



La-Z-Boy to Invest in Dayton, TN Manufacturing Campus

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MONROE, Mich., Feb. 02, 2017 (GLOBE NEWSWIRE) -- La-Z-Boy Incorporated (NYSE:LZB) today announced it plans to invest approximately \$26 million over a three-year period in its largest U.S. manufacturing facility, located in Dayton, Tennessee. The 1.2 million square-foot Dayton campus, which began operations in 1973 and employs approximately 1,400 people, is the only La-Z-Boy branded plant that manufactures furniture in all three upholstery categories -- recliners, motion sofas and stationary upholstery, making nearly 90% of the various frame styles in the company's manufactured-branded product line. The Dayton plant services the northeast, southeast and Midwestern portions of the country. The campus includes a small research and development operation and supply centers for metal stamping and wood fabrication that provide material for the company's four additional U.S. La-Z-Boy branded manufacturing sites.

The scope of the project, which will run in two sequential phases, includes the construction of a new state-of-the-art Innovation Center, followed by various upgrades and renovations throughout the upholstery plant and supply centers. The new 70,000 square-foot facility will replace an existing structure on site and will house a model shop, technology center, test lab and three-dimensional printing lab. It will be home to approximately 70 to 75 employees. The company plans to break ground on The La-Z-Boy Innovation Center in February 2017, with the project expected to run for approximately 14 months. Subsequently, the company will begin an approximately 12-18 month renovation project throughout the Dayton campus relating primarily to modernization, technology and productivity enhancements.

Kurt L. Darrow, Chairman, President and Chief Executive Officer, of La-Z-Boy Incorporated, said, "Our company was founded with an innovative spirit almost 90 years ago and that spirit remains at the forefront of everything we do today. With the Dayton operation our largest facility, it is imperative that we make the appropriate investment to maintain a high innovation quotient throughout the business while making the plant as safe, productive and efficient as possible. We are making this investment over a long period of time, in two distinct phases, and will be methodical throughout the process to ensure there is no disruption of service to our customer base and that we continue to deliver on our brand promise to the consumer – custom furniture delivered in four weeks or less – highlighting La-Z-Boy's unique competitive advantage within the industry."

Darrow continued, "Having a new modern Innovation Center that provides our team of engineers and design professionals with a collaborative work environment is critical as we bring exciting new products to market. Additionally, with a strong commitment to sustainability and a responsibility to act as an environmental steward, we intend to construct a LEED-certified building utilizing recognized sustainable building practices."

Darrell Edwards, Senior Vice President and Chief Supply Chain Officer, said, "The Dayton upholstery plant is our largest facility, responsible for nearly \$400 million of our annual revenue. Ongoing investment across our manufacturing operations is essential as we continue to enhance plant productivity and efficiencies. Additionally, we pride ourselves in maintaining a safe work environment and many of the upgrades we are making will further improve the practices and safeguards already in place. La-Z-Boy is a leader in the motion furniture field, with the brand's heritage steeped in bringing revolutionary products to market. This new Innovation Center will help us to attract and recruit the best talent to our team as we seek to expand our business."

The final phase of the Dayton campus refresh will include the construction of a new transportation terminal. Darrow said, "We would like to thank the State of Tennessee and the City of Dayton for their cooperation, support and encouragement on this important series of projects. We have had an almost 45-year-long history in Tennessee and we look forward to many more years of production in Dayton. We appreciate the various incentives we are receiving at the state and local level to assist us in completing this work."

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 Casegoods segment consists of three brands: American Drew, Hammary, and Kincaid. The company-owned Retail segment includes 132 of the 343 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 343 stand-alone La-Z-Boy Furniture Galleries® stores and 553 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/>.

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La-Z-Boy Incorporated