



La-Z-Boy Sells Office Contract Unit

04/29/05

MONROE, Mich., April 29 /PRNewswire-FirstCall/ -- La-Z-Boy Incorporated (NYSE: LZB; PCX) today announced that it has completed a sale of its La-Z-Boy Contract unit, to the Lange family, owners of Best Home Furnishings, Inc. of Ferdinand, IN.

La-Z-Boy Incorporated President and CEO Kurt L. Darrow said, "Our expertise, as well as our business model, is centered on providing comfortable and stylish furnishings for the home. We have made a number of changes over the past year to better align ourselves with that model. Our contract business did not have the market position compared to the major office furniture players and was not a large enough component of our overall business to justify our continued corporate focus and resources. This sale enables us to concentrate our efforts more solely on home furnishings which have substantially different dynamics than contract furniture, as well as provide our contract furniture unit and its employees the opportunity to join an organization that is committed to invest and grow this business."

La-Z-Boy Contract was founded in 1971 and sells a variety of seating products for task, operational and executive applications in two primary market segments: the office contract business and health care. These products are primarily manufactured in a Leland, Mississippi plant, which is included in the sale. The sale also includes an agreement to continue the use of the La-Z-Boy(R) name in the Contract and Healthcare furniture markets through a licensing arrangement. La-Z-Boy Contract will operate as a strategic business unit of the Lange family and will remain separate from Best Home Furnishings. While the financial terms of the transaction were not immediately disclosed, the company expects the transaction will result in a gain, which will be reported when the company reports its April 30, 2005 fiscal year end results.

Background Information

With annual sales of \$2 billion, La-Z-Boy Incorporated is one of the world's leading residential furniture producers, marketing furniture for every room of the home and office, as well as for the hospitality, health care and assisted-living industries. The La-Z-Boy Upholstery Group companies are Bauhaus, Centurion, Clayton Marcus, England, La-Z-Boy and Sam Moore. The La- Z-Boy Caseloads Group companies are American Drew, American of Martinsville, Hammary, Kincaid, Lea and Pennsylvania House.

The corporation's vast proprietary distribution network is dedicated exclusively to selling La-Z-Boy Incorporated products and brands, and includes 331 stand-alone La-Z-Boy Furniture Galleries(R) stores and 283 La-Z-Boy In- Store Gallerys, in addition to in-store gallery programs at the company's Kincaid, Pennsylvania House, Clayton Marcus, England and Lea operating units. According to industry trade publication Furniture/Today, the La-Z-Boy Furniture Galleries retail network by itself represents the industry's fourth largest U.S. furniture retailer and the second largest single source 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; La-Z-Boy Contract; Best Home Furnishings, Inc.

ST: Michigan, Indiana

IN: HOU REA

SU: TNM

AM-TM

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