SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

Current Report Pursuant
to Section 13 or 15(d) of the
Securities Exchange Act of 1934

May 30, 1996
(Date of Report (Date of Earliest Event Reported))

LA-Z-BOY CHAIR COMPANY
(Exact Name of Registrant as Specified in Its Charter)

Michigan
(State or Other Jurisdiction of Incorporation)

1-9656
(Commission File Number)

38-0751137
(I.R.S. Employer Identification No.)

1284 N. Telegraph Road
Monroe, Michigan 48162
(Address of Principal Executive Offices, Including Zip Code)

(313) 242-1444
(Registrant's Telephone Number, Including Area Code)

[not applicable]
(Former Name or Former Address If Changed Since Last Report

Item 5. Other Events

Exhibit Number	Description
(27)	Financial Data Schedule (EDGAR only)
(99)(a)	News Release and Financial Information Release
(99)(b)	Annual Report Financial Section

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

LA-Z-BOY-CHAIR COMPANY

Date: May 30, 1996

James J. Korsnack
Corporate Controller

5
1,000
APR-27-1996
APR-27-1996
12-MOS
27,060
0
206,430
0
79,192
337,101
265,438
149,239
517,546
96,518
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947,263
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705,379
174,376
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5,306
66,200
26,947
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39,253
2.12
2.12
Receivables are reported net of allowances for doubtful accounts on the
Statement of Financial Position.

News Release

STRONGER SALES AND EARNINGS FOR LA-Z-BOY

MONROE, MI., May 30, 1996: For its 1996 fiscal fourth quarter and year ended April 27, 1996, La-Z-Boy Chair Company continued to improve its sales and profits compared to last year. Fourth quarter sales rose 14% and net income increased 10%. For the year, sales were up 11% and net income was up 8%.

Financial Details:

1996 Fourth Quarter sales were $267 million vs. last year's $234 million, an increase of 14%. Comparable sales--after including England/Corsair's sales on a pro forma basis in last year's sales, increased 2%. England/Corsair was acquired at the beginning of fiscal 1996 and is a separate operating division. Fourth quarter net income rose 10% to $14.0 million vs. last year's $12.7 million. Net income per share increased to $0.76 vs. $0.71 last year.

1996 full year sales were $947 million vs. last year's $850 million, an increase of 11%. Comparable sales (including England/Corsair) were about 1% less than last year's level. Net income was up 8% to $39.3 million vs. last year's $36.3 million. Net income per share increased 5% to $2.12 from $2.01 last year.

Chairman Comments:

La-Z-Boy Chairman and President Charles T. Knabusch said, "We finished our 1996 fiscal year with record sales overall, and comparable sales up 2% from last year's strong fourth quarter. This was a marked improvement from the third quarter in which comparable sales declined 4%.

"On the profit side, we showed a 10% gain over last year's strong fourth quarter, and finished the year with record earnings of $2.12 per share.

"At the recent international home furnishings trade show in High Point, N.C., La-Z-Boy's Hammary and Kincaid divisions successfully launched an extensive new product group they developed in a exclusive arrangement with Ducks Unlimited, a national conservation and wildlife organization. Our newest TV advertising campaign also is being acclaimed for featuring wildlife in the form of two playful raccoons. And, from its start in early 1995, our national TV advertising has generated some 400,000 responses from American consumers."

A continuing upgrading of Residential Division Showcase Shoppes to larger, more comprehensive La-Z-Boy Furniture Galleries stores, plus the opening of new Furniture Galleries in the key market areas is equipping La-Z-Boy with one of the residential furniture industry's most powerful proprietary distribution networks. The company's first overseas Furniture Galleries store is scheduled to open this fall.

More:

The rate of incoming sales orders in recent weeks has been above the rate for the similar period last year. Sales backlogs generally are lower, due in part to La-Z-Boy's success in filling sales orders more promptly.

La-Z-Boy's Form 8-K filed with the SEC (and available on EDGAR) includes a full income statement, balance sheet, cash flow statement, additional management discussion and financial sections of the annual report.

NYSE & PSE: LZB   Contact: Jim Korsnack (313) 241-4208

CONSOLIDATED STATEMENT OF INCOME

(Amounts in thousands, except per share data)

FOURTH QUARTER ENDED (UNAUDITED)				
Amounts			Percent of Sales	
Apr. 27, 1996 (13 weeks)	Apr. 29, 1995 (13 weeks)	% Over (Under)	1996	1995

Sales	$266,832	$234,484	14%	100.0%	100.0%
Cost of sales	194,755	170,985	14%	73.0%	72.9%
Gross profit	72,077	63,499	14%	27.0%	27.1%
S, G & A	48,751	42,364	15%	18.3%	18.1%
Operating profit	23,326	21,135	10%	8.7%	9.0%
Interest expense	1,188	879	35%	0.4%	0.4%
Interest Income	645	626	3%	0.2%	0.3%
Other income	736	526	40%	0.3%	0.2%
Pretax income	23,519	21,408	10%	8.8%	9.1%
Income taxes	9,481	8,675	9%	40.3%*	40.5%*
Net income	$14,038	$12,733	10%	5.3%	5.4%
Average shares	18,457	17,927	3%		
Net income per share	$0.76	$0.71	7%		
Dividends per share	$0.19	$0.17	12%		

TWELVE MONTHS ENDED (AUDITED)

	Amounts			Percent of Sales	
	Apr. 27, 1996 (52 weeks)	Apr. 29, 1995 (52 weeks)	% Over (Under)	1996	1995
Sales	$947,263	$850,271	11%*	100.0%	100.0%
Cost of sales	705,379	629,222	12%	74.5%	74.0%
Gross profit	241,884	221,049	9%	25.5%	26.0%
S,G & A	174,376	158,551	10%	18.4%	18.6%
Operating profit	67,508	62,498	8%	7.1%	7.4%
Interest expense	5,306	3,334	59%	0.6%	0.4%
Interest Income	1,975	1,628	21%	0.2%	0.2%
Other income	2,023	1,229	65%	0.3%	0.1%
Pretax income	66,200	62,021	7%	7.0%	7.3%
Income taxes	26,947	25,719	5%	40.7%*	41.5%*
Net income	$39,253	$36,302	8%	4.1%	4.3%
Average shares	18,498	18,044	3%		
Net income per share	$2.12	$2.01	5%		
Dividends per share	$0.74	$0.68	9%		

* As a percent of pretax income, not sales.

England/Corsair was included in the fourth quarter and twelve months ended April 27, 1996 results, but not in the fourth quarter and twelve months ended April 29, 1995 results.

CONSOLIDATED BALANCE SHEET 5/30/96

(Dollars in thousands)

Audited		Increase (Decrease)	
Apr. 27, 1996	Apr. 29, 1995	Dollars	Percent

Current assets				
Cash & equivalents	$27,060	$27,048	12	0%
Receivables	206,430	192,938	13,492	7%
Inventories				
Raw materials	37,274	39,604	(2,330)	-6%
Work-in-process	35,241	35,036	205	1%
Finished goods	28,333	29,051	(718)	-2%
FIFO inventories	100,848	103,691	(2,843)	-3%
Excess of FIFO over LIFO	(21,656)	(22,600)	944	4%
Total inventories	79,192	81,091	(1,899)	-2%
Deferred income taxes	19,271	18,242	1,029	6%
Other current assets	5,148	6,081	(933)	-15%
Total current assets	337,101	325,400	11,701	4%
Property, plant & equipment	116,199	117,175	(976)	-1%
Goodwill	40,359	41,701	(1,342)	-3%
Other long-term assets	23,887	19,542	4,345	22%
Total assets	$517,546	$503,818	$13,728	3%

	Audited		Increase (Decrease)	
	Apr. 27, 1996	Apr. 29, 1995	Dollars	Percent
Current liabilities				
Current portion-l/t debt	$5,625	$4,676	$949	20%
Current portion-cap. leases	2,114	2,078	36	2%
Accounts payable	30,997	29,323	1,674	6%
Payroll/Other Comp.	34,609	31,845	2,764	9%
Estimated income taxes	5,572	4,855	717	15%
Other current liabilities	17,601	15,343	2,258	15%
Total current liabilities	96,518	88,120	8,398	10%
Long-term debt	57,075	71,149	(14,074)	-20%
Capital leases	4,219	5,298	(1,079)	-20%
Deferred income taxes	6,663	6,610	53	1%
Other long-term liabilities	9,695	9,001	694	8%
Shareholders' equity				
18,385,041 shares, $1.00 par	18,385	18,562	(177)	-1%
Capital in excess of par	28,016	28,085	(69)	0%
Retained earnings	297,750	277,738	20,012	7%
Currency translation	(775)	(745)	(30)	-4%
Total shareholders' equity	343,376	323,640	19,736	6%
Total liabilities and shareholders' equity	$517,546	$503,818	$13,728	3%

Overall:

Refer to today's press release for additional information.

Gross Profit:

The fourth quarter gross profit of 27.0% of sales was slightly lower than last years' 27.1% of sales. The decline was primarily due to the inclusion of the historically lower gross profit of England/Corsair (E/C). The E/C effect was partially offset by the favorable effect of the sales growth in the quarter exceeding the twelve month growth rate.

S, G and A:

- -----------

The S, G & A as a percent of sales of 18.3% in the fourth quarter was up from 18.1% last year. In the previous quarters, S, G & A as a percent of sales had been lower than the prior year due to the inclusion of E/C which has historically incurred lower S, G & A expense. In the fourth quarter, a one-time year-to-date reclassification of expense occurred increasing S, G & A by 0.4 points as a percent of sales. The offset was to sales. In addition, a one-time amortization adjustment increased S, G & A by 0.3 points as a percent of sales.

Other Income:

- -------------

Other income in the fourth quarter exceeded last year largely due to gains on the sale of some assets of the health-care trust fund.

Receivables:

- ------------

At the end of the fourth quarter, receivables were up 7% from the prior year on a 2% increase in comparable fourth quarter sales. The Company attributes this growth in receivables to the past year's uncertain economic climate, to some extended terms offered last winter, and to some temporary slowdowns in payments.

Inventories:

- ------------

The raw materials inventories at the end of the fourth quarter were 6% lower than the prior year. Lumber, leather and fabric inventories were down from last year. In addition , the leather and fabric inventories declined in the fourth quarter from the end of the third quarter as expected.

Financial Report

Report of Management Responsibilities

La-Z-Boy Chair Company

The management of La-Z-Boy Chair Company is responsible for the preparation of the accompanying consolidated financial statements, related financial data, and all other information included in the following pages. The financial statements have been prepared in accordance with generally accepted accounting principles and include amounts based on management's estimates and judgements where appropriate.

Management is further responsible for maintaining the adequacy and effectiveness of established internal controls. These controls provide reasonable assurance that the assets of La-Z-Boy Chair Company are safeguarded and that transactions are executed in accordance with management's authorization and are recorded properly for the preparation of financial statements. The internal control system is supported by written policies and procedures, the careful selection and training of qualified personnel, and a program of internal auditing.

The accompanying report of the Company's independent accountants states their opinion on the Company's financial statements, based on examinations conducted in accordance with generally accepted auditing standards. The Board of Directors, through its Audit Committee composed exclusively of outside directors, is responsible for reviewing and monitoring the financial state-statements and accounting practices. The Audit Committee meets periodically with the internal auditors, management, and the independent accountants to ensure that each is meeting its responsibilities. The Audit Committee and the independent accountants have free access to each other with or without management being present.

Charles T. Knabusch
Chief Executive Officer

Frederick H. Jackson
Chief Financial Officer

Report of Independent Accountants

Price Waterhouse LLP

To the Board of Directors and Shareholders of La-Z-Boy Chair Company:

In our opinion, the accompanying consolidated balance sheet and the related consolidated statements of income, of cash flows and of changes in shareholders' equity, present fairly, in all material respects, the financial position of La-Z-Boy Chair Company and its subsidiaries at April 27, 1996 and April 29, 1995, and the results of their operations and their cash flows for each of the three fiscal years in the period ended April 27, 1996, in conformity with generally accepted accounting principles. These financial statements are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits of these statements in accordance with generally accepted auditing standards which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for the opinion expressed above.

As discussed in Note 10 to the Consolidated Financial Statements, on April 25, 1993, the Company changed its method of accounting for income taxes.

Price Waterhouse LLP
Toledo, Ohio
May 30, 1996

Consolidated Balance Sheet

(Amounts in thousands, except par value)

As of	April 27, 1996	April 29, 1995
Assets		
Current assets		
Cash and equivalents	$27,060	$27,048
Receivables, less allowances of $15,253 in 1996 and $16,092 in 1995	206,430	192,938
Inventories		
Raw materials	37,274	39,604
Work-in-process	35,241	35,036
Finished goods	28,333	29,051
FIFO inventories	100,848	103,691
Excess of FIFO over LIFO	(21,656)	(22,600)
Total inventories	79,192	81,091
Deferred income taxes	19,271	18,242
Other current assets	5,148	6,081
Total current assets	337,101	325,400
Property, plant and equipment, net	116,199	117,175
Goodwill, less accumulated amortization of $8,087 in 1996 and $6,463 in 1995	40,359	41,701
Other long-term assets, less allowances of $2,780 in 1996 and $1,737 in 1995	23,887	19,542
Total assets	$517,546	$503,818
Liabilities and Shareholders' Equity		
Current liabilities		
Current portion of long-term debt	$5,625	$4,676
Current portion of capital leases	2,114	2,078
Accounts payable	30,997	29,323
Payroll/other compensation	34,609	31,845
Estimated income taxes	5,572	4,855
Other current liabilities	17,601	15,343
Total current liabilities	96,518	88,120
Long-term debt	57,075	71,149
Capital leases	4,219	5,298
Deferred income taxes	6,663	6,610
Other long-term liabilities	9,695	9,001
Shareholders' equity		
Preferred shares - 5,000 authorized; 0 issued	--	--
Common shares, $1 par value - 40,000 authorized; 18,385 issued in 1996 and 18,562 in 1995	18,385	18,562
Capital in excess of par value	28,016	28,085
Retained earnings	297,750	277,738
Currency translation adjustments	(775)	(745)
Total shareholders' equity	343,376	323,640
Total liabilities and shareholders' equity	$517,546	$503,818

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

Consolidated Statement of Income

(Amounts in thousands, except per share data)

Year Ended	April 27,	April 29,	April 30,

	1996 (52 weeks)	1995 (52 weeks)	1994 (53 weeks)
Sales	$947,263	$850,271	$804,898
Cost of sales	705,379	629,222	593,890
Gross profit	241,884	221,049	211,008
Selling, general and administrative	174,376	158,551	151,756
Operating profit	67,508	62,498	59,252
Interest expense	5,306	3,334	2,822
Interest income	1,975	1,628	1,076
Other income	2,023	1,229	649
Income before income tax expense	66,200	62,021	58,155
Income tax expense			
Federal - current	23,383	22,716	19,719
- deferred	(818)	(1,205)	(445)
State - current	4,540	4,177	4,283
- deferred	(158)	31	(119)
Total tax expense	26,947	25,719	23,438
Net income before accounting change	39,253	36,302	34,717
Accounting change	--	--	3,352
Net income	$39,253	$36,302	$38,069
Weighted average shares	18,498	18,044	18,268
Net income per share before accounting change	$2.12	$2.01	$1.90
Accounting change	--	--	.18
Net income per share	$2.12	$2.01	$2.08

The year ended April 27, 1996 includes England/Corsair. The previous two years do not include England/Corsair.

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

Consolidated Statement of Cash Flows

(Amounts in thousands)

Year Ended	April 27, 1996 (52 weeks)	April 29, 1995 (52 weeks)	April 30, 1994 (53 weeks)
Cash flows from operating activities:			
Net income	$39,253	$36,302	$38,069
Adjustments to reconcile net income to net cash provided by operating activities:			
Accounting change	--	--	(3,352)
Depreciation and amortization	20,147	15,156	14,014
Change in receivables	(13,492)	(6,013)	(13,165)
Change in inventories	1,899	(4,142)	(6,749)
Change in other assets and liab.	5,184	1,624	(168)
Change in deferred taxes	(975)	(2,619)	(564)
Total adjustments	12,763	4,006	(9,984)
Cash provided by operating activities	52,016	40,308	28,085
Cash flows from investing activities:			
Proceeds from disposals of assets	1,063	1,442	177
Capital expenditures	(18,168)	(18,980)	(17,485)
Acquisition of operating division, net of cash acquired	--	(2,486)	--

Change in other investments............	(1,229)	(254)	(2,981)
Cash used for investing activities	(18,334)	(20,278)	(20,289)
Cash flows from financing activities:			
Short-term debt........................	--	261	727
Long-term debt.........................	--	7,500	--
Retirements of debt....................	(13,125)	(5,011)	(1,269)
Capital leases.........................	1,161	--	--
Capital lease principal payments	(2,204)	--	--
Sale of stock under stock option plans..	2,876	1,834	1,850
Stock for 401(k) employee plans.........	1,378	1,521	2,952
Purchase of La-Z-Boy stock..............	(10,035)	(12,722)	(2,928)
Payment of cash dividends...............	(13,706)	(12,286)	(11,692)
Cash used for financing activities	(33,655)	(18,953)	(10,360)
Effect of exchange rate changes on cash...	(15)	45	(318)
Net change in cash and equivalents........	12	1,122	(2,882)
Cash and equiv. at beginning of the year..	27,048	25,926	28,808
Cash and equiv. at end of the year........	$27,060	$27,048	$25,926
Cash paid during the year - Income taxes..	$27,024	$28,010	$29,116
- Interest......	$5,408	$3,281	$2,675

For purposes of the Statement of Cash Flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

Statement of Changes in Shareholders' Equity

(Amounts in thousands)

	Common Shares	Capital in Excess of Par Value	Retained Earnings	Currency Translation Adjustments	Total
At April 24, 1993..	$18,195	$8,494	$236,842	($145)	$263,386
Purchases of La-Z-Boy stock..	(91)		(2,837)		(2,928)
Currency translation.........				(726)	(726)
Stock options/401(k).........	183	1,653	2,966		4,802
Dividends paid...............			(11,692)		(11,692)
Net income...................			38,069		38,069
At April 30, 1994..	18,287	10,147	263,348	(871)	290,911
Purchases of La-Z-Boy stock..	(529)		(12,243)		(12,772)
Currency translation.........				126	126
Stock options/401(k).........	137	601	2,617		3,355
Acquisition of operating division...................	667	17,337			18,004
Dividends paid...............			(12,286)		(12,286)
Net income...................			36,302		36,302
At April 29, 1995..	18,562	28,085	277,738	(745)	323,640
Purchases of La-Z-Boy stock..	(372)		(9,663)		(10,035)
Currency translation.........				(30)	(30)
Stock options/401(k).........	195	(69)	4,128		4,254
Dividends paid...............			(13,706)		(13,706)
Net income...................			39,253		39,253
At April 27, 1996..	$18,385	$28,016	$297,750	($775)	$343,376

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

Notes to Consolidated Financial Statements

Note 1: Accounting Policies

The Company operates primarily in the U.S. furniture industry. The following is a summary of significant accounting policies followed in the preparation of these financial statements.

Principles of Consolidation

The consolidated financial statements include the accounts of La-Z-Boy Chair Company and its wholly owned subsidiaries. All significant intercompany transactions have been eliminated.

Risks And Uncertainties

The consolidated financial statements are prepared in conformity with generally accepted accounting principles, which require management to make estimates and assumptions that affect the reported amounts of assets, liabilities, sales and expenses for the reporting periods. Actual results could differ from those estimates.

Inventories

Inventories are valued at the lower of cost or market. Cost is determined on the last-in, first-out (LIFO) basis.

Property, Plant and Equipment

Items capitalized, including significant betterments to existing facilities, are recorded at cost. Depreciation is computed using primarily accelerated methods over the estimated useful lives of the assets.

In March 1995, the Financial Accounting Standards Board issued SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of." This statement was adopted in 1996 and had no effect.

Goodwill

The excess of the cost of operating companies acquired over the value of their net assets is amortized on a straight-line basis over 30 years from the date of acquisition.

Revenue Recognition

Revenue is recognized upon shipment of product.

Income Taxes

Income tax expense is provided on all revenue and expense items included in the consolidated statement of income, regardless of the period such items are recognized for income tax purposes. In fiscal 1994, the Company changed its method of accounting for income taxes (see Note 10).

Note 2: Acquisitions

On April 29, 1995, the Company acquired all of the capital stock of England/Corsair, Inc., a manufacturer of upholstered furniture. The Company paid $2.6 million in cash, $10.0 million in notes and $18.0 million common sock, which resulted in goodwill approximating $21.8 million. The notes and stock issued do not appear on the Consolidated Statement of Cash Flows.

The acquisition has been accounted for as a purchase and, accordingly, assets and liabilities but not results of operations were included in the Company's financial statements for the year ended April 29, 1995.

For the twelve months ended April 1995, England/Corsair sales were $103.2 million, and income before income tax expense was $3.9 million.

Note 3: Cash and Equivalents

(Amounts in thousands)

	April 27, 1996	April 29, 1995
Cash in bank..........................	$7,060	$8,048
Certificates of deposit...............	20,000	19,000
Total cash and equivalents...........	$27,060	$27,048

The Company invests in certificates of deposit with a bank whose board of directors includes three members of the Company's board of directors. At the end of 1996 and 1995, $16 million and $13 million, respectively, was invested in this bank's certificates.

Note 4: Property, Plant and Equipment

(Amounts in thousands)

	Estimated Life(years)	Depreciation Method	April 27, 1996	April 29, 1995
Land and land improvements......	0-20	150% DB	$ 10,753	$ 10,559
Buildings and building fixtures.	15-30	150% DB	108,120	105,996
Machinery and equipment.........	10	200% DB	99,869	93,796
Information systems.............	5	200% DB	15,141	12,571
Transportation equipment........	5	SL	16,680	16,533
Other...........................	3-10	Various	14,875	12,330
			265,438	251,785
Less: accumulated depreciation.......			149,239	134,610
Property, plant and equipment, net..			$116,199	$117,175

DB = Declining Balance   SL = Straight Line

Note 5: Debt and Capital Lease Obligations

(Dollar amounts in thousands)

	Interest rates	Maturities	April 27, 1996	April 29, 1995
Credit lines.............	5.7%	1998-02	$15,000	$17,824
Private placement.........	8.8%	1996-01	7,500	11,250
La-Z-Boy notes............	8.0%	1996-99	7,476	9,969
Industrial revenue bonds..	3.8%-4.5%	1997-15	31,870	31,870
Other debt................	5.0%-7.0%	1996-02	854	4,912
Total debt.................................			$62,700	$75,825
Less: current portion......................			5,625	4,676
Long-term debt.............................			$57,075	$71,149
Weighted average interest			5.5%	6.4%
Fair value of long-term debt			$62,931	$76,267

The Company has a $50 million unsecured revolving credit line (Credit Agreement) through August 1999, requiring interest only payments through August 1999 and requiring principal payment in August 1999. The Credit Agreement also includes covenants that, among other things, require the Company to maintain certain financial statement ratios. The Company has complied with all of the requirements.

Proceeds from industrial revenue bonds were used to finance the construction of manufacturing facilities. These arrangements require the Company to insure and maintain the facilities and make annual payments that include interest. The bonds are secured by the facilities constructed from the bond proceeds.

The Company leases equipment (primarily trucks used as transportation equipment) under capital leases expiring at various dates through fiscal year 2001. The majority of the leases include bargain purchase options.

Maturities of debt and lease obligations for the five years subsequent to

April 27, 1996 are $6 million, $5 million, $6 million, $17 million and $1 million, respectively. As of April 27,1996, the Company had remaining unused lines of credit and commitments of $63 million under several credit arrangements.

Note 6: Financial Guarantees

La-Z-Boy has provided financial guarantees relating to loans and leases in connection with some proprietary stores. The amounts of the unsecured guarantees are shown in the following table. Because almost all guarantees are expected to retire without being funded in whole, the contract amounts are not estimates of future cash flows.

(Amounts in thousands)

	April 27, 1996 Contract Amount	April 29, 1995 Contract Amount
Lease Guarantees........................	$4,403	$3,928
Loan Guarantees.........................	$16,713	$16,057

Most guarantees require periodic payments to La-Z-Boy in exchange for the guarantee. Terms of current guarantees generally range from one to five years.

The guarantees have off-balance-sheet credit risk because only the periodic payments and accruals for possible losses are recognized in the Consolidated Balance Sheet until the guarantee expires. Credit risk represents the accounting loss that would be recognized at the reporting date if counter-parties failed to perform completely as contracted. The credit risk amounts are equal to the contractual amounts, assuming that the amounts are fully advanced and that no amounts could be recovered from other parties.

Note 7: Stock Option Plans

The Company's shareholders adopted an employee stock option plan that provides grants to certain employees to purchase common shares of the Company at not less than their fair market value at the date of grant. Options are for five years and become exercisable at 25% per year beginning one year from date of grant. The Company is authorized to grant options for up to 1,600,000 common shares.

	Number of shares	Per share option price
Outstanding at April 30, 1994....	489,974	$14.13 - $29.63
Granted.......................	109,412	$27.00
Exercised.....................	(73,759)	$14.13 - $29.63
Expired or cancelled...........	(40,927)	
Outstanding at April 29, 1995....	484,700	$14.13 - $29.63
Granted.......................	140,245	$30.50
Exercised.....................	(87,917)	$14.13 - $29.63
Expired or cancelled...........	(4,478)	
Outstanding at April 27, 1996....	532,550	$20.00 - $30.50
Exercisable at April 29, 1995....	224,897	
Shares available for grants at April 27, 1996................	673,473	

The Company's shareholders have adopted Restricted Share Plans. Under one plan, the Compensation Committee of the Board of Directors was authorized to offer for sale up to an aggregate of 600,000 common shares to certain employees. Under a second plan, up to an aggregate of 50,000 common shares were authorized for sale to non-employee directors. These shares are offered at 25% of the fair market value. The plans require that all shares be held in an escrow account for a period of three years in the case of an employee, or until the participant's service as a director ceases in the case of a director. In the event of an employee's termination during the escrow period, the shares must be sold back to the Company at the employee's cost.

Shares aggregating 12,300 and 11,330 were granted and issued during the fiscal years 1996 and 1995, respectively, under the Restricted Share Plans. Shares remaining for future grants under the above plans amounted to 418,445 at April 27, 1996.

The Company's shareholders have also adopted a Performance-Based Restricted Stock Plan. This plan authorizes the Compensation Committee of the Board of Directors to award up to an aggregate of 400,000 shares to key employees. Grants of shares are based entirely on achievement of goals over a three-year performance period. Any award made under the plan will be at the sole discretion of the Committee after judging all relevant factors. At April 27, 1996, performance awards were outstanding pursuant to which up to approximately 130,000 shares may be issued in fiscal years 1997 through 1999 for the four outstanding plans, depending on the extent to which certain specified performance objectives are met. The costs of performance awards are expensed over the performance period. In 1996, 47,000 shares were exersiced.

In October 1995, the Financial Accounting Standards Board issued SFAS 123, "Accounting for Stock Based Compensation," which is effective for 1997. Under SFAS 123, companies can elect, but are not required, to recognize compensation expense for all stock-based awards, using a fair value methodology. The company expects to implement in 1997 the disclosure only provisions, as permitted by SFAS 123.

Note 8: Retirement

The Company has contributory and non-contributory retirement plans covering substantially all factory employees.

Eligible salaried employees are covered under a trusteed profit sharing retirement plan. Cash contributions to a trust are made annually based on profits.

The Company has established a non-qualified deferred compensation plan for eligible highly compensated employees called a SERP (Supplemental Executive Retirement Plan).

The Company offers voluntary 401(k) retirement plans to eligible employees within all U.S. operating divisions. Currently over 60% of eligible employees are participating in the plans. The Company makes matching contributions based on a specific formula. For most divisions this match is made in La-Z-Boy stock.

The Company maintains a defined benefit pension plan for all eligible factory hourly employees. The actuarially determined net periodic pension cost and retirement costs are computed as follows (for the years ended):

(Amounts in thousands)

	April 27, 1996 (52 weeks)	April 29, 1995 (52 weeks)	April 30, 1994 (53 weeks)
Service cost	$1,802	$1,739	$1,526
Interest cost	2,051	1,861	1,683
Actual return on plan assets	(5,468)	(2,737)	(719)
Net amortization and deferral	3,031	(571)	(1,575)
Net periodic pension cost	1,416	1,434	915
Profit sharing	4,798	4,892	4,659
SERP	883	818	795
401(k)	1,429	1,388	1,145
Other	497	508	442
Total retirement costs	$9,023	$9,040	$7,956

The funded status of the pension plans was as follows:

(Amounts in thousands)

	April 27, 1996	April 29, 1995
Actuarial present value of accumulated benefit obligation	($29,035)	($26,403)
Plan assets at fair value	37,503	31,566
Excess of plan assets over projected benefit obligation	8,468	5,163
Prior year service cost not yet recognized in net periodic pension cost	921	1,019
Unrecognized net loss	1,320	4,536
Unrecognized initial asset	(3,333)	(3,664)

Prepaid pension asset	$7,376	$7,054

The expected long-term rate of return on plan assets was 8.0% for 1996 and 1995, and 8.5% for 1994. The discount rate used in determining the actuarial present value of accumulated benefit obligations was 7.5% for 1996, 1995, and 1994. Vested benefits included in the accumulated benefit obligation were $26 million and $23 million at April 27, 1996 and April 29, 1995, respectively. Plan assets are invested in a diversified portfolio that consists primarily of debt and equity securities.

The Company's pension plan funding policy has been to contribute annually the maximum amount that can be deducted for federal income tax purposes.

Note 9: Health Care

The Company offers eligible employees an opportunity to participate in group health plans. Participating employees make required premium payments through pretax payroll deductions.

Health-care expenses were as follows (for the years ended):

(Amounts in thousands)

	April 27, 1996 (52 weeks)	April 29, 1995 (52 weeks)	April 30, 1994 (53 weeks)
Gross health care	$30,122	$30,414	$29,061
Participant payments	(6,005)	(4,783)	(4,442)
Net health care	$24,117	$25,631	$24,619

The Company makes annual provisions for any current and future retirement health-care costs which may not be covered by retirees' collected premiums.

Note 10: Income Taxes

Effective April 25, 1993, the Company adopted Statement of Financial Accounting Standards No. 109 (SFAS 109), "Accounting for Income Taxes," which applies a balance sheet approach to income tax accounting. The Company recorded a tax credit of $3 million or $0.18 per share, which represented the net increase in the net deferred tax as of that date, as an accounting change.

The primary components of the Company's deferred tax assets and liabilities as of April 27, 1996 and April 29, 1995 are as follows:

(Amounts in thousands)

	April 27, 1996	April 29, 1995
Current		
Deferred income tax assets (liabilities):		
Bad debt	$7,395	$7,330
Warranty	3,941	3,478
Workers' compensation	1,464	1,411
SERP	1,452	1,285
Inventory	900	998
State Income tax	987	990
Performance based restricted stock plan	717	856
Other	2,603	2,055
Valuation allowance	(188)	(161)
Total current deferred tax assets	19,271	18,242
Noncurrent		
Deferred income tax assets (liabilities):		
Property, plant and equipment	(3,627)	(3,723)
Pension	(3,055)	(2,921)
Net operating losses	1,458	1,187
Other	212	202
Valuation allowance	(1,651)	(1,355)
Total noncurrent deferred tax liabilities	(6,663)	(6,610)
Net deferred tax asset	$12,608	$11,632

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The differences between the provision for income taxes and income taxes computed using the U.S. federal statutory rate are as follows (for the years ended):

(% of pretax income)

	April 27, 1996	April 29, 1995	April 30, 1994
Statutory tax rate........................	35.0	35.0	35.0
Increase (reduction) in taxes resulting in:			
State income taxes net of federal benefit..	4.3	4.4	4.8
Tax credits...............................	(1.1)	(0.5)	(0.2)
Acquisition amortization..................	1.5	0.7	0.7
Unutilized loss carryforwards.............	0.9	1.6	0.2
Miscellaneous items.......................	0.1	0.3	(0.2)
Effective tax rate........................	40.7	41.5	40.3

Note 11: Contingencies

The Company has been named as defendant in various lawsuits arising in the normal course of business. It is not possible at the present time to estimate the ultimate outcome of these actions; however, management and the Company's legal counsel believe that the resultant liability, if any, will not be material based on the Company's previous experience with lawsuits of these types.

The former England/Corsair shareholders may be issued additional Company common stock based on England/Corsair's actual profit performance in each of the two years following acquisition. Any additional incentives will be recorded as an increase to goodwill in the year earned.

The Company has been identified as a Potentially Responsible Party (PRP) at two clean-up sites: Organic Chemical and Seaboard Chemical Company. At each site, the Company has been identified as a de minimis or de micromis contributor and volumetric assessments indicate that the Company's contributions to each site have been less than one-tenth of one percent (0.1%) of the total. Each site has either completed or has begun the first phase of clean-up and has completed or has begun a remedial investigation/feasibility study. The Company has partially settled its liability at these sites for amounts ranging from less than $1,000 to $20,000. The Company's facilities that have not settled at these sites are expected to fully resolve the Company's liability as part of the de minimis PRP settlements.

The Company is also participating with a number of other companies in the voluntary RCRA closure of the Caldwell Systems site. The Company's volumetric assessment at this site is in the 1% range. The Steering Committee responsible for negotiating the clean-up plan with the EPA has reinitiated its negotiations in anticipation of clean-up activities. Accurate estimates of the clean-up costs at the Caldwell site are being developed.

The number of PRP's and voluntary participants at the three sites range from 182 to in excess of 1,750. Based on a review of the number, composition and financial stability of the PRP's and voluntary participant at each site, along with clean-up costs already expended and the preliminary estimates currently available, management does not believe that any significant risk exists that the Company will be required to incur total costs in excess of $100,000 at the Organic Chemical sites and Seaboard Chemical Company combined or $200,000 at the Caldwell site. At April 27, 1996, a total of $300,000 has been accrued with respect to these three sites.

Management Discussion

The Management Discussion and Analysis, as required by the Securities and Exchange Commission, should be read in conjunction with the Report of Management Responsibilities, the Report of Independent Accountants, the Financial Statements and related Notes, and all other pages that follow them in the annual report.

Background:

Sales by type	1996	1995	1994
Residential (home)			

	1996	1995	1994
Upholstery	78%	76%	76%
Wood & other	16%	18%	18%
	94%	94%	94%
Contract (office)	6%	6%	6%
	100%	100%	100%

Sales by country	1996	1995	1994
United States	94%	94%	94%
Canada and other	6%	6%	6%
	100%	100%	100%

La-Z-Boy is organized into six operating divisions. Residential (69 years in business) accounts for the majority of the upholstery category and approximately two-thirds of consolidated sales.

U.S. Residential sales by dealer type	1996	1995	1994
Galleries/proprietary	49%	47%	46%
General dealers	38%	40%	39%
Dept. stores/chains	13%	13%	15%
	100%	100%	100%

Kincaid (50 years) is part of the wood category. England/Corsair (32 years), acquired in April 1995 and only included in the 1996 column of the tables above, is part of the upholstery category. La-Z-Boy Contract Furniture Group (24 years) is all of the Contract line. Hammary (52 years) is primarily in the wood category. La-Z-Boy Canada (67 years) is part of the upholstery category.

La-Z-Boy is the third largest furniture maker in the U.S., the largest reclining-chair manufacturer in the world and America's largest manufacturer of upholstered furniture.

Analysis of Operations
Year Ended April 27, 1996
(1996 compared with 1995)

Sales increased 11% in fiscal 1996 over 1995. The increase was due to the inclusion of England/Corsair (E/C) in 1996. On a comparable basis, sales declined 1% from 1995 in a year that the industry experienced softness in the residential furniture market. Sales of contract furniture increased while residential upholstery approximated the prior year and residential wood and other declined. Selling price increases were generally in the 1-2% range.

The gross margin (gross profit dollars as a percent of sales) of 25.5% declined from 26.0% in 1995. The decline was largely due to the inclusion of E/C which has historically had a lower gross margin than La-Z-Boy. The gross margin was favorably affected by lower health-care and frame stock lumber costs. However, higher fabric and poly costs, along with lower margins in the residential wood and other divisions due to lower volume, offset these savings.

S, G & A expense of 18.4% of sales in 1996 was down from 18.6% in 1995. The decline was largely due to the inclusion of E/C which has historically had lower S, G & A expense than La-Z-Boy.

Margins for the La-Z-Boy Contract Furniture Group improved in 1996 as planned and the division came close to breaking even. Attention was directed toward reducing manufacturing costs and S, G & A expense.

Interest expense increased in 1996 due to debt issued to acquire England/Corsair. In addition, debt and capital lease obligations were assumed when England/Corsair was acquired. Most of the assumed debt was retired during the year.

Analysis of Operations
Year Ended April 29, 1995
(1995 compared with 1994)

La-Z-Boy's sales increased 6% in fiscal 1995 over 1994. However, on a comparable per-week basis, the increase was 8% due to 1995 containing 52 weeks compared to 53 weeks in 1994. La-Z-Boy believes the increase was primarily the result of the general economic recovery. Selling price increases were generally in the 2-3% range with the remainder of the sales increase due to volume. Major product lines that experienced growth above the Company average were the lower end recliners, modulars, tables and wall units (wood and other), and sofas.

All sales growth over the past seven years has been internally generated. The 1995 sales on a per-week basis increased over 1994 at all five operating divisions with particular strength at Hammary.

The 1995 gross margin of 26.0% declined from the 26.2% gross margin in 1994. The favorable impacts of selling price increases and improved plant efficiency at most plants were offset by cost increases relating to leather, fabric, cartoning and premium (not frame stock) lumber. Product line mix changes toward products with lower gross margins also continued in 1995. In addition, the gross margins for the contract and Canadian divisions were below the prior year. The contract decline was largely due to incentives and costs associated with the introduction of new products. The Canadian decline was primarily due to the unfavorable Canadian/U.S. dollar exchange rate along with product line mix changes toward products with lower gross margins.

The 1995 S, G & A expense of 18.6% of sales was down slightly from 18.8% in 1994. Advertising expense increased in 1995 primarily due to the launch of a national television advertising program. A reduction in bad debt expense in 1995 partially offset the advertising increase.

As expected, the La-Z-Boy Contract Furniture Group did not generate a profit in 1995. This division was formed in 1994 through the merger of two former divisions. In addition to the gross margin effects discussed above, the division incurred increased research and development expenditures, reorganization costs and startup costs associated with the merger.

Income tax expense as a percent of pretax income increased to 41.5% in 1995 from 40.3% in 1994. The increase was primarily due to changes in profitability among divisions that were partially offset by some favorable adjustments relating to the 1994 change in accounting for income taxes.

Liquidity and Financial Condition:

Effective April 29, 1995, La-Z-Boy acquired England/Corsair, Inc. (E/C), a manufacturer of upholstered furniture. Payment was in the form of $18.0 million La-Z-Boy common stock, $10.0 notes and $2.6 million cash. E/C debt and capital lease obligations of $14.4 million were assumed by La-Z-Boy.

Below is a summary of the cash flow statement. Free cash flow represents the cash remaining from operations after reinvesting in business opportunities. This cash flow allows the Company to pay dividends and repurchase stock generally without incurring additional debt.

(Amounts in thousands)

Year ended	April 27, 1996 (52 weeks)	April 29, 1995 (52 weeks)	April 30, 1994 (53 weeks)
Cash flows provided by (used for):			
Net income	$39,253	$36,302	$38,069
Other operating activities	12,763	4,006	(9,984)
Investing activities	(18,334)	(20,278)	(20,289)
Free cash flow	33,682	20,030	7,796
Cash flows provided by (used for):			
Financing activities	(33,655)	(18,953)	(10,360)
Exchange	(15)	45	(318)
Increase (decrease) in cash	12	1,122	(2,882)

Cash flows from operations amounted to $52 million in 1996, $40 million in 1995 and $28 million in 1994 and have been adequate for day-to-day expenditures, dividends to shareholders and capital expenditures.

Capital expenditures were $18.2 million in 1996, $19.0 million in 1995 and $17.5 million in 1994. Capacity utilization was approximately 70% at the end of 1996 and 1995.

In 1995, La-Z-Boy obtained $7.5 million through the sale of industrial revenue bonds. The proceeds were used to construct a new plant in Siloam Springs, Arkansas. Retirements of debt totaled between

$1 million and $13 million for each of the last three years.

The Company had unused lines of credit and commitments of $63 million under several credit arrangements as of April 27, 1996. The primary credit arrangement, a $50 million unsecured revolving credit line (Credit Agreement) through August 1999, requires interest only payments through August 1999 and a payment of principal in August 1999. The Credit Agreement also includes covenants that, among other things, require the Company to maintain certain financial statement ratios. The Company has complied with all of the requirements.

The La-Z-Boy Board of Directors has authorized the repurchase of Company stock. Shares acquired in 1996, 1995 and 1994 were 372,000, 529,000 and 91,000, respectively. As of April 27, 1996, 1,121,000 shares were available for repurchase. The Company plans to be in the market for its shares as changes in its stock price and other financial opportunities arise.

The financial strength of the Company is reflected in two commonly used ratios, the current ratio (current assets divided by current liabilities) and the debt-to-capital ratio (total debt divided by shareholders' equity plus total debt). The current ratio at the end of 1996 and 1995 was 3.5:1 and 3.7:1, respectively. The debt to capital ratio was 16.7% at the end of 1996 and 20.5% at the end of 1995.

La-Z-Boy provides for all current and future potential liabilities as required, including those relating to postretirement benefits.

Continuing compliance with existing federal, state and local provisions dealing with protection of the environment is not expected to have a material effect upon the Company's capital expenditures, earnings, competitive position or liquidity. The Company will continue its program of conducting voluntary compliance audits at its facilities. The Company has also taken steps to assure compliance with the provisions of Titles III and V of the 1990 Clean Air Act Amendments.

The Company has accrued for certain environmental remediation activities relating to past operations, including those under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, often referred to as Superfund) and the Resource Conservation and Recovery Act (RCRA). The Company is participating in the closure of three such sites. There will be future expenditures in this area, but based on a review of all currently known facts, management does not anticipate that they will have a material adverse effect. For further discussion of environmental matters, refer to Note 11: Contingencies, in the Notes to Consolidated Financial Statements.

Outlook:

Statements in the Outlook section are forward looking and based on current expectations. Actual results may differ materially.

One of La-Z-Boy's financial goals is to achieve sales increases of 10% per year or increases at least greater than that of the furniture industry. Some furniture industry forecasts for calendar year 1996 over 1995 are in the 2-4% range. For 1996, La-Z-Boy sales, on a comparable basis, declined 1% from 1995 which the Company believes was similar to the industry average. While a 10% sales increase is not anticipated in 1997, sales are expected to exceed the industry average.

The Company's major residential efforts and opportunities for sales growth greater than industry averages are focused outside the recliner market segment, e.g., stationary upholstery (single and multi-seat), reclining sofas and modulars, wood occasional and wall units and wood bedroom and dining room.

The number of dealer owned and operated proprietary stores is expected to continue increasing. These stores are a major contributor to La-Z-Boy's ability to achieve its sales goal.

During 1996, the backlog of orders remained below the prior year level. The decline was mostly due to efforts to fill orders quicker than in the past allowing customers to order product closer to the expected delivery date. The rate of incoming orders in recent weeks has been above the rate for the similar period last year. The backlog is not expected to change significantly in 1997.

The La-Z-Boy Contract Furniture Group sales growth rate in the next few years is expected to exceed the average of the other divisions.

A second financial goal is to improve operating profit as a percent of sales each year. For 1996, the operating profit margin was 7.1% of sales which was below the prior year largely due to the inclusion of E/C. In 1997, the operating margin is expected to improve slightly. The gross margin as a percent of sales is expected to increase somewhat due to efficiencies of higher production. In addition, selling price increases are expected to be small while material costs are not expected to increase. Increased S, G and A expense as a percent of sales, largely due to increased computer related expenses, is expected to offset most of the margin change.

A third goal is to achieve a 20% return on capital (operating profit, interest income and other income as a percent of beginning of year capital). For 1996, return on capital was 17.6% which was a decline from the 1995 return of 18.9%. This goal has been in place for several years and has become more difficult to achieve partly due to the addition of capital relating to the E/C acquisition.

La-Z-Boy has an opportunity to improve its margins through increases in efficiency, improvements in the utilization of equipment and facilities and increases in sales volumes, even though sales growth may be in product lines with lower gross margins.

Capital expenditures are forecast to be approximately $20 to $25 million in 1996 compared to $18.2 million in 1995.

The Company's future results of operations and other forward looking statements contained in this Outlook involve a number of risks and uncertainties. These statements are based on assumptions relating to business conditions, the general economy, competitive factors and other similar assumptions. Variations in these assumptions could cause actual results to differ materially. In particular, the Company's sales and profits can be impacted materially in any one quarter by changes in interest rates, consumer sentiment toward furniture purchases and new and existing home sales.

Consolidated Six-Year Summary of Selected Financial Data

(Dollar amounts in thousands, except per share data)

Year Ended in April	1996 (52 wks)	1995 (52 wks)	1994 (53 wks)	1993 (52 wks)	1992 (52 wks)	1991 (52 wks)
Sales	$947,263	$850,271	$804,898	$684,122	$619,471	$608,032
Cost of sales	705,379	629,222	593,890	506,435	453,055	449,502
Gross profit	241,884	221,049	211,008	177,687	166,416	158,530
Sell, gen & admin	174,376	158,551	151,756	131,894	123,927	116,278
Oper profit	67,508	62,498	59,252	45,793	42,489	42,252
Interest expense	5,306	3,334	2,822	3,260	5,305	6,374
Interest income	1,975	1,628	1,076	1,474	1,093	1,215
Other income	2,023	1,229	649	1,292	1,628	1,277
Income before tax	66,200	62,021	58,155	45,299	39,905	38,370
Income tax expense	26,947	25,719	23,438	18,015	14,805	15,009
Net income	39,253	$36,302	$34,717**	$27,284	$25,100	$23,361
Weighted avg shares outstg ('000s)	18,498	18,044	18,268	18,172	18,064	17,941
Per com shr outstg						
Net income	$2.12	$2.01	$1.90**	$1.50	$1.39	$1.30
Cash div paid	$0.74	$0.68	$0.64	$0.60	$0.58	$0.56
BV on YE shr outst.	$18.68	$17.44	$15.91	$14.48	$13.58	$12.75
Rtn avg shrhdr eqt.	11.8%	12.2%*	12.5%**	10.7%	10.6%	10.5%
Gr prft % of sales.	25.5%	26.0%	26.2%	26.0%	26.9%	26.1%
Op prft % of sales.	7.1%	7.4%	7.4%	6.7%	6.9%	6.9%
Op prft, int inc & oth inc as % of BOY capital	17.6%	18.9%	19.1%	15.8%	15.1%	15.3%
Net inc % of sales.	4.1%	4.3%	4.3%**	4.0%	4.1%	3.8%
Income tax expense % pretax income	40.7%	41.5%	40.3%	39.8%	37.1%	39.1%
Deprec & amortiz	$20,147	$15,156	$14,014	$14,061	$14,840	$14,039
Capital expendtrs	$18,168	$18,980	$17,485	$12,248	$12,187	$21,428
Prty,plt,eqpt,net	$116,199	$117,175	$94,277	$90,407	$93,440	$95,508

Working capital....	$240,583	$237,280	$224,122	$202,398	$184,431	$172,989
Current ratio......	3.5 to 1	3.7 to 1	4.1 to 1	3.8 to 1	3.7 to 1	3.7 to 1
Total assets.......	$517,546	$503,818	$430,253	$401,064	$376,722	$363,085
Lt.Dt. & Cap.Leases	$61,294	$76,447	$52,495	$55,370	$55,912	$62,187
Debt & Cap. leases.	$69,033	$83,201	$55,370	$55,912	$60,726	$70,867
Shareholders' eqty.	$343,376	$323,640	$290,911	$263,386	$246,359	$229,217
Ending capital.....	$412,409	$406,841	$346,281	$319,298	$307,085	$300,084
Ratio debt to eqty.	20.1%	25.7%	19.0%	21.2%	24.6%	30.9%
Ratio debt to capl.	16.7%	20.5%	16.0%	17.5%	19.8%	23.6%
Shareholders.......	12,293	12,665	12,615	9,032	8,081	7,208
Employees..........	10,733	11,149	9,370	8,724	8,153	7,828

* April 1995 shareholders' equity used in this calculation excludes $18,004 relating to stock issued on the last day of the fiscal year for the acquisition of an operating division.

** Excludes the income effect of adopting SFAS 109 in May 1993 of $3,352 or $.18 per share.

Dividend and Market Information

1996 Quarter Ended	Dividends Paid	Market Price High	Low	Close
July 29	$0.17	$29 1/2	$25 5/8	$27 1/2
Oct. 28	0.19	30 3/4	27 1/8	29 5/8
Jan. 27	0.19	33 1/2	28 5/8	30 5/8
Apr. 27	0.19	33 3/4	27	30 1/8
	$0.74			

1995 Year Ended	Dividends Paid	Market Price High	Low	Close
July 30	$0.17	$33 3/4	$25 3/8	$26 1/2
Oct. 29	0.17	30	26 1/2	29 3/4
Jan. 28	0.17	32 5/8	27 7/8	30 5/8
Apr. 29	0.17	29 1/8	26 1/4	27
	$0.68			

Year	Dividends Paid	Dividend Yield	Dividend Payout Ratio	Market Price High	Low	Close	Earnings	P/E Ratio High	Low
1996	$0.74	2.5%	34.9%	$33 3/4	$25 5/8	$30 1/8	$2.12	16	12
1995	0.68	2.5%	33.8%	33 3/4	25 3/8	27	$2.01	17	13
1994	0.64	1.9%	33.7%*	40	25 1/2	33 1/2	1.90*	21*	13*
1993	0.60	2.1%	40.0%	29 3/4	18	28	1.50	20	12
1992	0.58	2.5%	41.7%	28 3/4	19 1/2	23 1/2	1.39	21	14
1991	0.56	2.6%	43.1%	21 1/2	12 1/4	21 1/4	1.30	17	9

La-Z-Boy Chair Company common shares are traded on the NYSE and the PSE (symbol LZB).

Unaudited Quarterly Financial Information

(Amounts in thousands, except per share data)

Quarter Ended	July 29	October 28	January 27	April 27	Year 1996
Sales............	$195,757	$258,320	$226,354	$266,832	$947,263

Cost of sales....	151,378	188,644	170,602	194,755	705,379
Gross profit...	44,379	69,676	55,752	72,077	241,844
Selling, general & admin........	37,937	45,905	41,783	48,751	174,376
Opertg profit..	6,442	23,771	13,969	23,326	67,508
Interest expense.	1,464	1,437	1,217	1,188	5,306
Interest income..	456	484	390	645	1,975
Other Income.....	375	476	436	736	2,023
Inc before tax.	5,809	23,294	13,578	23,519	66,200
Income tax exp...	2,634	9,038	5,794	9,481	26,947
Net income...	$3,175	$14,256	$7,784	14,038	39,253
Net income per share..	$0.17	$0.77	$0.42	$0.76	$2.12

Quarter Ended	July 30	October 29	January 28	April 29	Year 1995
Sales............	$174,387	$230,586	$210,814	$234,484	$850,271
Cost of sales....	133,654	166,816	157,767	170,985	629,222
Gross profit...	40,733	63,770	53,047	63,499	221,049
Selling, general & admin........	33,032	43,539	39,616	42,364	158,551
Opertg profit..	7,701	20,231	13,431	21,135	62,498
Interest expense.	662	752	1,041	879	3,334
Interest income..	273	355	374	626	1628
Other Income.....	273	506	(76)	526	1229
Inc before tax.	7,585	20,340	12,688	21,408	62,021
Income tax exp...	3,315	8,262	5,467	8,675	25,719
Net income...	$4,270	$12,078	$7,221	$12,733	$36,302
Net income per share..	$0.23	$0.67	$0.40	$0.71	$2.01

* Excludes the income effect of adopting SFAS 109 in May 1993 of $3,352 or $.18 per share.