SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549-1004

FORM 10-Q

Quarterly Report Under Section 13 or 15(d)
of the Securities Exchange Act of 1934

FOR QUARTER ENDED July 26, 1997 COMMISSION FILE NUMBER 1-9656

LA-Z-BOY INCORPORATED
(Exact name of registrant as specified in its charter)

MICHIGAN	38-0751137
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1284 North Telegraph Road, Monroe, Michigan	48162-3390
(Address of principal executive offices)	(Zip Code)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE (313) 241-4414

None
Former name, former address and former fiscal year, if changed since last report.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months and (2) has been subject to such filing requirements for the past 90 days.

Yes [X] No [ ]

Indicate the number of shares outstanding of each issuer's classes of common stock, as of the last practicable date:

Class	Outstanding at July 26, 1997
Common Shares, $1.00 par value	17,974,876

Part I. Financial Information

The Consolidated Balance Sheet and Consolidated Statement of Income required for Part I are contained in the registrant's Financial Information Release dated August 5, 1997 and are incorporated herein by reference.

LA-Z-BOY INCORPORATED CONSOLIDATED STATEMENTS OF CASH FLOWS
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS
(Unaudited, dollar amounts in thousands)

	Three Months Ended	
	July 26, 1997	July 27 1996
Cash Flows from Operating Activities		
Net income	$1,726	$4,598
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	4,873	4,855
Change in receivables	48,902	44,935
Change in inventories	(14,158)	(12,928)
Change in other assets and liab.	(15,223)	(19,250)*
Change in deferred taxes	-	-
Total adjustments	24,394	17,612 *
Cash Provided by Operating Activities	26,120	22,210 *
Cash Flows from Investing Activities		
Proceeds from disposals of assets	316	113
Capital expenditures	(5,568)	(4,580)
Change in other investments	(447)	(5,621)
Cash Used for Investing Activities	(5,699)	(10,088)*
Cash Flows from Financing Activities		
Short-term debt	-	-
Long-term debt	-	-
Retirements of debt	(1,925)	(2,940)
Capital leases	-	-
Capital lease principal payments	(527)	(565)
Stock for stock option plans	2,012	1,470
Stock for 401(k) employee plans	403	383
Purchase of La-Z-Boy stock	(2,424)	(7,126)
Payment of cash dividends	(3,768)	(3,482)
Cash Used for Financing Activities	(6,229)	(12,260)*
Effect of exch. rate changes on cash	36	(52)*
Net change in cash and equivalents	14,228	(190)
Cash and equiv. at beginning of period	25,382	27,060
Cash and equiv. at end of period	$39,610	$26,870
Cash paid during period - Income taxes	$1,441	$2,257
- Interest	$839	$833

For purposes of the Statement of Cash Flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

The accompanying Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

* These numbers have changed slightly from what was reported in the first quarter last year. They have been corrected as a reclass error.

LA-Z-BOY INCORPORATED AND OPERATING DIVISIONS
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Presentation

The financial information is prepared in conformity with generally accepted accounting principles and such principles are applied on a basis consistent with those reflected in the 1997 Annual Report filed with the Securities and Exchange Commission. The financial information included herein, other than the consolidated condensed balance sheet as of April 26, 1997, has been prepared by management without audit by independent certified public accountants who do not express an opinion thereon. The consolidated condensed balance sheet as of July 26, 1997 has been derived from, but does not include all the disclosures contained in, the audited consolidated financial statements for the year ended April 26, 1997. The information furnished includes all adjustments and accruals consisting only of normal recurring accrual adjustments which are, in the opinion of management, necessary for a fair presentation of results for the interim period.

2. Interim Results

The foregoing interim results are not necessarily indicative of the results of operations for the full fiscal year ending April 25, 1998.

3. Commitments and Contingencies

There has been no significant change from the prior fiscal year end audited financial statements.

LA-Z-BOY INCORPORATED AND OPERATING DIVISIONS
MANAGEMENT DISCUSSION

La-Z-Boy's sales and profits historically have been weakest in the first quarter of the fiscal year due to the Company's two-week vacation shutdown which coincides with the slowest sales period. Therefore, first quarter comparison to the prior year's first quarter may not be indicative of trends that will continue in the remaining quarters of the fiscal year.

Due to the cyclical nature of the Company's business, comparison of operations between the most recently completed quarter and the immediate preceding quarter would not be meaningful and could be misleading to the reader of these financial statements.

For further Management Discussion, see attached Exhibit 99.

The Company's strong financial position is reflected in the debt to capital percentage of 14% and a current ratio of 3.9 to 1 at the end of the first quarter. At April 26, 1997, the debt to capital percentage was 15% and the current ratio was 3.5 to 1. At the end of the preceding year's first quarter, the debt to capital percentage was 16% and the current ratio was 3.9 to 1. As of July 26, 1997, there was $62 million of unused lines of credit available under several credit arrangements.

Approximately 35% of the 4 million shares of Company stock authorized for purchase on the open market are still available for purchase by the Company. The Company plans to be in the market for its shares as changes in its stock price and other factors present appropriate opportunities.

PART II. OTHER INFORMATION

Item 4. Submission of Matters to a Vote of Security Holders

The Annual Meeting of Shareholders of La-Z-Boy Incorporated was held on July 28, 1997, for the purposes of electing three members to the board of directors as well as considering and acting upon proposals to approve the La-Z-Boy Incorporated 1997 Incentive Stock Option Plan and the 1997 Restricted Share Plan. Proxies for the meeting were solicited pursuant to Section 14(a) of the Securities and Exchange Act of 1934 and there was no solicitation in opposition to Management's solicitations. The Shareholders elected all of Management's nominees for directors as listed in the proxy statement and approved the La-Z-Boy Incorporated 1997 Incentive Stock Option

Plan and the 1997 Restricted Share Plan. The distribution of shareholders' votes was as follows:

Election of Directors:	Shares Voted In Favor	Shares Withheld
Lorne G. Stevens	16,258,184	247,157
Patrick H. Norton	16,096,638	408,703
Frederick H. Jackson	16,200,120	305,221

Adoption of the La-Z-Boy Incorporated 1997 Incentive Stock Option Plan:

Shares Voted in Favor	14,919,016
Shares Voted Against	1,283,984
Abstentions	302,341

Adoption of the La-Z-Boy Incorporated 1997 Restricted Share Plan:

Shares Voted in Favor	15,155,433
Shares Voted Against	1,034,844
Abstentions	315,064

Item 6. Exhibits and Reports on Form 8-K

(a)(10i) La-Z-Boy Incorporated 1997 Incentive Stock Option Plan (filed as Exhibit A to the registrant's proxy (Commission File No. 1-9656) dated June 27, 1997)is incorporated herein by reference.

(10ii) La-Z-Boy Incorporated 1997 Restricted Share Plan (filed as Exhibit B to the registrant's proxy (Commission File No. 1-9656) dated June 27, 1997)is incorporated herein by reference.

(27) Financial Data Schedule (EDGAR only).

(99) News Release and Financial Information Release: re Actual first quarter results and Management Discussion dated August 5, 1997 (filed herewith).

(b) An 8-K was filed on May 13, 1997 to disclose an exchange of 33,718 shares of La-Z-Boy Incorporated Common Shares for 1,078,976 ordinary shares of Centurion Furniture plc, a corporation incorporated in England and Wales, not already owned by the Company. This exchange brought the registrant's ownership in Centurion Furniture, plc to 99.6%.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused the Quarterly Report on Form 10-Q for the quarter ended July 26, 1997 to be signed on its behalf by the undersigned thereunto duly authorized.

LA-Z-BOY INCORPORATED
(Registrant)

/s/G.M. Hardy

Date August 5, 1997

Gene M. Hardy
Secretary and Treasurer
(Principal Accounting Officer)

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1,000

3-MOS
APR-25-1998
JUL-26-1997
39,610
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164,101
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92,928
319,295
279,897
164,287
509,675
81,638
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17,975
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341,306
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164,184
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1,024
2,993
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Receivables are reported net of allowances for doubtful accounts on the Statement of Financial Position.

News Release

LA-Z-BOY HAD HIGHER SALES, LOWER PROFITS IN FIRST QUARTER

MONROE, MI., August 5, 1997: La-Z-Boy Incorporated continued reaching record levels of quarterly sales but reported a drop in profits due primarily to its largest customer, Montgomery Ward, declaring bankruptcy.

Financial Details

For the first quarter ended 7/26/97, sales reached $212.3 million, up 5% from last year's first quarter of $202.2 million. Operating profit was $2.8 million vs. $8.0 million. Net income was $1.7 million vs. $4.6 million, and net income per share was $0.10 vs. $0.25.

Chairman Comments

La-Z-Boy Chairman and President Charles T. Knabusch said the continuing rise in sales "reflects our introduction of new products, aggressive marketing efforts and an improved economic climate."

He said first quarter profits were "significantly impacted" by Montgomery Ward's recent filing for Chapter 11 bankruptcy protection. For many years, this chain was La-Z-Boy's largest single retail account. He noted however, that Sears HomeLife stores have started carrying La-Z-Boy furniture, and that major regional furniture chains also feature the company's products. Profits were also adversely affected by costs to improve manufacturing systems as well as a decision to retain more skilled employees during the slow summer sales period in order to better meet strong fall sales demands.

Sales Orders

The rate of sales increases over the prior year for August and September are expected to be higher than the 5% first quarter rate based on actual orders in house and more optimism than 90 days ago. Sales have been increasing with backlogs up slightly, reflecting an improvement over the trend of the last couple of years. (All sales increases were internally generated.)

Marketing

The Residential Division's June "La-Z-Boy Great Room Giveaway Sweepstakes," promoted nationally in USA Weekend and Parade magazines, generated store traffic exceeding expectations, according to La-Z-Boy retailers. This highly successful program is expected to be repeated in coming months.

In September and October, La-Z-Boy's popular "Wendall and Al" television advertising campaign will air again during leading prime time TV programs including Caroline in the City, ER, Frasier, Home Improvement and The Drew Carey Show. These ads position La-Z-Boy as America's producer of furniture for the entire home.

From September through April of next year, the Residential Division will advertise continuously in the nation's most widely read women's magazines and "shelter" magazines with a program targeted to reach close to 100 million purchasers of home furnishings. La-Z-Boy has created a CD ROM library of retail advertising materials to help dealers tie their local promotional efforts to the company's national campaigns.

More Information

La-Z-Boy's first quarter 10-Q filing including a full income statement, balance sheet, cash flow statement and additional management discussion is available now at La-Z-Boy's worldwide web site (www.lazboy.com). About 24 to 48 hours after this release the first quarter 10-Q information should be available on the SEC's web site in their EDGAR databases (www.sec.gov). The SEC's site also contains additional La-Z-Boy financial information, including 8-K and other filings, going back about two years.

NYSE & PCX: LZB   Contact: Gene Hardy (313) 241-4306

CONSOLIDATED STATEMENT OF INCOME
(Amounts in thousands, except per share data)

FIRST QUARTER ENDED (UNAUDITED)

	July 26, 1997	July 27, 1996	% Over (Under)	Percent of Sales 1997	Percent of Sales 1996
Sales	$212,326	$202,227	5%	100.0%	100.0%
Cost of sales	164,184	154,917	6%	77.3%	76.6%
Gross profit	48,142	47,310	2%	22.7%	23.4%
S, G & A	45,357	39,354	15%	21.4%	19.5%
Operating profit	2,785	7,956	-65%	1.3%	3.9%
Interest expense	1,024	1,107	-7%	0.5%	0.5%
Interest income	482	463	4%	0.2%	0.2%
Other income	750	785	-4%	0.4%	0.4%
Pretax income	2,993	8,097	-63%	1.4%	4.0%
Income taxes	1,267	3,499	-64%	42.3%*	43.2%*
Net income	$1,726	$4,598	-62%	0.8%	2.3%
Average shares	17,951	18,291	-2%		
Net income per share	$0.10	$0.25	-60%		
Dividends per share	$0.21	$0.19	11%		

* As a percent of pretax income, not sales.

CONSOLIDATED BALANCE SHEET
(Dollars in thousands)

	Unaudited July 26, 1997	Unaudited July 27, 1996	Increase (Decrease) Dollars	Increase (Decrease) Percent	Audited April 26, 1997
Current assets					
Cash & equivalents	$39,610	$26,870	$12,740	47%	$25,382
Receivables	164,101	161,406	2,695	2%	215,032
Inventories					
Raw materials	40,455	40,309	146	0%	36,959
Work-in-process	35,880	35,701	179	1%	34,854
Finished goods	37,890	37,845	45	0%	28,177
FIFO inventories	114,225	113,855	370	0%	99,990
Excess of FIFO over LIFO	(21,297)	(21,735)	438	2%	(21,219)
Total inventories	92,928	92,120	808	1%	78,771
Deferred income taxes	20,950	19,271	1,679	9%	20,950
Other current assets	1,706	6,544	(4,838)	-74%	2,640
Total current assets	319,295	306,211	13,084	4%	342,775
Property, plant & equipment	115,610	116,323	(713)	-1%	114,658
Goodwill	40,187	39,947	240	1%	38,702
Other long-term assets	34,583	30,639	3,944	13%	32,272
Total assets	$509,675	$493,120	$16,555	3%	$528,407

	Unaudited July 26, 1997	Unaudited July 27, 1996	Increase (Decrease) Dollars	Increase (Decrease) Percent	Audited April 26, 1997
Current liabilities					
Current portion - l/t debt	$4,611	$4,625	($14)	0%	$4,611
Current portion - captl leases	1,932	2,114	(182)	-9%	2,017
Accounts payable	29,959	27,027	2,932	11%	28,589
Payroll/other comp	23,014	21,651	1,363	6%	37,934
Estimated income taxes	5,105	6,903	(1,798)	-26%	5,412
Other current liabilities	17,017	16,492	525	3%	19,106
Total current liabilities	81,638	78,812	2,826	4%	97,669
Long-term debt	50,524	55,135	(4,611)	-8%	52,449
Capital leases	1,760	3,654	(1,894)	-52%	2,202
Deferred income taxes	6,329	6,663	(334)	-5%	6,329
Other long-term liabilities	10,143	9,729	414	4%	10,420
Commitments & contingencies					
Shareholders' equity					
17,974,876 shares, $1.00 par	17,975	18,207	(232)	-1%	17,908
Capital in excess of par	28,318	28,225	93	0%	27,697
Retained earnings	313,893	293,563	20,330	7%	314,731
Currency translation	(905)	(868)	(37)	-4%	(998)
Total shareholders' equity	359,281	339,127	20,154	6%	359,338
Total liabilities and shareholders' equity	$509,675	$493,120	$16,555	3%	$528,407

Overall:
- -------

Refer to today's press release for additional information.

Gross Profit:
- ------------

Gross profit margins declined to 22.7% of sales from 23.7% in last year's first quarter even though sales dollars increased 5% and sales units increased 3% - 4%. The decline in gross profit margin was primarily due to unfavorable direct labor and overhead costs incurred in positioning many residential upholstery plants to meet the anticipated increased production demands associated with the fall selling season. Other reasons for the decline in margins include higher lumber and plywood processing costs, higher costs due to some raw material parts delivery disruptions and higher freight costs.

Most of the above reasons for declining first quarter margins appear to be non-recurring.

S,G & A:
- -------

First quarter S, G & A increased to 21.4% of sales vs. 19.5%. The largest cause is due to the increase of bad debts expense relating to the Chapter 11 declaration of bankruptcy by Montgomery Ward Holding Corporation. Sales to Montgomery Ward, La-Z-Boy's largest dealer, amounted to slightly less than 5% of sales in the last year. About $3.1 million in S, G & A bad debts expense is due to Montgomery Ward. This is expected to be a "one-time" income statement impact.

Another area of S, G & A increase (as a percent of sales) is in the Information Technologies (IT) area. Starting about a year ago and continuing perhaps another year or two, an IT "infrastructure" type of investment has been made of both an expense and capitalized nature.

Some other areas of S, G & A increase over last year (as a percent of sales) were freight expense, sales meeting expenses, and some outside consulting expenses. These were all "one-time" expenses and are not expected to continue to increase throughout the new fiscal year at a rate exceeding the rate of sales.

Cash:
- ----

The first quarter cash balance was 56% above last year end. The increase was largely due to a decrease in accounts receivable. Because of very strong sales in the fourth quarter of FY97, cash impacts are being recognized in the first quarter of FY98.

Goodwill:
- --------

Goodwill increased approximately $1.5 million from 4/26/97 to 7/26/97. The former England/Corsair shareholder's were given the opportunity to receive additional Company common stock based on England/Corsair's actual profit performance in each of the two years following acquisition. Approximately $1.9 million of common stock was issued in the first quarter of FY98 relating to England/Corsair's actual FY97 performance. Goodwill was increased by the value of the common stock issued.