LA-Z-BOY

August 2019

Forward-Looking Disclaimer

- This presentation contains statements that relate directly or indirectly to our future business, events or financial performance that may constitute forward-looking statements.
- In addition, our representatives may from time to time make oral forward-looking statements. Such statements are based on the current expectations and certain assumptions of La-Z-Boy management, of which many are beyond the control of the company. These statements are subject to a number of risks and uncertainties, including those described in our Annual Report on Form 10-K.
- Actual results, performance or achievements of La-Z-Boy may vary materially from those described explicitly or implicitly in any forward-looking statement.
- The reconciliation of certain Non-GAAP measures in this presentation may be found at the end of the presentation.

Delivering Strong Financials - Last Five Years*

$388** million sales increase

$310+ million returned to shareholders, including a consistently increased dividend

$39** million GAAP operating income increase

$41** million Non-GAAP*** increase

$627 million total cash generated from operating activities

32% share price increase

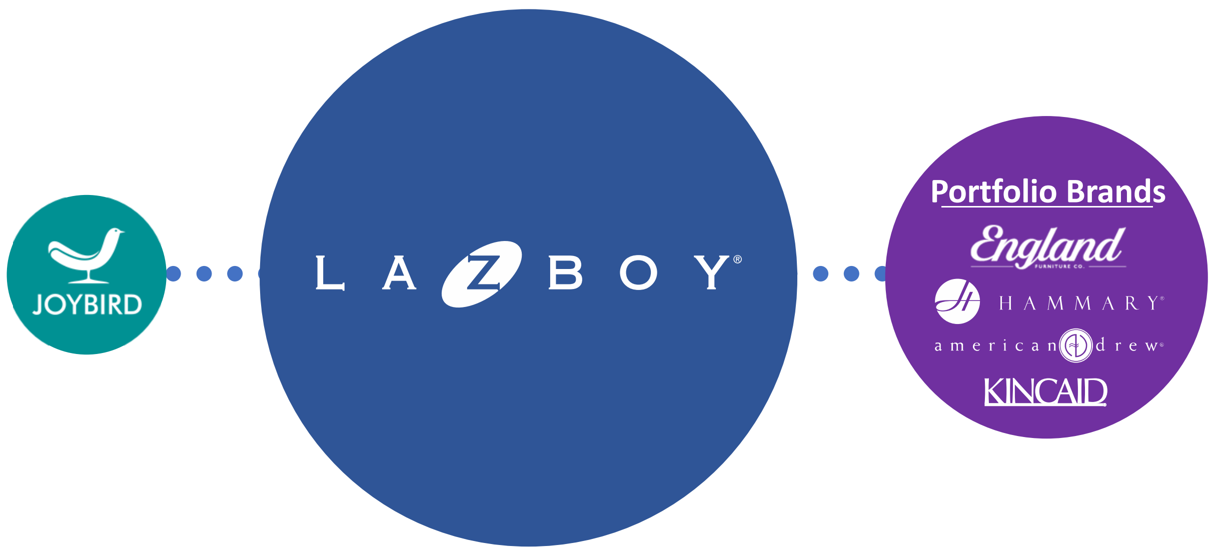
*Five-year period ending Fiscal 2019 (April 27, 2019)
** Five-year sales and operating income growth is calculated as the sales/operating income for fiscal 2019 less the sales/operating income for fiscal 2014
*** See Reconciliation of GAAP to Non-GAAP Financial measures in Appendix

Delivering Industry-Leading Performance

- Portfolio of powerhouse brands
- Premier global supply chain, innovation and multiple distribution channels
- Capture growing segments of the marketplace

→

- Consistent returns to shareholders



World-Class Supply Chain

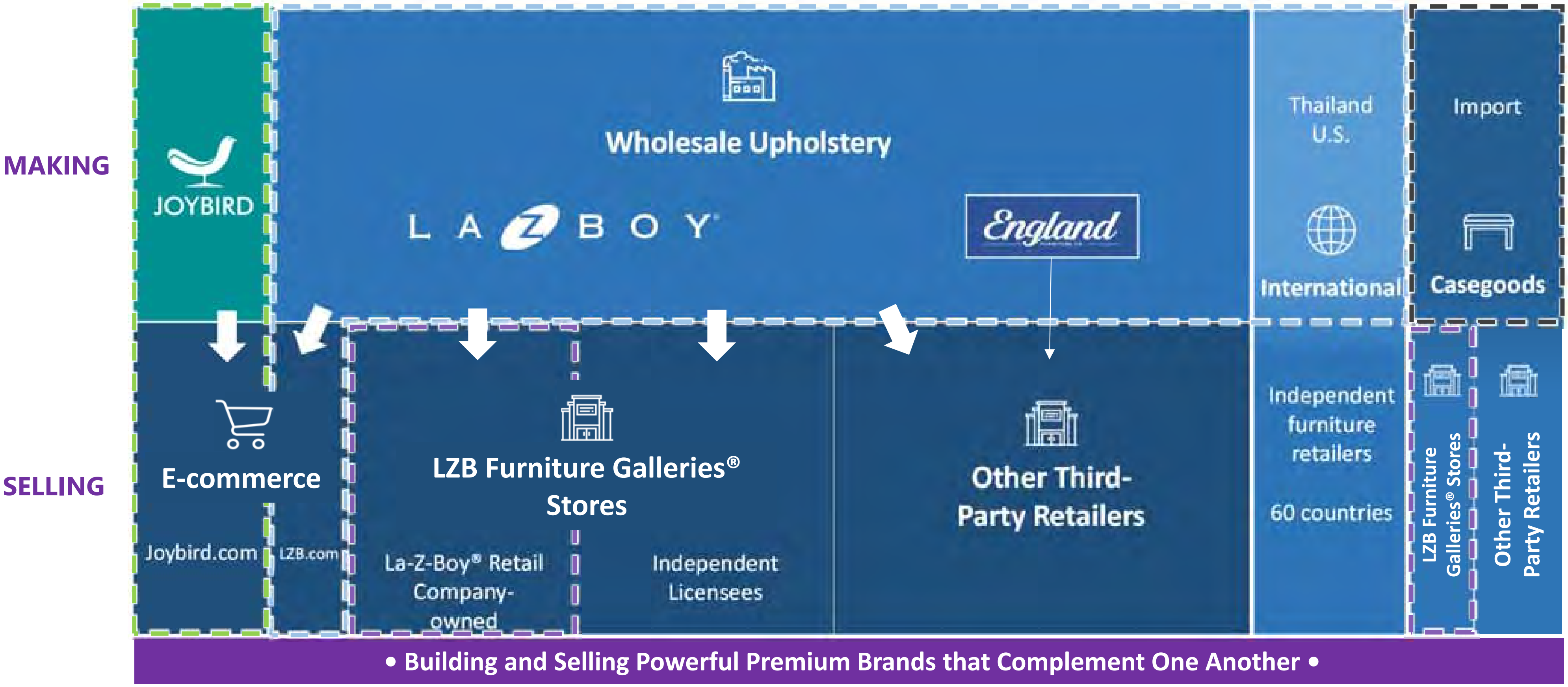
Multiple Routes to Market
Brick and mortar, e-commerce, wholesale

Strong Financial Position

LA-Z-BOY

Circles represent relative size (not 100% to scale)

The LZB Enterprise



- - - Wholesale Upholstery Segment
- - - Wholesale Casegoods Segment
- - - Retail Segment
- - - Joybird included in Corporate/other

Relative revenue representation (not 100% to scale)

The La-Z-Boy Brand

- Most recognized brand in $111 billion industry
- Second-largest manufacturer/distributor of residential furniture in the U.S.*
- Strong core attributes built over 90+ years
- *Live Life Comfortably®* brand platform
  - Full line of on-trend stationary furniture
  - Enhanced by La-Z-Boy Furniture Galleries® store experience
  - New brand ambassador Kristen Bell

Joybird • • La-Z-Boy • • Trade Brands

*Furniture Today, May 2019

L A Z B O Y®

La-Z-Boy Brand - Supply Chain

- Efficient, cost-effective and multi-modal
  - Five U.S. assembly plants
  - Cut and Sew Center in Mexico supplies two thirds of kits
    - Not subject to Chinese goods import tariff
  - Six U.S. regional distribution centers
  - Asian-sourced component parts
- Unmatched customization - scale and speed
  - Custom furniture in four weeks
  - Excellent service
  - Compelling value proposition
- Legacy of innovation
  - New Innovation Center 2019

La-Z-Boy Brand – Distribution

OMNI-CHANNEL

- La-Z-Boy Furniture Galleries® Network
  - Vibrant and growing: 350+ stores
    - Approximately 50% of La-Z-Boy branded business
  - Preferred shopping venue for LZB core consumer
    - Research online; buy in store
    - Flagship store experience
    - Design services
    - Opportunity to sell full room groups
  - Company increasing ownership of galleries (approx. 45%)

La-Z-Boy Brand – Company-Owned Retail

OMNI-CHANNEL

- **La-Z-Boy Furniture Galleries® Network**
  - Company increasing ownership of network (approx. 45%)
    - 155 of 352 stores as of FY20Q1
    - Summer 2018 acquisition of Arizona stores – highest performing stores in network
    - Additional acquisition opportunities
  - Integrated operating margin - mid teens
    - Wholesale and retail
  - Leverage opportunity to be closer to the consumer

La-Z-Boy Brand – Distribution (cont.)

OMNI CHANNEL

- Other third-party distribution
  - La-Z-Boy sold through a network of 2,400 dealers outside the La-Z-Boy Furniture Galleries® network
    - 554 Comfort Studio® locations
- E-Commerce
  - La-Z-Boy.com
    - Addresses and leverages online shopping trend
    - Provides product information and tools -- 3D Room Planner
    - Drives traffic to stores
  - Wayfair and Amazon
    - Steady growth on Wayfair
    - Building momentum with Amazon

La-Z-Boy Brand – International

- Global appeal – sold in about 60 countries
  - Significant presence in Canada and U.K.
  - Expanding into Europe
  - Growing business in China with more than 250 stores through licensing arrangement with KUKA
  - Opportunity to expand distribution worldwide
- Manufacturing
  - JV in Thailand
  - Contract and licensing arrangements in multiple countries

Joybird

- Premier e-commerce retailer and upholstery manufacturer
  - Pure direct-to-consumer model
  - Custom mid-century modern furniture
- Acquired summer 2018
- Continues to exhibit fast-paced growth
- Access to a younger consumer in a new channel
- Synergistic combination
  - La-Z-Boy supply chain
  - Joybird online shopping platform expertise

Joybird – Supply Chain

- Manufactured primarily in Tijuana
- Leveraging La-Z-Boy supply chain assets
  - Improve production at Tijuana facility
    - On pace to almost double capacity
  - Also manufacturing Joybird in La-Z-Boy U.S. facilities
  - Utilize La-Z-Boy nationwide distribution capabilities
    - Decrease shipping costs
    - Improve service to consumers, decrease delivery times
  - Lower costs
    - Raw material procurement
    - Manufacturing expertise

Joybird · La-Z-Boy · Trade Brands

Supply Chain | Multiple Routes to Market | Financial Position

LA-Z-BOY®

Joybird – Distribution

- Pure direct-to-consumer model
  - Robust e-commerce platform
  - Excellent consumer interface
    - Easy to use
    - Customization
    - Online support
    - Order/build tracking capability
- Opportunity to leverage online expertise across the La-Z-Boy business

Powerhouse Trade Brands

MADE IN AMERICA
England
FURNITURE CO

- England
  - Unique manufacturing and shipping model; unparalleled in industry
    - Custom furniture delivered 21 days or less
    - Proprietary logistics system
  - Expanding business across the U.S.
  - Adding to manufacturing facility to support growth

Powerhouse Trade Brands

HAMMARY american drew KINCAID

- Casegoods
  - Three brands
  - All-import model
  - Leverages global supply chain
  - Provides excellent service to customers
  - On-trend collections
  - Strong operating margin

Powerhouse Trade Brands - Distribution

- England and Casegoods companies
  - Sales to 1,400 dealers across North America
    - Proprietary distribution through in-store galleries
      - England 445
      - Kincaid 149
  - Online distribution through Wayfair

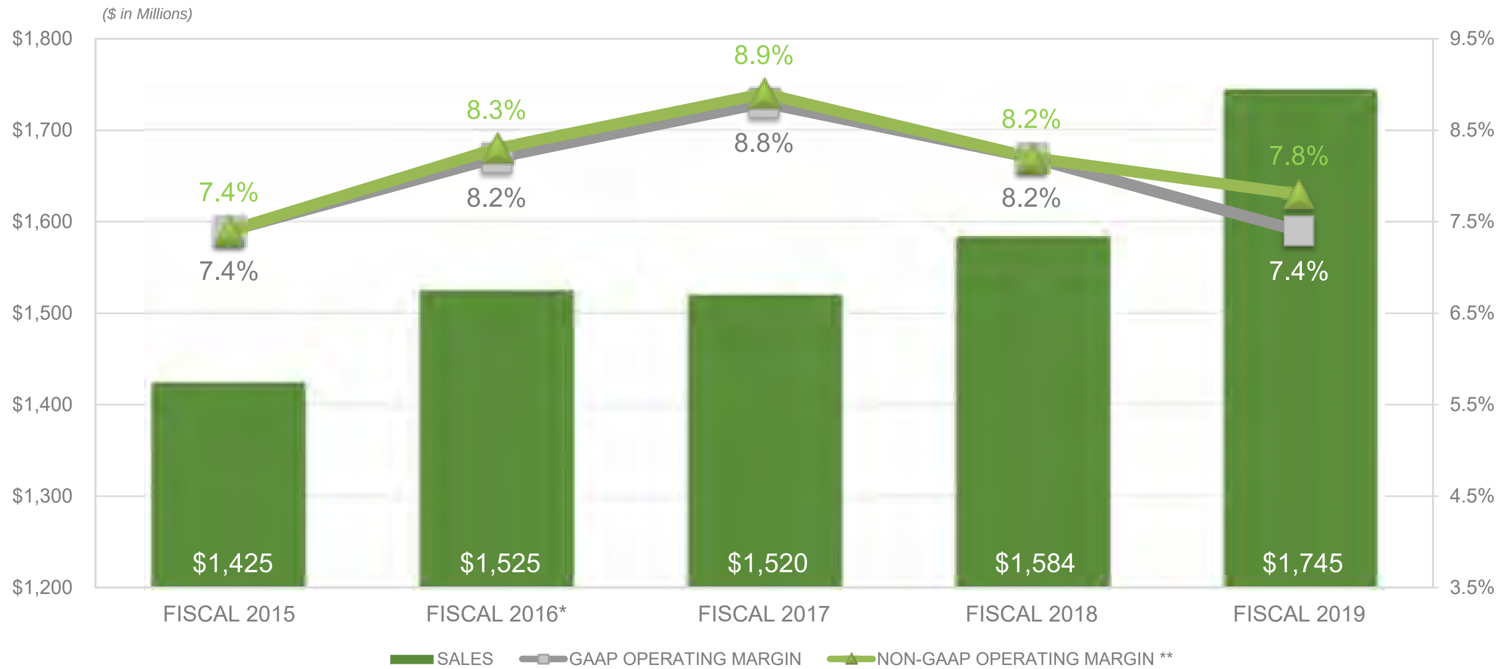
Joybird
La-Z-Boy
Trade Brands
Supply Chain
Multiple Routes to Market
Financial Position

Financial Strength




LA-Z-BOY®

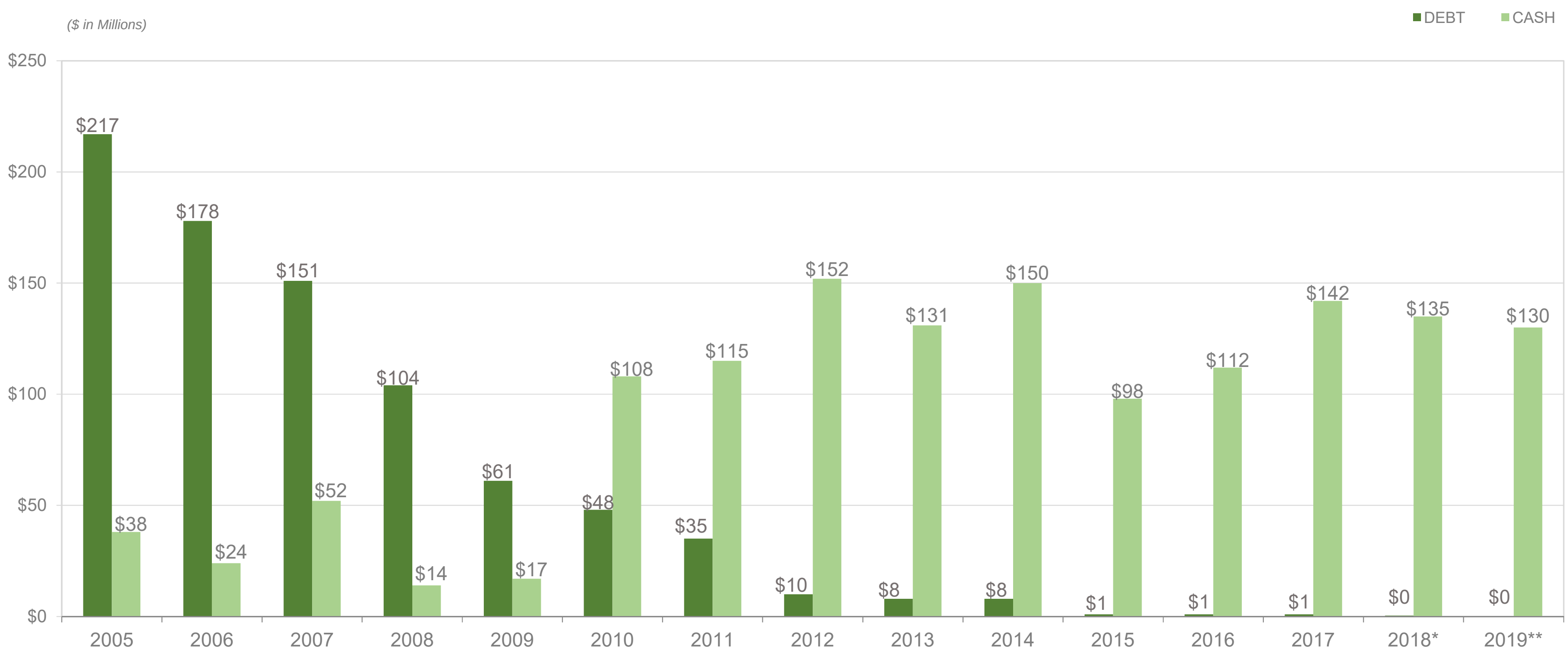
CREATE AND RETURN VALUE: 5-YEAR SALES AND OPERATING MARGIN



*Fiscal 2016 includes 53 weeks, while all other years include 52 weeks. The one additional week in fiscal 2016 resulted in approximately $29 million of additional sales based on the average weekly sales for the year.

** See Reconciliation of GAAP to Non-GAAP Financial Measures in Appendix

CREATE AND RETURN VALUE: STRONG BALANCE SHEET



*Fiscal 2018 debt is $422k
**Fiscal 2019 debt is $199k

Joybird • La-Z-Boy • Trade Brands

Supply Chain | Multiple Routes to Market | **Financial Position**

CAPITAL ALLOCATION:
BUSINESS INVESTMENTS AND RETURNS TO SHAREHOLDERS

*Fiscal 2016 includes 53 weeks, while all other years include 52 weeks.

Joybird La-Z-Boy Trade Brands

Supply Chain Multiple Routes to Market Financial Position

Investing in the Business

- Ensure competitiveness
- Maintain leadership in innovation
- Increase market share
- Drive long-term profitable growth
- Projects
  - La-Z-Boy
    - Upgrades to domestic plants
    - New stores for company-owned Retail segment
  - England
    - Expanding plant
    - New corporate office building
  - Joybird
    - Upgrades to Tijuana plant
    - Marketing – technology and website

Financials: Fiscal 2020 Q1




Non-GAAP Presentation

- Excludes purchase accounting adjustments
  - Acquired businesses: Joybird and La-Z-Boy Furniture Galleries® stores
  - FY20 Q1: $1.5 million, or $0.02 per diluted share
- Excludes one-time charges for Supply Chain Optimization Initiative
  - FY20 Q1: $1.5 million, or $0.02 per diluted share
- Highlights core underlying business trends

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FY20 First–Quarter Results

- Sales increase of 7.5% to $414 million
  - Driven by organic growth and acquisitions
  - Operating margin:
    - GAAP 5.7% vs. 6.0%; Non-GAAP 6.3% vs. 6.1%
      - Lower raw material prices in Upholstery
      - Improved fixed-cost leverage in Retail
      - Partially offset by changes to consolidated business mix
- Earnings Per Diluted Share
  - GAAP $0.38 vs. $0.39; Non-GAAP $0.42 vs. $0.39
    - FY19 Q1 includes $0.03 per share benefit for currency changes
    - FY20 Q1 Non-GAAP EPS excludes
      - $0.02 per share charge for purchase accounting
      - $0.02 per share charge related to supply chain optimization initiative

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FY20 First–Quarter Results cont.

- GAAP consolidated gross margin increased 200 basis points; Non-GAAP increased 230 basis points
  - Consolidated sales mix change (Retail and Joybird)
  - Improved gross margin in Upholstery segment
- GAAP SG&A as a percent of sales increased 230 basis points; Non-GAAP SG&A increased 200 basis points
  - Changes in consolidated sales mix increased SG&A by 300 basis points
  - Partially offset with improved leverage of fixed costs on higher sales volume in Retail segment

FY20 First–Quarter Capital Allocation

- Cash from operating activities of $19 million
- Ending balances:
  - $114 million in cash, cash equivalents and restricted cash
  - $33 million in investments to enhance returns on cash
- Capital expenditures of $12 million
- Returned $18 million to shareholders through dividends and share purchases
  - 5.5 million shares available as part of our board-authorized share purchase program
- Capex for FY20 expected to be $50 to $60 million
- Balance Sheet reflects adoption of FASB's new leasing standard
  - Increase in assets and liabilities of $314 million

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Items of Note for FY20

- Non-GAAP presentation
  - Purchase Accounting charges estimated at $0.08 - $0.10 per diluted share (roughly even by quarter)
  - Supply Chain Optimization initiative charges estimated at $0.08 - $0.11 per diluted share (roughly even by quarter)
- Tariffs: continue to pass through as a surcharge
- Consolidated sales mix change (Joybird and Retail growth)
  - May affect the seasonality of consolidated results
  - Expected to increase SG&A costs by 100 – 150 bps
- FY19 had one-time employee benefit impacts of $0.07 per share benefit to Q3, and $0.03 per share charge in Q4

Looking Ahead




Looking Ahead

Well positioned for long-term growth

- Home furnishings environment challenging
- Competitively well positioned in marketplace
  - Strong brand
  - Multi-channel distribution network
    - Growing Retail business
  - World-class supply chain
  - Strong balance sheet
- Optimistic about the long-term growth prospects for Joybird and evolving eCommerce business
- Strong balance sheet will allow us to make strategic investments to deliver long-term performance and provide shareholder returns

Appendix

RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES

(Amounts in thousands, except per share data)	Quarter Ended 7/27/2019	Quarter Ended 7/28/2018
GAAP gross profit	$167,712	$148,522
Add back: Purchase accounting charges – incremental expense upon the sale of inventory acquired at fair value	117	42
Add back: Supply chain optimization initiative	1,508	—
Non-GAAP gross profit	$169,337	$148,564
GAAP SG&A	$144,290	$125,362
Less: Purchase accounting charges – amortization of intangible assets and retention agreements	(1,192)	(104)
Non-GAAP SG&A	$143,098	$125,258
GAAP operating income	$23,422	$23,160
Add back: Purchase accounting charges	1,309	146
Add back: Supply chain optimization initiative	1,508	—
Non-GAAP operating income	$26,239	$23,306
GAAP income before income taxes	$23,071	$24,550
Add back: Purchase accounting charges recorded as part of gross profit, SG&A, and interest expense	1,502	146
Add back: Supply chain optimization initiative	1,508	—
Non-GAAP income before income taxes	$26,081	$24,696

(Amounts in thousands, except per share data)	Quarter Ended 7/27/2019	7/28/2018
GAAP net income attributable to La-Z-Boy Incorporated	$18,069	$18,303
Add back: Purchase accounting charges recorded as part of gross profit, SG&A, and interest expense	1,502	146
Less: Tax effect of purchase accounting	(330)	(33)
Add back: Supply chain optimization initiative	1,508	—
Less: Tax effect of supply chain optimization initiative	(332)	—
Non-GAAP net income attributable to La-Z-Boy Incorporated	$20,417	$18,416
GAAP net income attributable to La-Z-Boy Incorporated per diluted share	$0.38	$0.39
Add back: Purchase accounting charges, net of tax, per share	0.02	—
Add back: Supply chain optimization initiative, net of tax, per share	0.02	—
Non-GAAP net income attributable to La-Z-Boy Incorporated per diluted share	$0.42	$0.39

(Amounts in thousands)	Quarter Ended 7/27/2019	% of sales	7/28/2018	% of sales
GAAP operating income (loss)				
Upholstery segment	$26,267	9.0%	$23,884	8.1%
Casegoods segment	2,597	9.6%	3,080	10.9%
Retail segment	8,477	5.9%	4,458	3.7%
Corporate and Other	(13,919)	N/M	(8,262)	N/M
GAAP Consolidated operating income	$23,422	5.7%	23,160	6.0%
Purchase accounting and supply chain optimization initiative affecting operating income				
Upholstery segment	$1,563		$104	
Casegoods segment	—		—	
Retail segment	117		42	
Corporate and Other	1,137		—	
Consolidated Non-GAAP charges affecting operating income	$2,817		$146	
Non-GAAP operating income (loss)				
Upholstery segment	$27,830	9.5%	$23,988	8.2%
Casegoods segment	2,597	9.6%	3,080	10.9%
Retail segment	8,594	6.0%	4,500	3.8%
Corporate and Other	(12,782)	N/M	(8,262)	N/M
Non-GAAP Consolidated operating income	$26,239	6.3%	$23,306	6.1%

N/M – Not Meaningful

(Unaudited, $ amounts in thousands)	Fiscal 2014	% of sales	Fiscal 2015	% of sales	Fiscal 2016*	% of sales	Fiscal 2017	% of sales	Fiscal 2018	% of sales	Fiscal 2019	% of sales
GAAP Operating Income	$90,707	6.7%	$105,816	7.4%	$125,331	8.2%	$133,342	8.8%	$129,369	8.2%	$129,674	7.4%
Restructuring Expense (Income)	4,839		(371)		579		441		-		-	
Purchase Accounting Charges	456		329		544		1,766		923		6,917	
Non-GAAP Operating Income	$96,002	7.1%	$105,774	7.4%	$126,454	8.3%	$135,549	8.9%	$130,292	8.2%	$136,591	7.8%

* Fiscal 2016 includes 53 weeks. All other years presented include 52 weeks.

- In addition to the financial measures prepared in accordance with accounting principles generally accepted in the United States ("GAAP"), this presentation also includes Non-GAAP financial measures. Management uses these Non-GAAP financial measures when assessing our ongoing performance. The Non-GAAP measures may exclude purchase accounting, restructuring charges and the non-cash charge for the termination of the Company's defined benefit pension plan. These Non-GAAP financial measures are not meant to be considered a substitute for La-Z-Boy Incorporated's results prepared in accordance with GAAP, and may not be comparable to similarly titled measures reported by other companies. Reconciliations of such Non-GAAP financial measures to the most directly comparable GAAP financial measures are set forth in the tables in this appendix.

- Management believes that presenting certain Non-GAAP financial measures excluding purchase accounting, restructuring charges and the non-cash charge for the termination of the Company's defined benefit pension plan will help investors understand the long-term profitability trends of our business and compare our profitability to prior and future periods. Management uses these Non-GAAP measures to assess the company's operating and financial performance, and excludes purchase accounting and restructuring charges because the amount and timing of such charges are significantly impacted by the timing, size, number and nature of the acquisitions and restructuring actions consummated. Management also excludes the non-cash charge for the termination of the company's defined benefit pension plan when assessing the company's operating and financial performance due to the one-time nature of the transaction.