65,000	$16.45	03/20/03	03/20/12	40,000	0	Fully Vested
03/22/07	R. Stock	18,000	N/A	03/22/07	03/22/09	12,000	12,000	03/22/08, 03/22/09
James Keane, President-Steelcase Group. Common stock holdings: 23,484 shares								
02/18/98	Options	40,000	$28.00	02/18/99	02/18/08	40,000	0	Fully Vested
03/24/99	Options	20,000	$13.93	03/24/00	03/24/09	20,000	0	Fully Vested
03/21/00	Options	29,906	$10.50	03/21/01	03/21/10	29,906	0	Fully Vested
03/20/01	Options	55,466	$12.90	03/20/02	03/20/11	55,466	0	Fully Vested
03/20/02	Options	100,000	$16.45	03/20/03	03/20/12	100,000	0	Fully Vested
03/22/07	R. Stock	18,000	N/A	03/22/07	03/22/09	12,000	12,000	03/22/08, 03/22/09
Nancy Hickey, Senior V.P., Chief Administrative Officer. Common stock holdings: 8,182 shares								
02/18/98	Options	35,000	$28.00	02/18/99	02/18/08	35,000	0	Fully Vested
03/20/02	Options	85,620	$16.45	03/20/03	03/20/12	85,620	0	Fully Vested
03/22/07	R. Stock	10,500	N/A	03/22/07	03/22/09	7,000	7,000	03/22/08, 03/22/09
Frank Merlotti Jr., President-Design Group. Common stock holdings: 30,625 shares								
09/30/02	Options	200,000	$10.80	09/30/03	09/30/12	50,000	0	Fully Vested
03/22/07	R. Stock	18,000	N/A	03/22/07	03/22/09	12,000	12,000	03/22/08, 03/22/09