



NEWS RELEASE

Contact: Kathy Liebmann

(734) 241-2438

kathy.liebmann@la-z-boy.com

LA-Z-BOY COMPLETES SALE OF CLAYTON MARCUS TO ROWE FINE FURNITURE

MONROE, MI. October 2, 2007—La-Z-Boy Incorporated (**NYSE: LZB**) today announced that it completed the sale of its subsidiary, Clayton-Marcus Company, Inc., to Rowe Fine Furniture, Inc. (“Rowe”). Terms of the transaction, which closed on September 29, 2007, were not disclosed. However, the company will record an approximate \$5.5 million pre-tax loss from this transaction, of which about \$3.4 million is related to the intangible assets of Clayton Marcus. The loss will be included in “income (loss) from discontinued operations (net of tax)” line of La-Z-Boy’s Statement of Operations.

Headquartered in Hickory, North Carolina and founded in 1960, Clayton Marcus is a well-established, niche manufacturer of medium to upper-medium priced upholstered furniture.

Kurt Darrow, President and Chief Executive Officer of La-Z-Boy Incorporated, said, “We are pleased to have finalized the sale of Clayton Marcus to Rowe. We are confident that Rowe will be a solid new owner for Clayton Marcus and that its customers will continue to be well serviced. We wish both our customers and our employees all the best going forward.”

Rowe, a manufacturer of upholstered furniture, is under new ownership by an affiliate of Sun Capital Partners, Inc.

Please refer to Rowe Fine Furniture’s news release for further information (www.rowefurniture.com).

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 Casegoods Group companies are American Drew, Hammary, 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® 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/>.

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