



## La-Z-Boy Announces Plant Restructuring Plans

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MONROE, Mich., April 25 /PRNewswire/ -- La-Z-Boy Incorporated (NYSE: LZB; PCX) today provided details on the restructuring of its manufacturing facilities which had been previously announced on April 19.

La-Z-Boy will close the Marion, Virginia, plant of its Lea Industries division and the Selma, Alabama Pilliod facility. The closure of these two plants will allow the company to consolidate the production into other company facilities without interrupting the supply of product to customers.

La-Z-Boy will also eliminate the manufacturing of La-Z-Boy Contract furniture at its Lincolnton, North Carolina facility and will outsource some contract product lines in order to focus on the company's core strength in office and commercial seating products.

As a result of these decisions, approximately 310 jobs will be eliminated over the next six months as these actions are phased in. As announced last week, the company will take a charge of \$0.11 per diluted share for these restructuring efforts.

La-Z-Boy Incorporated President and Chief Operating Officer Jerry Kiser said, "These actions will allow us to rationalize our production capacity and achieve more efficient utilization. Our Contract furniture division is re- focusing its manufacturing and marketing strategy and placing greater emphasis on its historical strength in office and commercial seating. At the same time, the Contract division is announcing a new partnership for the manufacture and service of its RJ Plus line of modular casegoods products, and will also continue manufacturing its Myriad Collection of small and home office casegoods." Additionally, he stated, "The Lincolnton facility will continue to manufacture a broad range of upholstered furniture for the company's La-Z-Boy Residential division. These changes will significantly benefit La-Z-Boy's long-term profitability."

### La-Z-Boy Background Information

With annual sales in excess of \$2 billion, La-Z-Boy Incorporated is one of the world's largest residential furniture producers, employing more than 20,000 people company wide and operating 55 manufacturing facilities in ten states and four foreign countries. The La-Z-Boy Incorporated family of companies -- Alexvale, American Drew, Bauhaus, Centurion, Clayton Marcus, England, Hammary, HickoryMark, Kincaid, La-Z-Boy, La-Z-Boy Contract Furniture Group, Lea, Pennsylvania House, Pilliod and Sam Moore -- produces furniture for every room of the home and office. And, under the American of Martinsville brand name, La-Z-Boy is also a leading manufacturer of contract room furniture for the hospitality and assisted-living markets.

La-Z-Boy Incorporated's vast distribution network of proprietary retailers, which includes 290 La-Z-Boy Furniture Galleries(R) and 319 La-Z-Boy In-Store Gallerys, in-store gallery programs at Kincaid, Pennsylvania House and Clayton Marcus, England's Custom Comfort Centers and Lea's Kid's Generation displays, contains over 9 million square feet of retail floor space dedicated exclusively to selling La-Z-Boy products. According to industry trade publication Furniture/Today, the La-Z-Boy Furniture Galleries retail network by itself represents the industry's sixth largest U.S. furniture retailer. La-Z-Boy's stock is traded on the New York and Pacific stock exchanges under the trading symbol: LZB. Additional information on the company is available at [www.la-z-boy.com](http://www.la-z-boy.com) .

### Forward-looking Information

Any forward-looking statements contained in this report represent management's current expectations, based on present information and current assumptions. Actual results could differ materially from those anticipated or projected due to a number of factors. These factors include, but are not limited to, anticipated sales growth, success of new products, interest rate fluctuations, changes in consumer confidence or demand and other risks and factors identified from time to time in the company's reports filed with the Securities and Exchange Commission. The company undertakes no obligation to update or revise any forward-looking statements, either to reflect new developments, or for any other reason.

### Additional Information

This news release is just one part of La-Z-Boy's financial disclosures and should be read in conjunction with other information filed with the Securities and Exchange Commission, including the company's most recent Form 10-Q report. That Form 10-Q, containing the latest quarter's income statement, balance sheet, cash flow statement, segment information and additional management discussion and analysis of the financial results, is available at [www.la-z-boy.com](http://www.la-z-boy.com) . SOURCE La-Z-Boy Incorporated

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