

**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**

November 17, 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))

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**Item 2.02 Results of Operations and Financial Condition**

On November 17, 2015, La-Z-Boy Incorporated issued a news release to report the company's financial results for the second quarter ended October 24, 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 November 17, 2015
99.2	Unaudited financial schedules

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**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.

Date: November 17, 2015

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

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## NEWS RELEASE

Contact: Kathy Liebmann

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### LA-Z-BOY REPORTS FISCAL 2016 SECOND-QUARTER RESULTS

#### Increases Earnings Per Share by 14%

MONROE, MI., November 17, 2015—La-Z-Boy Incorporated (NYSE: LZB) today reported its operating results for the fiscal 2016 second quarter ended October 24, 2015.

#### Fiscal 2016 second-quarter highlights for continuing operations:

- The company reported earnings per diluted share of \$0.41 from continuing operations attributable to La-Z-Boy Incorporated compared with \$0.36 in the prior year's second quarter, an increase of 14%;
- Consolidated operating income for the fiscal 2016 second quarter increased 10.6% to \$33.4 million, with consolidated operating margin increasing to 8.7% from 8.3% in the fiscal 2015 second quarter;
- Operating margin for the upholstery segment was 12.1% compared with 11.0% in last year's second quarter;
- Operating margin for the retail segment was 5.9% compared with 4.4% in last year's second quarter;
- Same-store written sales for the La-Z-Boy Furniture Galleries® store network increased 3.6%; and
- The company increased its quarterly dividend 25%.

Sales for the fiscal 2016 second quarter were \$382.9 million, up 4.7% compared with the prior year's second quarter. The company reported income from continuing operations attributable to La-Z-Boy Incorporated of \$21.0 million, or \$0.41 per diluted share, versus \$19.2 million, or \$0.36 per diluted share, in last year's second quarter.

Kurt L. Darrow, Chairman, President and Chief Executive Officer, of La-Z-Boy, said, "For the quarter, we improved our overall performance and achieved a consolidated operating margin of 8.7%, driven primarily by efficiencies within our manufacturing facilities and supply chain, as well as strong retail execution. With sales trends accelerating throughout the period, we are pleased to enter the third quarter with momentum. As part of our multi-faceted growth strategy, during the period, we increased the size of our company-owned retail segment with the acquisition of 10 La-Z-Boy Furniture Galleries® stores from independent dealers. Additionally, three new stores were opened across the network as part of our 4-4-5 initiative. Simultaneously, we are working to expand our share of the stationary upholstery market and increase our business through distribution channels beyond the La-Z-Boy Furniture Galleries® store network. We are confident our growth initiatives coupled with a

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continued focus on driving efficiencies throughout our operations will deliver improved performance across the entire enterprise."

#### Wholesale Segments

For the fiscal 2016 second quarter, sales in the company's upholstery segment increased 2.9% to \$305.8 million versus the prior year's second quarter. In the casegoods segment, sales for the fiscal 2016 second quarter were \$28.2 million, down 2.3% from last year's second quarter.

Darrow commented, "We are beginning to see the benefits of the new ERP system in our La-Z-Boy branded facilities which helped us achieve a 12.1% operating margin in our upholstery segment. During the period, our performance was also fueled by efficiencies in our supply chain and solid sales and operating margin performance from England, Inc., our sister upholstery company. At the recent High Point Furniture Market, we expanded our Urban Attitudes collection and also offered power in several new styles. The Urban Attitudes collection and the power option have been strong performers over the past year."

Darrow added, "Earlier this month, we launched our new web-site and eCommerce platform, which is designed to provide our consumers a best-in-class digital experience while driving more traffic to our site. In addition to offering a wealth of information to make both the on-line and in-store shopping process easier and faster, the site also provides inspirational design ideas, solutions and tools. While we believe most people still ultimately prefer a retail store experience so they are able to touch and feel the furniture and view our wide array of fabrics and leathers before making a purchase, a significant majority visit our desktop or mobile web-sites before or during their shopping process. It is therefore essential we make it easy for them to find us on-line, research our products and buy through the site if that is what they prefer."

Darrow continued, "We are making solid progress in our casegoods business, and our performance reflects the many changes made to our operating platform. During the period, the casegoods segment achieved a 9.3% operating margin versus 10.4% in the prior year's quarter, which included the benefit of a \$2.0 million reduction to the LIFO reserve for domestically manufactured inventory. Additionally, in last year's second quarter, we had sales of \$1.2 million of hospitality furniture, which represented approximately 4% of the quarter's sales in the segment. Hospitality is no longer part of our product offering since we ceased domestic production of casegoods in September 2014. As we move forward, we believe that we will be able to drive growth in the segment through a stronger and more relevant product offering and that the business's performance will be more consistent as a result of our new operating structure."

#### Retail Segment

For the fiscal 2016 second quarter, sales in the company's retail segment increased 14.1% to \$96.5 million versus the prior year's second quarter. On the core 96 stores included in last year's comparable quarter, delivered sales for the segment increased 1.3%.

Darrow stated, "We are very pleased with the 5.9% operating margin achieved in the retail segment. As we continue to increase sales volume, we are benefiting from the ability to leverage our fixed-cost structure. For the period, we also increased the gross margin in the segment and enjoyed increases in our in-home design sales and average ticket as well as strong performance of our wide selection of power furniture."

During the quarter, the company acquired 10 La-Z-Boy Furniture Galleries® stores from independent dealers: two in Wisconsin, two in the Carolinas and six in Ohio. Darrow added, "An integral part of

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our 4-4-5 strategy is increasing the size of the company-owned retail segment through new and acquired stores so that we benefit from the blended wholesale/retail margin associated with our integrated retail model."

### **La-Z-Boy Furniture Galleries® Store Network**

System-wide, for the second 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 3.6% versus last year's second quarter. Same-store written sales for the fiscal 2016 year-to-date period (May through October) were up 4.2%.

For the second quarter, total written sales, which include new and closed stores, increased 6.2% compared with the fiscal 2015 comparable period. At the end of the second quarter, the La-Z-Boy Furniture Galleries® store system was composed of 330 stand-alone stores, with 75 in the new concept design format.

Darrow commented, "During fiscal 2016, we plan to execute more than 30 projects, including new stores, remodels and relocations, resulting in 15 net new stores. We are also beginning to fill the pipeline for fiscal 2017. During the second quarter, the network opened three new stores and remodeled eight. In the third quarter of fiscal 2016, we are planning for seven new stores, four remodels and three closures throughout the network."

### **Balance Sheet and Cash Flow**

During the quarter, the company generated \$20.2 million in cash from operating activities. La-Z-Boy ended the quarter with \$74.6 million in cash and cash equivalents, \$31.8 million in investments to enhance returns on cash, and \$9.0 million in restricted cash. During the quarter, the company invested \$19.2 million acquiring 10 La-Z-Boy Furniture Galleries® stores. The company also had \$7.4 million in capital expenditures, paid \$4.1 million in dividends, and spent \$9.3 million purchasing 0.3 million shares of stock in the open market under its existing authorized share purchase program, with remaining authorization to purchase 5.0 million shares.

### **Dividend**

The board of directors increased the company's regular quarterly dividend to shareholders by 25% to \$0.10 per share. The dividend will be paid on December 10, 2015, to shareholders of record as of November 30, 2015.

### **Business Outlook**

Darrow concluded, "We are optimistic about our ability to drive growth in this economic environment based on the strength of our brand, our marketing initiatives and our product offering. We will continue to make strategic investments in the business as we execute our four-pronged growth strategy, which includes the 4-4-5 store build out 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. We believe the combination of these initiatives will continue to drive improved performance and results."

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### **Conference Call**

La-Z-Boy will hold a conference call with the investment community on Wednesday, November 18, 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 #13621631.

### **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 and our ability to recover from a system failure; (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=&>.

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### **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 123 of the 330 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 123 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/>.

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**LA-Z-BOY INCORPORATED**  
**CONSOLIDATED STATEMENT OF INCOME**

(Unaudited, amounts in thousands, except per share data)	Quarter Ended	
	10/24/15	10/25/14
Sales	\$ 382,891	\$ 365,601
Cost of sales	237,085	235,706
Gross profit	145,806	129,895
Selling, general and administrative expense	112,412	99,703
Operating income	33,394	30,192
Interest expense	133	145
Interest income	164	233
Other income, net	512	152
Income from continuing operations before income taxes	33,937	30,432
Income tax expense	12,278	10,743
Income from continuing operations	21,659	19,689
Income from discontinued operations, net of tax	—	285
Net income	21,659	19,974
Net income attributable to noncontrolling interests	(707)	(445)
Net income attributable to La-Z-Boy Incorporated	\$ 20,952	\$ 19,529
Net income attributable to La-Z-Boy Incorporated:		
Income from continuing operations attributable to La-Z-Boy Incorporated	\$ 20,952	\$ 19,244
Income from discontinued operations	—	285
Net income attributable to La-Z-Boy Incorporated	\$ 20,952	\$ 19,529
Basic weighted average common shares	50,493	52,279
Basic net income attributable to La-Z-Boy Incorporated per share:		
Income from continuing operations attributable to La-Z-Boy Incorporated	\$ 0.41	\$ 0.37
Income from discontinued operations	—	—
Basic net income attributable to La-Z-Boy Incorporated per share	\$ 0.41	\$ 0.37
Diluted weighted average common shares	51,039	52,723
Diluted net income attributable to La-Z-Boy Incorporated per share:		
Income from continuing operations attributable to La-Z-Boy Incorporated	\$ 0.41	\$ 0.36
Income from discontinued operations	—	0.01
Diluted net income attributable to La-Z-Boy Incorporated per share	\$ 0.41	\$ 0.37
Dividends declared per share	\$ 0.08	\$ 0.06

**LA-Z-BOY INCORPORATED**  
**CONSOLIDATED STATEMENT OF INCOME**

(Unaudited, amounts in thousands, except per share data)	Six Months Ended	
	10/24/15	10/25/14
Sales	\$ 724,314	\$ 692,581
Cost of sales	454,276	451,180
Gross profit	270,038	241,401
Selling, general and administrative expense	216,678	194,718
Operating income	53,360	46,683
Interest expense	245	277
Interest income	369	435
Other income (expense), net	2,480	(106)
Income from continuing operations before income taxes	55,964	46,735
Income tax expense	20,182	16,498
Income from continuing operations	35,782	30,237
Income from discontinued operations, net of tax	—	2,782
Net income	35,782	33,019
Net income attributable to noncontrolling interests	(1,154)	(409)
Net income attributable to La-Z-Boy Incorporated	\$ 34,628	\$ 32,610
Net income attributable to La-Z-Boy Incorporated:		
Income from continuing operations attributable to La-Z-Boy Incorporated	\$ 34,628	\$ 29,828
Income from discontinued operations	—	2,782
Net income attributable to La-Z-Boy Incorporated	\$ 34,628	\$ 32,610
Basic weighted average common shares	50,538	52,235
Basic net income attributable to La-Z-Boy Incorporated per share:		
Income from continuing operations attributable to La-Z-Boy Incorporated	\$ 0.68	\$ 0.57
Income from discontinued operations	—	0.05

Basic net income attributable to La-Z-Boy Incorporated per share	\$ 0.68	\$ 0.62
Diluted weighted average common shares	51,076	52,662
Diluted net income attributable to La-Z-Boy Incorporated per share:		
Income from continuing operations attributable to La-Z-Boy Incorporated	\$ 0.67	\$ 0.56
Income from discontinued operations	—	0.06
Diluted net income attributable to La-Z-Boy Incorporated per share	\$ 0.67	\$ 0.62
Dividends declared per share	\$ 0.16	\$ 0.12

**LA-Z-BOY INCORPORATED**  
**CONSOLIDATED BALANCE SHEET**

(Unaudited, amounts in thousands)	10/24/15	4/25/15
<b>Current assets</b>		
Cash and equivalents	\$ 74,566	\$ 98,302
Restricted cash	8,976	9,636
Receivables, net of allowance of \$3,389 at 10/24/15 and \$4,622 at 4/25/15	152,857	158,548
Inventories, net	181,625	156,789
Deferred income taxes — current	11,623	11,255
Other current assets	44,265	41,921
Total current assets	473,912	476,451
Property, plant and equipment, net	173,138	174,036
Goodwill	33,423	15,164
Other intangible assets	7,958	5,458
Deferred income taxes — long-term	34,136	35,072
Other long-term assets, net	63,457	68,423
Total assets	\$ 786,024	\$ 774,604
<b>Current liabilities</b>		
Short-term borrowings	\$ 4,000	\$ —
Current portion of long-term debt	344	397
Accounts payable	45,040	46,168
Accrued expenses and other current liabilities	112,923	108,326
Total current liabilities	162,307	154,891
Long-term debt	622	433
Other long-term liabilities	79,724	86,180
Contingencies and commitments	—	—
<b>Shareholders' equity</b>		
Preferred shares — 5,000 authorized; none issued	—	—
Common shares, \$1 par value — 150,000 authorized; 50,289 outstanding at 10/24/15 and 50,747 outstanding at 4/25/15	50,289	50,747
Capital in excess of par value	275,301	270,032
Retained earnings	242,392	235,506
Accumulated other comprehensive loss	(33,929)	(32,139)
Total La-Z-Boy Incorporated shareholders' equity	534,053	524,146
Noncontrolling interests	9,318	8,954
Total equity	543,371	533,100
Total liabilities and equity	\$ 786,024	\$ 774,604

**LA-Z-BOY INCORPORATED**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**

(Unaudited, amounts in thousands)	Six Months Ended	
	10/24/15	10/25/14
<b>Cash flows from operating activities</b>		
Net income	\$ 35,782	\$ 33,019
Adjustments to reconcile net income to cash provided by (used for) operating activities		
Restructuring	352	(332)
Deferred income tax expense (benefit)	138	(1,799)
Provision for doubtful accounts	(426)	(1,113)
Depreciation and amortization	12,679	10,996
Equity-based compensation expense	5,123	5,047
Pension plan contributions	(7,000)	—
Change in receivables	4,980	(2,135)
Change in inventories	(21,501)	(11,006)
Change in other assets	(5,656)	6,253
Change in payables	(628)	(785)
Change in other liabilities	(2,120)	(6,377)

Net cash provided by operating activities	21,723	31,768
<b>Cash flows from investing activities</b>		
Proceeds from disposal of assets	2,491	6,534
Capital expenditures	(13,949)	(40,580)
Purchases of investments	(11,693)	(24,224)
Proceeds from sales of investments	19,409	17,827
Acquisitions, net of cash acquired	(19,232)	—
Change in restricted cash	660	7,287
Net cash used for investing activities	(22,314)	(33,156)
<b>Cash flows from financing activities</b>		
Net proceeds from credit facility	4,000	—
Payments on debt	(283)	(7,358)
Stock issued for stock and employee benefit plans	253	161
Excess tax benefit on stock option exercises	392	252
Purchases of common stock	(18,461)	(19,654)
Dividends paid	(8,112)	(6,274)
Net cash used for financing activities	(22,211)	(32,873)
Effect of exchange rate changes on cash and equivalents	(934)	(75)
Change in cash and equivalents	(23,736)	(34,336)
Cash and equivalents at beginning of period	98,302	149,661
Cash and equivalents at end of period	<u>\$ 74,566</u>	<u>\$ 115,325</u>
<b>Supplemental disclosure of non-cash investing activities</b>		
Capital expenditures included in payables	\$ —	\$ 5,339

**LA-Z-BOY INCORPORATED**  
**SEGMENT INFORMATION**

(Unaudited, amounts in thousands)	Quarter Ended		Six Months Ended	
	10/24/15	10/25/14	10/24/15	10/25/14
<b>Sales</b>				
<b>Upholstery segment:</b>				
Sales to external customers	\$ 260,080	\$ 255,044	\$ 492,564	\$ 482,200
Intersegment sales	45,737	42,223	85,929	77,926
<b>Upholstery segment sales</b>	<u>305,817</u>	<u>297,267</u>	<u>578,493</u>	<u>560,126</u>
<b>Casegoods segment:</b>				
Sales to external customers	25,787	25,455	46,989	51,408
Intersegment sales	2,432	3,433	4,623	6,403
<b>Casegoods segment sales</b>	<u>28,219</u>	<u>28,888</u>	<u>51,612</u>	<u>57,811</u>
<b>Retail segment sales</b>	<u>96,480</u>	<u>84,589</u>	<u>183,131</u>	<u>157,494</u>
<b>Corporate and Other:</b>				
Sales to external customers	544	513	1,630	1,479
Intersegment sales	750	—	1,266	—
<b>Corporate and Other sales</b>	<u>1,294</u>	<u>513</u>	<u>2,896</u>	<u>1,479</u>
<b>Eliminations</b>	<u>(48,919)</u>	<u>(45,656)</u>	<u>(91,818)</u>	<u>(84,329)</u>
<b>Consolidated sales</b>	<u>\$ 382,891</u>	<u>\$ 365,601</u>	<u>\$ 724,314</u>	<u>\$ 692,581</u>
<b>Operating Income (Loss)</b>				
Upholstery segment	\$ 37,040	\$ 32,607	\$ 61,634	\$ 54,624
Casegoods segment	2,634	2,995	4,324	4,520
Retail segment	5,716	3,682	10,445	3,997
Restructuring	(187)	(10)	(352)	347
Corporate and Other	(11,809)	(9,082)	(22,691)	(16,805)
<b>Consolidated operating income</b>	<u>\$ 33,394</u>	<u>\$ 30,192</u>	<u>\$ 53,360</u>	<u>\$ 46,683</u>