

LA-Z-BOY INC
Form 10-Q
February 20, 2018
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549-1004

FORM 10-Q

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

FOR QUARTERLY PERIOD ENDED JANUARY 27, 2018

COMMISSION FILE NUMBER 1-9656

LA-Z-BOY INCORPORATED

(Exact name of registrant as specified in its charter)

MICHIGAN

(State or other jurisdiction of incorporation or organization)

38-0751137

(I.R.S. Employer Identification No.)

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One La-Z-Boy Drive, Monroe, Michigan
(Address of principal executive offices)

48162-5138
(Zip Code)

Registrant's telephone number, including area code (734) 242-1444

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 (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of large accelerated filer, accelerated filer, emerging growth company, and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

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

Class	Outstanding at February 13, 2018
Common Shares, \$1.00 par value	46,993,564

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LA-Z-BOY INCORPORATED
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LA-Z-BOY INCORPORATED
CONSOLIDATED STATEMENT OF INCOME

(Unaudited, amounts in thousands, except per share data)	Quarter Ended	
	1/27/18	1/28/17
Sales	\$ 413,638	\$ 389,992
Cost of sales	251,140	233,185
Gross profit	162,498	156,807
Selling, general and administrative expense	129,403	123,235
Operating income	33,095	33,572
Interest expense	113	562
Interest income	444	241
Income from Continued Dumping and Subsidy Offset Act, net		273
Other income (expense), net	(1,094)	(52)
Income before income taxes	32,332	33,472
Income tax expense	20,047	9,830
Net income	12,285	23,642
Net income attributable to noncontrolling interests	(176)	(356)
Net income attributable to La-Z-Boy Incorporated	\$ 12,109	\$ 23,286
Basic weighted average common shares	47,234	48,914
Basic net income attributable to La-Z-Boy Incorporated per share	\$ 0.26	\$ 0.47
Diluted weighted average common shares	47,757	49,384
Diluted net income attributable to La-Z-Boy Incorporated per share	\$ 0.25	\$ 0.47
Dividends declared per share	\$ 0.12	\$ 0.11

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

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LA-Z-BOY INCORPORATED
CONSOLIDATED STATEMENT OF INCOME

(Unaudited, amounts in thousands, except per share data)	Nine Months Ended	
	1/27/18	1/28/17
Sales	\$ 1,163,922	\$ 1,107,354
Cost of sales	707,369	666,942
Gross profit	456,553	440,412
Selling, general and administrative expense	372,891	350,524
Operating income	83,662	89,888
Interest expense	430	794
Interest income	1,163	679
Income from Continued Dumping and Subsidy Offset Act, net		273
Gain on conversion of investment	2,204	
Other income (expense), net	(2,475)	(1,783)
Income before income taxes	84,124	88,263
Income tax expense	36,889	29,508
Net income	47,235	58,755
Net income attributable to noncontrolling interests	(579)	(830)
Net income attributable to La-Z-Boy Incorporated	\$ 46,656	\$ 57,925
Basic weighted average common shares	47,852	