

LA-Z-BOY INCORPORATED CONSOLIDATED STATEMENTS OF CASH FLOWS
 INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS
 (Unaudited, dollar amounts in thousands)

	Three Months Ended		Six Months Ended	
	Oct. 25, 1997	Oct. 26 1996	Oct. 25 1997	Oct. 26 1996
Cash Flows from Operating Activities				
Net income	\$16,822	\$15,252	\$18,548	\$19,850
Adjustments to reconcile net income to net cash provided by operating activities				
Depreciation and amortization	5,195	5,171	10,068	10,026
Change in receivables	(52,888)	(54,729)	(3,986)	(9,794)
Change in inventories	6,416	1,912	(7,742)	(11,016)
Change in other assets and liab.	25,967	30,194	10,744	10,944
Change in deferred taxes	(1,960)	(878)	(1,960)	(878)
Total adjustments	(17,270)	(18,330)	7,124	(718)
Cash Provided by Operating Activities	(448)	(3,078)	25,672	19,132
Cash Flows from Investing Activities				
Proceeds from disposals of assets	76	608	392	721
Capital expenditures	(5,775)	(3,643)	(11,343)	(8,223)
Change in other investments	159	179	(288)	(5,442)
Cash Used for Investing Activities	(5,540)	(2,856)	(11,239)	(12,944)
Cash Flows from Financing Activities				
Short-term debt	-	-	-	-
Long-term debt	-	-	-	-
Retirements of debt	(116)	(64)	(2,041)	(3,004)
Capital leases	-	-	-	-
Capital lease principal payments	(513)	(513)	(1,040)	(1,078)
Stock for stock option plans	1,091	376	3,103	1,846
Stock for 401(k) employee plans	283	285	686	668
Purchase of La-Z-Boy stock	(6,973)	(3,242)	(9,397)	(10,368)
Payment of cash dividends	(3,775)	(2,981)	(7,543)	(6,463)
Cash Used for Financing Activities	(10,003)	(6,139)	(16,232)	(18,399)
Effect of exch. rate changes on cash	62	159	98	107
Net change in cash and equivalents	(15,929)	(11,914)	(1,701)	(12,104)
Cash and equiv. beginning of period	39,610	26,870	25,382	27,060
Cash and equiv. at end of period	\$23,681	\$14,956	23,681	14,956
Cash paid during period - Income taxes	\$6,222	\$8,513	\$7,663	\$10,770
- Interest	\$955	\$1,137	\$1,794	\$1,970

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 Condensed Consolidated Financial Statements are an integral part of these statements.

LA-Z-BOY INCORPORATED AND OPERATING DIVISIONS
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Presentation

The financial information is prepared in conformity with generally accepted accounting principles and such principles are applied on a basis consistent with those reflected in the 1997 Annual Report filed with the Securities and Exchange Commission. The financial information included herein, other than the consolidated balance sheet as of April 26, 1997, has been prepared by management without audit by independent certified public accountants who do not express an opinion thereon. The consolidated balance sheet as of October 25, 1997 has been prepared on a basis consistent with but does not include all the disclosures contained in, the audited consolidated financial statements for the year ended April 26, 1997. The information furnished includes all adjustments and accruals consisting only of normal recurring accrual adjustments which are, in the opinion of management, necessary for a fair presentation of results for the interim period.

2. Interim Results

The foregoing interim results are not necessarily indicative of the results of operations for the full fiscal year ending April 25, 1998.

3. Commitments and Contingencies

There has been no significant change from the prior fiscal year end audited financial statements.

LA-Z-BOY INCORPORATED AND OPERATING DIVISIONS
MANAGEMENT DISCUSSION

Due to the cyclical nature of the Company's business, comparison of operations between the most recently completed quarter and the immediate preceding quarter would not be meaningful and could be misleading to the reader of these financial statements.

For further Management Discussion, see attached Exhibit 99.(a)

The Company's strong financial position is reflected in the debt to capital percentage of 14% and a current ratio of 3.2 to 1 at the end of the Second quarter. At April 26, 1997, the debt to capital percentage was 15% and the current ratio was 3.5 to 1. At the end of the preceding year's Second quarter, the debt to capital percentage was 16% and the current ratio was 3.2 to 1. As of October 25, 1997, there was \$63 million of unused lines of credit available under several credit arrangements.

Approximately 30% of the 4 million shares of Company stock authorized for purchase on the open market are still available for purchase by the Company. The Company plans to be in the market for its shares as changes in its stock price and other factors present appropriate opportunities.

PART II. OTHER INFORMATION

Item 5. Other Information

On October 29, 1997, The Board of Directors of La-Z-Boy Incorporated announced that Gerald L. Kiser has been named President and Chief Operating Officer of the Company. The Board of Directors named Patrick H. Norton to Chairman of the Board of the company. Mr. Kiser was promoted from Executive Vice President and Chief Operating Officer. Mr. Norton will continue to direct all sales and marketing activities.

For Further detail, see attached exhibit 99.(b)

Item 6. Exhibits and Reports on Form 8-K

(a)(3i) Restated Articles of incorporation as filed with the state of Michigan, on September 18, 1997.

(3ii) By-Laws of la-Z-Boy Incorporated

(27) Financial Data Schedule (EDGAR only).

(99) (a) News Release and Financial Information Release: re Actual second quarter results and Management Discussion dated November 4, 1997 (filed herewith).

(99) (b) News Release: re Changes in Management of Registrant dated October 29, 1997.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused the Quarterly Report on Form 10-Q for the quarter ended October 25, 1997 to be signed on its behalf by the undersigned thereunto duly authorized.

LA-Z-BOY INCORPORATED
(Registrant)

/s/G.M. Hardy

Date November 4, 1997

Gene M. Hardy
Secretary and Treasurer
(Principal Accounting Officer)

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3-MOS

APR-25-1998

OCT-25-1997

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18,548

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Receivables are reported net of allowances for doubtful accounts on the Statement of Financial Position.

LA-Z-BOY HAD HIGHER SALES, LOWER PROFITS
IN SECOND QUARTER

MONROE, MI., November 4, 1997: La-Z-Boy Incorporated continued reaching record levels of quarterly sales; while profits rebounded from the first quarter.

Financial Details

For the second quarter ended 10/25/97, sales reached \$293.2 million, up 8% from last year's second quarter of \$271.6 million. Operating profit was \$27.4 million vs. \$25.5 million. Net income was \$16.8 million vs. \$15.3 million, and net income per share was \$0.94 vs. \$0.84.

For the six months ended 10/25/97 sales were \$506.5 million, up 7% from last year's first half of \$473.8 million. Operating profit was \$30.2 million vs. \$33.5 million. Net income was \$18.5 million vs. \$19.8 million, and net income per share was \$1.04 vs. \$1.09. (About \$0.10 of the \$0.15 decline in first quarter net income per share was due to La-Z-Boy's largest customer, Montgomery Ward, declaring bankruptcy.)

Short Term Sales Trends are Good:

Sales order backlogs as of today and recent short term trends in sales orders indicate that November's and December's shipments over comparable prior year months will be above the 8% second quarter increase. The strength in sales extends across most product lines and divisions

Marketing

The recently completed International Home Furnishings Market in High Point, North Carolina featured a broad spectrum of introductions from England/Corsair, "Cadence", a lifestyle occasional collection from Hammary, and "American Artifact", an updated "mission" look from Kincaid. La-Z-Boy Residential introductions included deluxe massage recliners with built-in telephones and digital answering machines aimed at today's "high tech" customers and significant enhancements to the reclining sofa category.

The La-Z-Boy brand recently placed 9th out of 260 household brands in a study by HFN magazine. (The next highest furniture manufacturer placed 32nd.) To continue building the power and the strength of the La-Z-Boy name, the Residential Division recently launched an extensive national magazine advertising campaign in the nation's most widely read women's magazines and home decorating publications. The series of four ads shows how the style, comfort and variety of La-Z-Boy upholstered home furnishings fit many family lifestyles. The campaign will run through April 1998 and continues to offer consumers the free La-Z-Boy Home Furnishings Kit and the name of their nearest authorized La-Z-Boy dealer through our 1-800 Make-A-Home toll free number.

The Contract Furniture Group continues to post solid gains as a result of a very healthy business climate in the office furniture market. The closing of the Grand Rapids, Michigan facilities has been completed and the manufacturing of systems furniture and laminate desks in the Lincolnton, North Carolina facility is well underway.

More Information

La-Z-Boy's second quarter 10-Q filing including a full income statement, balance sheet, cash flow statement and additional management discussion is available now at La-Z-Boys worldwide web site (www.lazboy.com). About 24 to 48 hours after this release, the second quarter 10-Q information should be available on the SEC's web site in their EDGAR databases (www.sec.gov). The SEC's site also contains additional La-Z-Boy financial information, including 8-K and other filings, going back about two years.

NYSE & PCX: LZB

Contact: Gene Hardy (313) 241-4306

11/04/97 La-Z-Boy Incorporated Financial Information Release 1 of 3
CONSOLIDATED STATEMENT OF INCOME
(Amounts in thousands, except per share data)

SECOND QUARTER ENDED (UNAUDITED)

Oct. 25, Oct. 26, % Over

Percent of Sales

	1997	1996	(Under)	1997	1996
Sales	\$293,208	\$271,554	8%	100.0%	100.0%
Cost of sales	215,370	197,017	9%	73.5%	72.6%
Gross profit	77,838	74,537	4%	26.5%	27.4%
S, G & A	50,400	49,006	3%	17.1%	18.0%
Operating profit	27,438	25,531	7%	9.4%	9.4%
Interest expense	1,027	1,097	-6%	0.4%	0.4%
Interest income	512	367	40%	0.2%	0.1%
Other income	527	521	1%	0.2%	0.2%
Pretax income	27,450	25,322	8%	9.4%	9.3%
Income taxes	10,628	10,070	6%	38.7%*	39.8%*
Net income	\$16,822	\$15,252	10%	5.7%	5.6%
Average shares	17,888	18,125	-1%		
Net income per share	\$0.94	\$0.84	12%		
Dividends per share	\$0.21	\$0.19	11%		

SIX MONTHS ENDED (UNAUDITED)

	Oct. 25, 1997	Oct. 26, 1996	% Over (Under)	Percent of Sales	
				1997	1996
Sales	\$505,534	\$473,781	7%	100.0%	100.0%
Cost of sales	379,554	351,934	8%	75.1%	74.3%
Gross profit	125,980	121,847	3%	24.9%	25.7%
S, G & A	95,757	88,360	8%	18.9%	18.6%
Operating profit	30,223	33,487	-10%	6.0%	7.1%
Interest expense	2,051	2,204	-7%	0.4%	0.5%
Interest income	994	830	20%	0.2%	0.2%
Other income	1,277	1,306	-2%	0.2%	0.3%
Pretax income	30,443	33,419	-9%	6.0%	7.1%
Income taxes	11,895	13,569	-12%	39.1%*	40.6%*
Net income	\$18,548	\$19,850	-7%	3.7%	4.2%
Average shares	17,920	18,208	-2%		
Net Income per share	\$1.04	\$1.09	-5%		
Dividends per share	\$0.42	\$0.38	11%		

* As a percent of pretax income, not sales.

CONSOLIDATED BALANCE SHEET

(Dollars in thousands)

	Unaudited		Increase (Decrease)		Audited April 26, 1997
	Oct. 25, 1997	Oct. 26, 1996	Dollars	Percent	
Current assets					
Cash & equivalents	\$23,681	\$14,956	\$8,725	58%	\$25,382
Receivables	216,989	215,049	1,940	1%	215,032
Inventories					
Raw materials	40,672	40,042	630	2%	36,959
Work-in-process	36,652	38,556	(1,904)	-5%	34,854
Finished goods	33,110	33,406	(296)	-1%	28,177
FIFO inventories	110,434	112,004	(1,570)	-1%	99,990
Excess of FIFO over LIFO	(21,513)	(21,796)	283	1%	(21,219)
Total inventories	88,921	90,208	(1,287)	-1%	78,771
Deferred income taxes	22,395	20,149	2,246	11%	20,950
Other current assets	427	7,621	(7,194)	-94%	2,640
Total current assets	352,413	347,983	4,430	1%	342,775
Property, plant & equipment	119,247	115,297	3,950	3%	114,658
Goodwill	41,755	39,532	2,223	6%	38,702
Other long-term assets	31,169	31,075	94	0%	32,272
Total assets	\$544,584	\$533,887	\$10,697	2%	\$528,407

	Unaudited		Increase (Decrease)		Audited April 26, 1997
	Oct. 25, 1997	Oct. 26, 1996	Dollars	Percent	
Current liabilities					
Current portion - l/t debt	\$5,118	\$4,625	\$493	11%	\$4,611
Current portion - captl leases	1,778	2,072	(294)	-14%	2,017
Accounts payable	37,579	41,706	(4,127)	-10%	28,589
Payroll/other comp	32,362	32,798	(436)	-1%	37,934
Estimated income taxes	11,132	9,217	1,915	21%	5,412
Other current liabilities	23,659	18,973	4,686	25%	19,106
Total current liabilities	111,628	109,391	2,237	2%	97,669
Long-term debt	52,522	55,071	(2,549)	-5%	52,449
Capital leases	1,401	3,183	(1,782)	-56%	2,202
Deferred income taxes	5,814	6,663	(849)	-13%	6,329
Other long-term liabilities	10,343	10,502	(159)	-2%	10,420
Commitments & contingencies					
Shareholders' equity					
17,828,415 shares, \$1.00 par	17,828	18,135	(307)	-2%	17,908
Capital in excess of par	28,378	27,856	522	2%	27,697
Retained earnings	317,626	303,693	13,933	5%	314,731
Currency translation	(956)	(607)	(349)	-57%	(998)
Total shareholders' equity	362,876	349,077	13,799	4%	359,338
Total liabilities and shareholders' equity	\$544,584	\$533,887	\$10,697	2%	\$528,407

Overall:

Refer to today's press release for additional information.

The quarter ended October 25, 1997 includes three months of income statement information and the balance sheet of Centurion Furniture plc, the recently acquired furniture manufacturer located in England. Annual sales for Centurion for the year ended 3/31/97 were \$12 million.

Gross Profit:

Gross profit margins declined to 26.5% of sales from 27.4% in last year's second quarter on an 8% increase in sales dollars and a 4% increase in sales units. A combination of both selling price increases and favorable merchandising trends was offset by increased production costs. Similar to the first quarter, a major reason for these increased costs was disruptions in the delivery of hardwood and plywood parts. Secondly, additional costs associated with the relocation of contract casegoods operations occurred.

The hardwood and plywood problems experienced in the first and second quarter are thought to be mostly resolved and are not expected to impact future quarters. Costs relating to the contract casegoods consolidation are expected to continue into the third quarter but with a declining impact.

S, G & A:

Second quarter S, G & A decreased from 18.0% of sales last year to 17.1% due mainly to decreases in bonus accruals and lower commission rates. Offsetting the decrease, information technologies expenses continue to increase as discussed in the first quarter.

Interest Income:

Interest income increased 40% from last year due to an increase in cash balances. The collection rate on receivables was a major contributor to the increase in cash.

Estimated Income Taxes:

Estimated income taxes increased 21% over last year. Lower payments were remitted during the second quarter FY98 compared to FY97 due to first quarter income being significantly lower than prior year. Federal law allows estimated taxes for the first and second quarters to be based on annualized income for the first three months only.

Other Current Assets:

Other current assets have decreased 94% over last year. One major reason for the decrease was the timing of advertising related expenditures being later in FY98 vs FY97. In addition, assets for the company's self-insured healthcare plans have been decreasing over the last year due to many plants switching from traditional insurance plans to HMO's. This trend is not expected to continue.

Other Current Liabilities:

Other current liabilities increased 25% from last year. The third dividend of the fiscal year was declared in the second quarter to be paid in the third quarter. In the prior year this dividend was not declared until the third quarter. The dividend payment is expected to be approximately \$3.7 million.

LA-Z-BOY NAMES KISER PRESIDENT AND COO

MONROE, Mich, October 29, 1997 -- The board of directors of La-Z-Boy Incorporated announced today that Gerald L. Kiser, 50, has been named president, chief operating officer (COO) and member of the board of the nation's leading manufacturer of upholstered furniture. In his new capacity, Kiser will be responsible for the supervision of all operations of the corporation.

Kiser's promotion followed the recent death of Charles T. Knabusch, president and chairman of La-Z-Boy Incorporated, who led the company from \$53 million to more than \$1 billion in sales during his tenure at the helm of the company. As part of Knabusch's plan to successfully transfer management of the company to the next generation management group, earlier this year the board elevated Kiser to executive vice president and COO from his former position as vice president of operations.

The board, in keeping with the management transition plan, named Patrick H. Norton, 75, to chairman where his primary duties will be to continue to direct the sales and marketing activities of the company and its subsidiaries. To ensure that Knabusch's succession goals are accomplished, Norton will work with Kiser to complete the management transition to the team that will lead the company's aggressive future marketing program.

In addition, the board promoted Frederick H. Jackson, 69, to executive vice president - finance from vice president of finance. The company's executive committee will continue to include Kiser, Norton and Jackson.

Kiser's extensive background in the furniture industry includes five years as vice president of operations for Kincaid Furniture Company, a La-Z-Boy subsidiary located in Hudson, N.C. Prior to joining Kincaid, Kiser held the position of case goods division manufacturing manager for Broyhill. He also is currently active in the American Furniture Manufacturers Association.

Headquartered in Monroe, Mich., La-Z-Boy is the nation's leading manufacturer of upholstered furniture and world's leading producer of reclining chairs. The company employs 11,500 people, has 31 manufacturing facilities in the United States, Canada and Europe, and operates seven independent divisions, including La-Z-Boy Residential; La-Z-Boy Business Furniture Group; Hammary Furniture Company, Kincaid Furniture Company; England/Corsair, Inc.; La-Z-Boy Canada and Centurion Furniture PLC (U.K).