



## La-Z-Boy Completes Pennsylvania House Deal

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MONROE, Mich., Oct. 16 /PRNewswire-FirstCall/ -- La-Z-Boy Incorporated (NYSE: LZB) today announced that it completed the sale of the Pennsylvania House trade name and certain related assets to Universal Furniture for \$1.65 million. The company will record a pre-tax charge of \$0.6 million related to the trade name and expects to record an additional pre-tax charge in the range of \$3 to \$4 million for liquidating the subsidiary's remaining inventory. The total of these charges, net of tax, will be included in the "income (loss) from discontinued operations (net of tax)" line of La-Z-Boy's Statement of Operations.

Pennsylvania House, a 120-year-old company, specializes in furniture for every room in the home and is best known for its stylish solid-wood furniture with high-quality craftsmanship.

Kurt Darrow, President and Chief Executive Officer of La-Z-Boy Incorporated, said, "We are pleased to have finalized the Pennsylvania House deal. While it has an excellent name in the marketplace, it did not fit with our long-term strategy and we believe Universal will be a natural partner for it."

### Background Information

La-Z-Boy Incorporated is one of the world's leading residential furniture producers, distributors and retailers, marketing furniture for every room of the home. The La-Z-Boy Upholstery Group companies are Bauhaus, England, La-Z-Boy and La-Z-Boy, U.K. The La-Z-Boy Caseloads Group companies are American Drew, Hammery, Kincaid and Lea. The La-Z-Boy Retail Group consists of 69 stores operating in eight metropolitan markets.

The corporation's proprietary distribution network is dedicated exclusively to selling La-Z-Boy Incorporated products and brands, and includes 333 stand-alone La-Z-Boy Furniture Galleries(R) stores and 281 La-Z-Boy In-Store Galleries, in addition to in-store gallery programs at the company's Kincaid, England and Lea operating units. According to industry trade publication In Furniture, the La-Z-Boy Furniture Galleries retail network is North America's largest single-brand furniture retailer. Additional information is available at <http://www.la-z-boy.com/>.

SOURCE La-Z-Boy Incorporated

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(LZB)

CO: La-Z-Boy Incorporated; Pennsylvania House; Universal Furniture  
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