

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549-1004

FORM 8-K

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

August 18, 2015

(Date of Report (Date of Earliest Event Reported))

LA-Z-BOY INCORPORATED

(Exact name of registrant as specified in its charter)

MICHIGAN

(State or other jurisdiction of
incorporation)

1-9656

(Commission
File Number)

38-0751137

(IRS Employer
Identification Number)

One La-Z-Boy Drive, Monroe, Michigan

(Address of principal executive offices)

48162-5138

(Zip Code)

Registrant's telephone number, including area code **(734) 242-1444**

None

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition

On August 18, 2015, La-Z-Boy Incorporated issued a news release to report the company's financial results for the first quarter ended July 25, 2015. A copy of the news release is attached to this current report on Form 8-K as Exhibit 99.1. Exhibit 99.2 contains unaudited financial data.

The information in Item 2.02 of this report and the related exhibits (Exhibits 99.1 and 99.2) shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits

(d) The following exhibits are furnished as part of this report:

	<u>Description</u>
99.1	News Release Dated August 18, 2015
99.2	Unaudited financial schedules

SIGNATURE

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 thereunto duly authorized.

LA-Z-BOY INCORPORATED
(Registrant)

Date: August 18, 2015

BY: /s/ Margaret L. Mueller
Margaret L. Mueller
Vice President of Finance



NEWS RELEASE

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LA-Z-BOY REPORTS IMPROVED FISCAL 2016 FIRST-QUARTER RESULTS

MONROE, MI., August 18, 2015—La-Z-Boy Incorporated (NYSE: LZB) today reported its operating results for the fiscal 2016 first quarter ended July 25, 2015.

Fiscal 2016 first-quarter highlights for continuing operations:

- The company reported earnings per share of \$0.27 from continuing operations attributable to La-Z-Boy Incorporated, a 35% increase from the fiscal 2015 first quarter;
- Operating margin for all three segments increased during the quarter, including the retail segment posting a 5.5% operating margin compared with 0.4% in last year's first quarter;
- Consolidated operating income for the fiscal 2016 first quarter increased 21% to \$20.0 million, with consolidated operating margin increasing to 5.8% from 5.0% in the fiscal 2015 first quarter;
- Same-store written sales for the La-Z-Boy Furniture Galleries® store network increased 5.3%; and
- Consolidated sales for the first quarter increased 4.4% compared with the fiscal 2015 first quarter.

Sales for the fiscal 2016 first quarter were \$341.4 million, up 4.4% compared with the prior year's first quarter. The company reported income from continuing operations attributable to La-Z-Boy Incorporated of \$13.7 million, or \$0.27 per share, versus \$10.6 million, or \$0.20 per share, in last year's first quarter.

Kurt L. Darrow, Chairman, President and Chief Executive Officer, of La-Z-Boy, said, "We are pleased with our strong performance for the start of the year, particularly our retail segment whose operating profit was \$4.4 million more in the fiscal 2016 first quarter compared with last year's first quarter. Additionally, all three business segments experienced increases in gross margin and operating margin and written same-store sales for the La-Z-Boy Furniture Galleries® network increased 5.3% for the quarter. As we move forward, we believe our various growth strategies — the 4-4-5 store growth initiative, the acquisition of independent La-Z-Boy Furniture Galleries® stores, the growth of sales through our multi-channel distribution network and the expansion of our market share in stationary upholstery — will continue to drive performance and long-term results."

Wholesale Segments

For the fiscal 2016 first quarter, sales in the company's upholstery segment increased 3.7% to \$272.7 million versus the prior year's first quarter. In the casegoods segment, sales for the fiscal 2016 first quarter were \$23.4 million, down 19.1% from last year's first quarter.

Darrow commented, "During the period, we achieved a 9.0% operating margin in the upholstery segment, demonstrating the efficiencies of our supply chain and plant operations, in what is typically our lowest-volume quarter. Higher sales volume and favorable changes in product mix also helped fuel the improved operating margin for the quarter. In June, we completed the implementation of the new ERP system throughout our La-Z-Boy branded facilities, with our largest plant, in Dayton, Tennessee, coming on line. It was a smooth process and our team is now working on the sales order management component of the system which we will implement over the course of fiscal 2016."

Darrow added, "We are continuing to introduce new product and expand our offering in areas we believe present the most growth opportunities. Currently, that is in the power and stationary categories and we have great product introductions scheduled for the October furniture market in High Point. We are also excited about the capabilities our new web and eCommerce platform, which we expect to launch in early fall, will offer to consumers through both mobile and desktop.

Darrow continued, "In our casegoods segment, the operating margin for the quarter was 7.2%, versus 5.3% in last year's comparable quarter, reflecting our transition to a pure-import model. As we move forward, we believe this platform will provide for more stable performance in the segment. Our sales were off during the quarter versus last year's comparable period due primarily to two factors. First, last year's first-quarter results included \$2.1 million in sales of hospitality furniture, which is no longer part of our product offering since we ceased domestic production of casegoods last September. Second, sales exceeded our expectations on some of our best sellers in our newer transitional category, creating a temporary out-of-stock position. We expect this situation to rectify itself and will service our existing backlog and achieve a higher in-stock position in the second quarter."

Retail Segment

For the fiscal 2016 first quarter, sales in the company's retail segment increased 18.9% to \$86.7 million versus the prior year's first quarter. On the core base of 95 stores included in last year's comparable quarter, delivered sales for the segment increased 7.2%.

Darrow stated, "We are very pleased with the performance of our retail segment. Increased sales volume enabled us to leverage fixed costs, and our operating margin for the period was 5.5% versus 0.4% in last year's first quarter. On traffic that was slightly down from the prior year, we had a higher average ticket driven by a better mix and increased sales through our In Home Design program."

Darrow added, "Early in the second quarter, we acquired two stores in Wisconsin from an independent dealer, and we have an agreement to acquire two stores from another licensee in the Carolinas in September. Our plan is to continue to buy independent-dealer stores when the opportunity is mutually beneficial for

the company and the licensee. As we increase the size of our company-owned retail business through opening new stores as part of our 4-4-5 program and acquiring other stores, the benefit of our integrated retail strategy will become more evident as sales through the company-owned La-Z-Boy Furniture Galleries® stores provide the company with the greatest level of profitability through the benefit of a blended wholesale/retail margin.”

La-Z-Boy Furniture Galleries® Store Network

System-wide, for the first quarter of fiscal 2016, including company-owned and independent-licensed stores, same-store written sales, which the company tracks as an indicator of retail activity, were up 5.3% versus last year’s first quarter.

For the first quarter, total written sales, which include new and closed stores, increased 8.5% compared with the fiscal 2015 comparable period. At the end of the first quarter, the La-Z-Boy Furniture Galleries® store system was composed of 327 stand-alone stores, with 64 in the new concept design format.

Darrow commented, “For fiscal 2016, we are planning for 35 to 40 projects, including 17 net new stores. As part of the activity related to our 4-4-5 strategy, we are changing out old-format stores into the new concept design format, which is performing at the highest level of our three store formats. During the first quarter, the network opened two new stores and remodeled one. In the second quarter of fiscal 2016, we are planning for three new stores and eight remodels throughout the network.”

Balance Sheet and Cash Flow

During the quarter, the company generated \$1.5 million in cash from operating activities. La-Z-Boy ended the quarter with \$87.5 million in cash and cash equivalents, \$37.0 million in investments to enhance returns on cash, and \$9.6 million in restricted cash. During the quarter, the company had \$6.5 million in capital expenditures, paid \$4.1 million in dividends, and spent \$9.2 million purchasing 0.3 million shares of stock in the open market under its existing authorized share purchase program, with remaining authorization to purchase 5.4 million shares.

Business Outlook

Darrow concluded, “We are optimistic that our multi-faceted strategy to drive growth and profitability throughout fiscal 2016 will deliver results in this economic environment. Our investments in the business are strategic and are strengthening the relevance of our brand, our distribution system and operating platform. As we move through the year, we will continue to fine tune our initiatives as conditions and results warrant. We believe the combination of our growth and marketing initiatives coupled with our efficient operating platform will allow us to gain market share and drive improved performance.”

Conference Call

La-Z-Boy will hold a conference call with the investment community on Wednesday, August 19, 2015, at 8:30 a.m. eastern time. The toll-free dial-in number is 877.407.0778; international callers may use 201.689.8565.

The call will be webcast live, with corresponding slides, and archived on the Internet. It will be available at <http://investors.la-z-boy.com/phoenix.zhtml?c=92596&p=irol-calendar>. A telephone replay will be available for a week following the call. This replay will be accessible to callers from the U.S. and Canada at 877.660.6853 and to international callers at 201.612.7415. Enter Conference ID #13616832.

Forward-looking Information

This news release contains, and oral statements made from time to time by representatives of La-Z-Boy may contain, “forward-looking statements.” With respect to all forward-looking statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

Actual results could differ materially from those we anticipate or project due to a number of factors, including: (a) changes in consumer confidence and demographics; (b) the possibility of another recession; (c) changes in the real estate and credit markets and their effects on our customers,

consumers and suppliers; (d) international political unrest, terrorism or war; (e) volatility in energy and other commodities prices; (f) the impact of logistics on imports and exports; (g) interest rate and currency exchange rate changes; (h) operating factors, such as supply, labor or distribution disruptions (e.g. port strikes); (i) changes in the domestic or international regulatory environment; (j) adoption of new accounting principles; (k) severe weather or other natural events such as hurricanes, earthquakes, flooding, tornadoes and tsunamis; (l) our ability to procure fabric rolls and leather hides or cut-and-sewn fabric and leather sets domestically or abroad; (m) information technology conversions or system failures; (n) effects of our brand awareness and marketing programs; (o) the discovery of defects in our products resulting in delays in manufacturing, recall campaigns, reputational damage, or increased warranty costs; (p) litigation arising out of alleged defects in our products; (q) unusual or significant litigation; (r) our ability to locate new La-Z-Boy Furniture Galleries® stores (or store owners) and negotiate favorable lease terms for new or existing locations; (s) the results of our restructuring actions; (t) the impact of potential goodwill or intangible asset impairments; and (u) those matters discussed in Item 1A of our fiscal 2015 Annual Report on Form 10-K and other factors identified from time-to-time in our reports filed with the Securities and Exchange Commission. We undertake no obligation to update or revise any forward-looking statements, whether to reflect new information or 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, which is available at: <http://investors.la-z-boy.com/phoenix.zhtml?c=92596&p=irol-sec>. Investors and others wishing to be notified of future La-Z-Boy news releases, SEC filings and quarterly investor conference calls may sign up at: <http://investors.la-z-boy.com/phoenix.zhtml?c=92596&p=irol-alerts&t=&id=&>

Background Information

La-Z-Boy Incorporated is one of the world's leading residential furniture producers, marketing furniture for every room of the home. The La-Z-Boy Upholstery segment companies are England and La-Z-Boy. The Caseloads segment consists of three brands: American Drew, Hammary, and Kincaid. The company-owned Retail segment includes 111 of the 327 La-Z-Boy Furniture Galleries® stores.

The corporation's branded distribution network is dedicated to selling La-Z-Boy Incorporated products and brands, and includes 327 stand-alone La-Z-Boy Furniture Galleries® stores and 573 independent Comfort Studio® locations, in addition to in-store gallery programs for the company's Kincaid and England operating units. Additional information is available at <http://www.la-z-boy.com/>.

LA-Z-BOY INCORPORATED
CONSOLIDATED STATEMENT OF INCOME

(Unaudited, amounts in thousands, except per share data)	Unaudited For the Fiscal Quarter Ended	
	7/25/15	7/26/14
Sales	\$ 341,423	\$ 326,980
Cost of sales	217,191	215,474
Gross profit	124,232	111,506
Selling, general and administrative expense	104,266	95,015
Operating income	19,966	16,491
Interest expense	112	132
Interest income	205	202
Other income (expense), net	1,968	(258)
Income from continuing operations before income taxes	22,027	16,303
Income tax expense	7,904	5,755
Income from continuing operations	14,123	10,548
Income from discontinued operations, net of tax	—	2,497
Net income	14,123	13,045
Net (income) loss attributable to noncontrolling interests	(447)	36
Net income attributable to La-Z-Boy Incorporated	<u>\$ 13,676</u>	<u>\$ 13,081</u>
Net income attributable to La-Z-Boy Incorporated:		
Income from continuing operations attributable to La-Z-Boy Incorporated	\$ 13,676	\$ 10,584
Income from discontinued operations	—	2,497
Net income attributable to La-Z-Boy Incorporated	<u>\$ 13,676</u>	<u>\$ 13,081</u>
Basic weighted average common shares	50,583	52,191
Basic net income attributable to La-Z-Boy Incorporated per share:		
Income from continuing operations attributable to La-Z-Boy Incorporated	\$ 0.27	\$ 0.20
Income from discontinued operations	—	0.05
Basic net income attributable to La-Z-Boy Incorporated per share	<u>\$ 0.27</u>	<u>\$ 0.25</u>
Diluted weighted average common shares	51,043	52,627
Diluted net income attributable to La-Z-Boy Incorporated per share:		
Income from continuing operations attributable to La-Z-Boy Incorporated	\$ 0.27	\$ 0.20
Income from discontinued operations	—	0.05
Diluted net income attributable to La-Z-Boy Incorporated per share	<u>\$ 0.27</u>	<u>\$ 0.25</u>
Dividends declared per share	\$ 0.08	\$ 0.06

LA-Z-BOY INCORPORATED
CONSOLIDATED BALANCE SHEET

(Unaudited, amounts in thousands)	Unaudited As of	
	7/25/15	4/25/15
Current assets		
Cash and equivalents	\$ 87,519	\$ 98,302
Restricted cash	9,636	9,636
Receivables, net of allowance of \$4,251 at 7/25/15 and \$4,622 at 4/25/15	135,700	158,548
Inventories, net	178,948	156,789
Deferred income taxes — current	11,229	11,255
Other current assets	43,307	41,921
Total current assets	466,339	476,451
Property, plant and equipment, net	173,700	174,036
Goodwill	15,164	15,164
Other intangible assets	5,458	5,458
Deferred income taxes — long-term	34,942	35,072
Other long-term assets, net	65,994	68,423
Total assets	<u>\$ 761,597</u>	<u>\$ 774,604</u>
Current liabilities		
Current portion of long-term debt	\$ 432	\$ 397
Accounts payable	48,189	46,168
Accrued expenses and other current liabilities	96,563	108,326
Total current liabilities	145,184	154,891
Long-term debt	662	433
Other long-term liabilities	83,167	86,180
Contingencies and commitments	—	—
Shareholders' equity		
Preferred shares — 5,000 authorized; none issued	—	—

Common shares, \$1 par value — 150,000 authorized; 50,562 outstanding at 7/25/15 and 50,747 outstanding at 4/25/15	50,562	50,747
Capital in excess of par value	273,185	270,032
Retained earnings	234,406	235,506
Accumulated other comprehensive loss	(34,339)	(32,139)
Total La-Z-Boy Incorporated shareholders' equity	523,814	524,146
Noncontrolling interests	8,770	8,954
Total equity	532,584	533,100
Total liabilities and equity	\$ 761,597	\$ 774,604

LA-Z-BOY INCORPORATED
CONSOLIDATED STATEMENT OF CASH FLOWS

(Unaudited, amounts in thousands)	Unaudited For the Fiscal Quarter Ended	
	7/25/15	7/26/14
Cash flows from operating activities		
Net income	\$ 14,123	\$ 13,045
Adjustments to reconcile net income to cash provided by (used for) operating activities		
Deferred income tax expense (benefit)	148	(1,342)
Provision for doubtful accounts	(340)	(618)
Depreciation and amortization	6,271	5,379
Equity-based compensation expense	3,012	3,010
Change in receivables	24,610	12,441
Change in inventories	(22,159)	(15,874)
Change in other assets	(6,933)	2,985
Change in payables	2,021	(255)
Change in other liabilities	(19,223)	(19,993)
Net cash provided by (used for) operating activities	1,530	(1,222)
Cash flows from investing activities		
Proceeds from disposal of assets	279	1,348
Capital expenditures	(6,506)	(19,406)
Purchases of investments	(5,422)	(15,941)
Proceeds from sales of investments	12,983	10,422
Change in restricted cash	—	7,289
Net cash provided by (used for) investing activities	1,334	(16,288)
Cash flows from financing activities		
Payments on debt	(122)	(7,212)
Stock issued for stock and employee benefit plans	145	131
Excess tax benefit on stock option exercises	363	249
Purchases of common stock	(9,171)	(6,062)
Dividends paid	(4,055)	(3,119)
Net cash used for financing activities	(12,840)	(16,013)
Effect of exchange rate changes on cash and equivalents	(807)	171
Change in cash and equivalents	(10,783)	(33,352)
Cash and equivalents at beginning of period	98,302	149,661
Cash and equivalents at end of period	\$ 87,519	\$ 116,309
Supplemental disclosure of non-cash investing activities		
Capital expenditures included in payables	\$ 500	\$ 8,024

LA-Z-BOY INCORPORATED
SEGMENT INFORMATION

(Unaudited, amounts in thousands)	Unaudited For the Fiscal Quarter Ended	
	7/25/15	7/26/14
Sales		
Upholstery segment:		
Sales to external customers	\$ 232,484	\$ 227,156
Intersegment sales	40,192	35,703
Upholstery segment sales	272,676	262,859
Casegoods segment:		
Sales to external customers	21,202	25,953
Intersegment sales	2,191	2,970
Casegoods segment sales	23,393	28,923

Retail segment sales	86,651	72,905
Corporate and Other:		
Sales to external customers	1,086	966
Intersegment sales	516	—
Corporate and Other sales	<u>1,602</u>	<u>966</u>
Eliminations	(42,899)	(38,673)
Consolidated sales	<u>\$ 341,423</u>	<u>\$ 326,980</u>
Operating Income (Loss)		
Upholstery segment	\$ 24,594	\$ 22,017
Casegoods segment	1,690	1,525
Retail segment	4,729	315
Restructuring	(165)	357
Corporate and Other	(10,882)	(7,723)
Consolidated operating income	<u>\$ 19,966</u>	<u>\$ 16,491</u>