



La-Z-Boy Signs Agreement to Sell Bauhaus, USA

02/13/14

MONROE, Mich., Feb. 13, 2014 /PRNewswire/ -- La-Z-Boy Incorporated (NYSE: LZB) today announced it signed an agreement to sell Bauhaus U.S.A., Inc., an operating company within La-Z-Boy's upholstery segment, to an investor group led by Britt Allred, President, Bauhaus. Terms of the transaction, which is expected to close in the fiscal 2014 fourth quarter, were not disclosed. Bauhaus, a 25-year-old company that La-Z-Boy has owned since 1999, is based in Safford, Mississippi, and offers primarily contemporary sofas, sectionals and occasional chairs that are marketed in the U.S., Canada, the Far East and Europe.

Kurt L. Darrow, Chairman, President and Chief Executive Officer of La-Z-Boy commented, "We are pleased to have the opportunity to sell Bauhaus to an investor group that will provide continuity and seamlessness to all its customers through the transition period to new ownership. I am confident Britt and his team will ensure customers receive the same level of innovation and service from Bauhaus that they have come to expect and we wish the new ownership group and employees all the best going forward. From La-Z-Boy's perspective, with our emphasis on integrated retail, Bauhaus is not a strategic fit from a size perspective in terms of its revenue or earnings and we believe our resources will be further enhanced by narrowing our focus to our core business strategy."

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) speed of economic recovery or the possibility of another recession; (c) changes in the real estate and credit markets and their effects on our customers and suppliers; (d) international political unrest, terrorism or war; (e) volatility in energy and other commodities prices; (f) the impact of logistics on imports; (g) interest rate and currency exchange rate changes; (h) operating factors, such as supply, labor or distribution disruptions; (i) any court actions requiring us to return any of the Continued Dumping and Subsidy Offset Act distributions we have received; (j) changes in the domestic or international regulatory environment; (k) adoption of new accounting principles; (l) severe weather or other natural events such as hurricanes, earthquakes, flooding, tornadoes and tsunamis; (m) our ability to procure fabric rolls and leather hides or cut-and-sewn fabric and leather sets domestically or abroad; (n) fluctuations in our stock price; (o) information technology conversions or system failures; (p) effects of our brand awareness and marketing programs; (q) the discovery of defects in our products resulting in delays in manufacturing, recall campaigns, reputational damage, or increased warranty costs; (r) litigation arising out of alleged defects in our products; (s) our ability to locate new La-Z-Boy Furniture Galleries® stores (or store owners) and negotiate favorable lease terms for new or existing locations; (t) our ability to successfully integrate acquired businesses and realize the benefit of anticipated synergies; and (u) those matters discussed in Item 1A of our fiscal 2013 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 La-Z-Boy, England and Bauhaus. The Casegoods segment consists of four brands: American Drew, Lea, Hammary and Kincaid. The company-owned Retail segment includes 97 of the 314 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 314 stand-alone La-Z-Boy Furniture Galleries® stores and 565 independent Comfort Studios® locations, in addition to in-store gallery programs for Kincaid, England and Lea. Additional information is available at <http://www.la-z-boy.com/>.

SOURCE La-Z-Boy Incorporated

Kathy Liebmann, (734) 241-2438, kathy.liebmann@la-z-boy.com