



NEWS RELEASE

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LA-Z-BOY INCORPORATED ANNOUNCES CORPORATE STRUCTURE AND MANAGEMENT CHANGES

MONROE, Mich., July 23, 2001 – La-Z-Boy Incorporated (NYSE, PCX: LZB) announced today an organizational restructuring resulting in the creation of two new groups: the La-Z-Boy Incorporated Upholstery Group and the La-Z-Boy Incorporated Casegoods Group. Accordingly, Gerald L. Kiser, president and chief executive officer, has realigned his management team to streamline and strengthen the company's corporate management and reporting structure.

Effective immediately, John J. Case, president of La-Z-Boy Residential since 1999, will become president of the newly created La-Z-Boy Incorporated Upholstery Group. Don L. Mitchell, president of the Casegoods Group of LADD Furniture, Inc., since 1996, will become president of the La-Z-Boy Incorporated Casegoods Group. Reporting directly to Kiser, Case and Mitchell will have overall managerial responsibility for all of the corporation's residential upholstery and residential casegoods operations, respectively.

The Upholstery Group is composed of Bauhaus, Centurion, Clayton Marcus, England, HickoryMark, La-Z-Boy and Sam Moore. The Casegoods Group of companies is composed of Alexvale, American Drew, Hammary, Kincaid, Lea, Pennsylvania House and Pilliod. In addition, the La-Z-Boy Contract Furniture Group (office and health care seating) will report to Case, and American of Martinsville (hospitality and assisted-living furniture) will report to Mitchell. Case will retain his title as president of La-Z-Boy Residential.

"The new structure meets the needs of our company today, a company that has experienced significant growth and is operating in a complex, dynamic and fast-paced industry," said Kiser. "It will allow us to function with greater efficiency, responsiveness and flexibility than we could achieve in a decentralized structure. Further, the new structure gives us the ability to utilize our manufacturing capacity more effectively, to achieve purchasing synergies and to cross-market our product lines."

La-Z-Boy Incorporated has grown dramatically in size in just the last several years, and now has 16 individual operating companies as compared to only 8 in 1999. The company now has more than 9 million square feet of retail floor space dedicated exclusively to La-Z-Boy Incorporated products.

"Between them, John and Don have more than 55 years of successful high level furniture industry management experience, and both have achieved exceptional track records within their respective areas of expertise," said Kiser. "I am delighted to announce their promotions to these new divisional leadership positions. I am looking forward to working closely with them in guiding La-Z-Boy Incorporated to new heights of success as our industry emerges from the current slowdown and embarks on a new growth phase."

Case joined La-Z-Boy in 1977 as assistant national accounts manager and held positions of increasing responsibility in sales and marketing with La-Z-Boy Residential before leaving in 1989 for a three-year period during which he operated his own marketing consulting firm specializing in the home furnishings industry. He returned to La-Z-Boy Residential in 1992 as vice president of retail development, with responsibility for supporting the company's proprietary distribution network, and in 1993 Case was named vice president of marketing. Since September 1999, Case has been president of La-Z-Boy Residential. He is a graduate of Michigan State University, with a bachelor of arts degree in telecommunications and earned a teaching certificate from Eastern Michigan University's Graduate School of Education. He also completed the Advanced Management Program at the University of North Carolina at Chapel Hill.

Mitchell has more than 32 years of experience in the casegoods segment of the furniture industry. Since early 1996, he has served as president of the Casegoods Group of LADD Furniture, Inc., which became part of La-Z-Boy Incorporated in January 2000. Mitchell began his furniture career in 1967 as a product engineer with American of Martinsville, and where he held several positions of increasing responsibility before leaving Martinsville in 1981. He served as vice president of sales and marketing for the furniture operations of Burlington Industries and, later, as president of Hyundai Furniture. He joined Universal Furniture Industries in 1987 as vice president of sales and marketing and was named president of Universal in 1992. He is a graduate of Guilford College in Greensboro, NC, with a bachelor of arts degree in economics, with minors in industrial management and accounting. He also completed the Executive Management Program at The Wharton School of the University of Pennsylvania.

La-Z-Boy Background Information

With annual sales in excess of \$2 billion, La-Z-Boy Incorporated is one of the world's largest residential furniture producers, employing approximately 20,000 people company wide and operating 54 manufacturing facilities in ten states and four foreign countries. The La-Z-Boy Incorporated family of companies produces furniture for every room of the home and office. And, under the American of Martinsville brand name, La-Z-Boy is also a leading manufacturer of contract furniture for the hospitality and assisted-living markets.

La-Z-Boy Incorporated's vast distribution network of proprietary retailers, which includes 291 La-Z-Boy Furniture Galleries® and 323 La-Z-Boy In-Store Gallerys; in-store gallery programs at Kincaid, Pennsylvania House and Clayton Marcus; and England's Custom Comfort Centers and Lea's Kid's Generation displays. According to industry trade publication *Furniture/Today*, the La-Z-Boy Furniture Galleries retail network, by itself, represents the industry's sixth largest U.S. furniture retailer. La-Z-Boy's stock is traded on the New York and Pacific stock exchanges under the trading symbol: LZB. Additional information on the company is available at www.la-z-boy.com.

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