Customer experience differentiates us

WEDNESDAY, NOVEMBER 16

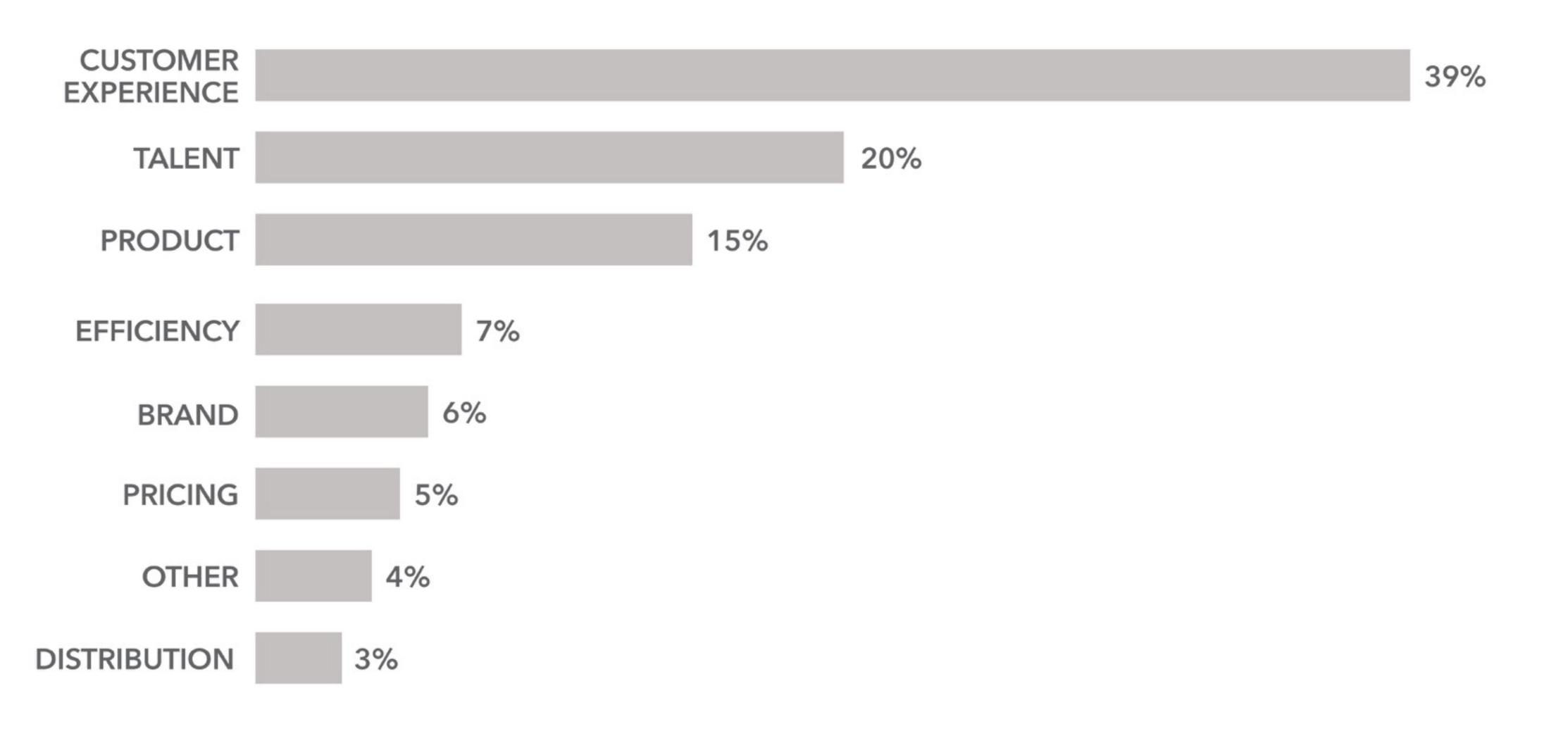
ETHAN ALLEN[®] 2016 ANNUAL MEETING OF STOCKHOLDERS

"change = opportunity"

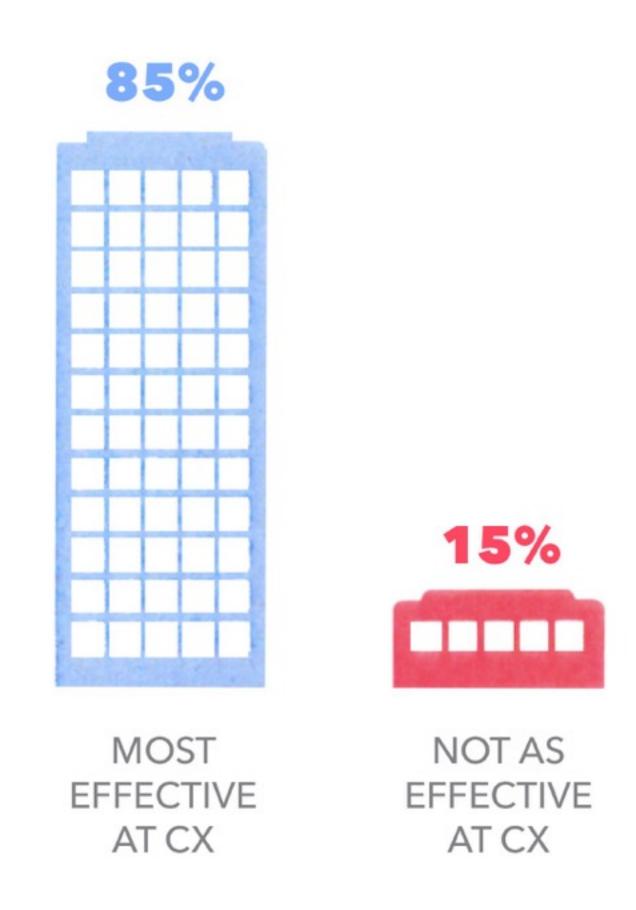
Customer experience differentiates us

- Offerings
 - Stylish, Livable, Quality, Value
 - Vertical Integration A Competitive Advantage
- Personal Service "The New Luxury"
 - Now Combined with Technology
- Retail Network
 - From "store" to "Design Center"
 - Continued Repositioning
- Marketing A New Paradigm
 - 70% "shop" online
 - Create "omni-channel" presence
- Launch of Ethan Allen | Disney Magical Home
- Good Corporate Governance
- Financial Results

Customer Experience Differentiates Us



The most successful companies are also the most effective at customer experience



Customer Experience Differentiates Us

COMPARING STRATEGIC INITIATIVES

THE MOST EFFECTIVE AT CX ARE MORE LIKELY TO FOCUS ON:

THOSE NOT AS EFFECTIVE AT CX ARE MORE LIKELY TO FOCUS ON:





Personalized Service

- Stylish Offerings
- Complimentary Design Help
- Quality / Value
- Premier Home Delivery
- Speed

Offerings

Our Offerings are Relevant

Stylish, Livable, Quality, Value



- Vertical Integration –
 A Competitive Advantage
- Manufacturing / Sourcing
 - North America
 - Offshore
- "Social Responsibility"
 - Environmental Safety

























Strengthened Vertically Integrated Structure from Design through Delivery

Manufacturing and Logistics Footprint



- Own and operate 9 manufacturing facilities:
 U.S. (7); Mexico (1); and Honduras (1)
- Manufacture and/or assemble approximately 70% of our furniture products in our North American plants
- Focused on Environmental and Social Responsibility and uniform manufacturing standards
- Full control of product from manufacturing facilities to the customer via:
 - 2 national Distribution Centers
 - 30 retail division Service Centers

North American Manufacturing = A Competitive Advantage Custom made-to-order products are shipped from our plants in about 4-6 weeks.

Quality Craftsmanship: A Cornerstone of the Brand

- Much of our furniture is built by hand, one piece at a time, in our North American workshops
- Most frames are hand-assembled and stitching is guided by hand
- We select international partners as committed to quality as we are
- All case goods frames are made with premium lumber and veneers
- Best-in-class construction techniques, including mortise and tenon joinery and four-corner glued dovetail joinery on drawers



New Technology







Distribution / Logistics - Dublin, VA

631,000 sq. ft. Warehouse and Cross-dock Operation



Distribution / Logistics – Atoka, OK

499,700 sq. ft. Distribution Center



Newtown Service Center





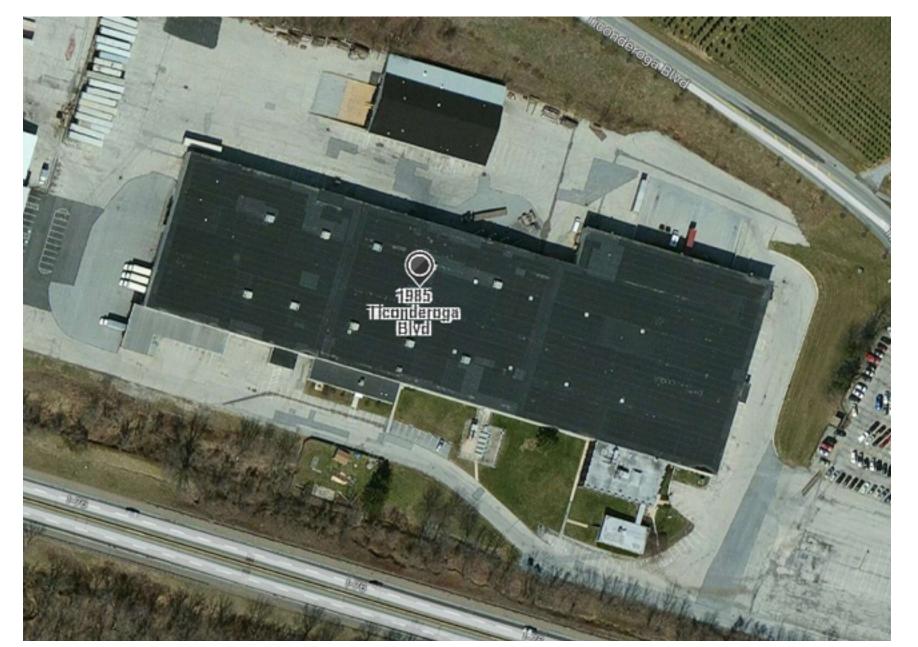


- Newtown, Connecticut
- 240,000 square feet
- Services 23 Design Centers
- Delivery Area Northeast (Boston to NYC, Long Island to Scranton, PA)

Chester Springs Service Center





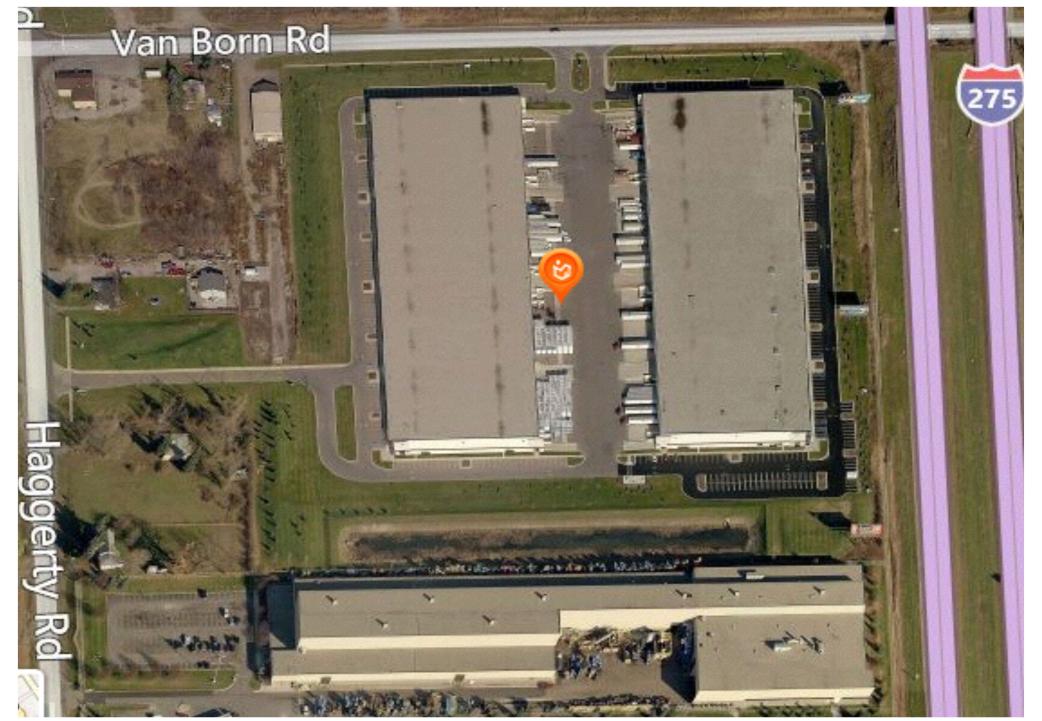


- Chester Springs, Pennsylvania
 58,000 square feet
- Services 15 Design Centers
- Delivery Area Virginia,
 Delaware, Maryland, New Jersey,
 Pennsylvania, New York

Detroit Service Center



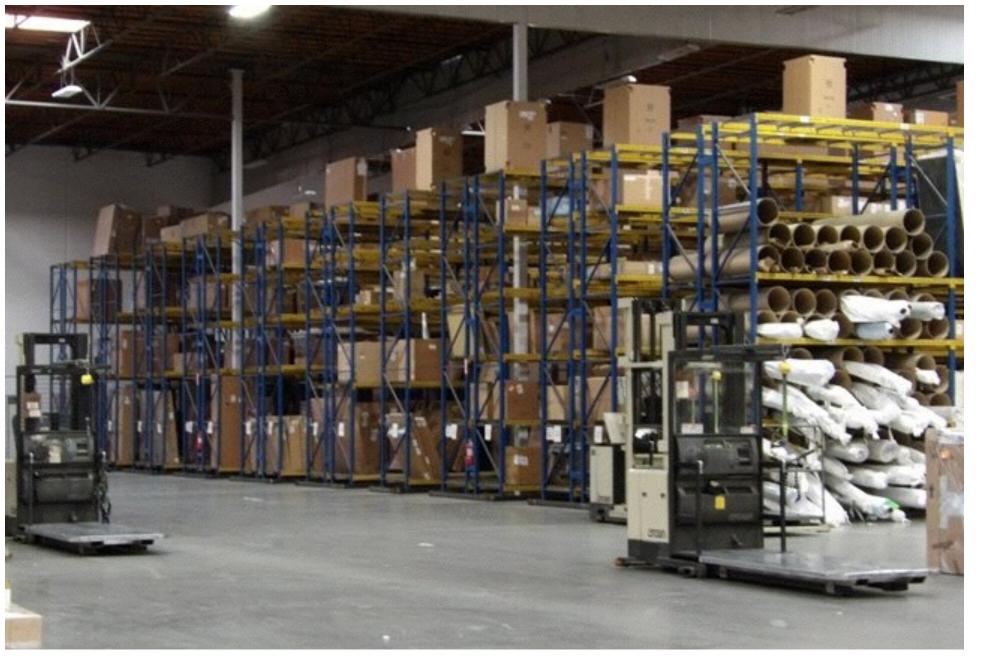


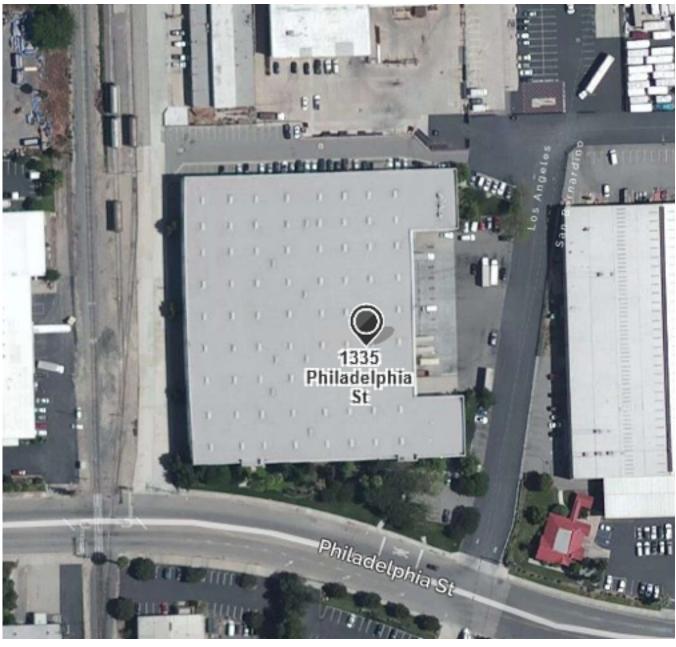


- Detroit, Michigan
- 82,000 square feet
- Services 17 Design Centers
- Delivery Area Michigan, Northern Ohio, Indiana, Illinois, Wisconsin

Pomona Service Center







- Pomona, California
- 110,000 square feet
- Services 10 Design Centers
- Delivery Area Southern California (Santa Barbara to San Diego, LA to Palm Desert)

Margate Service Center

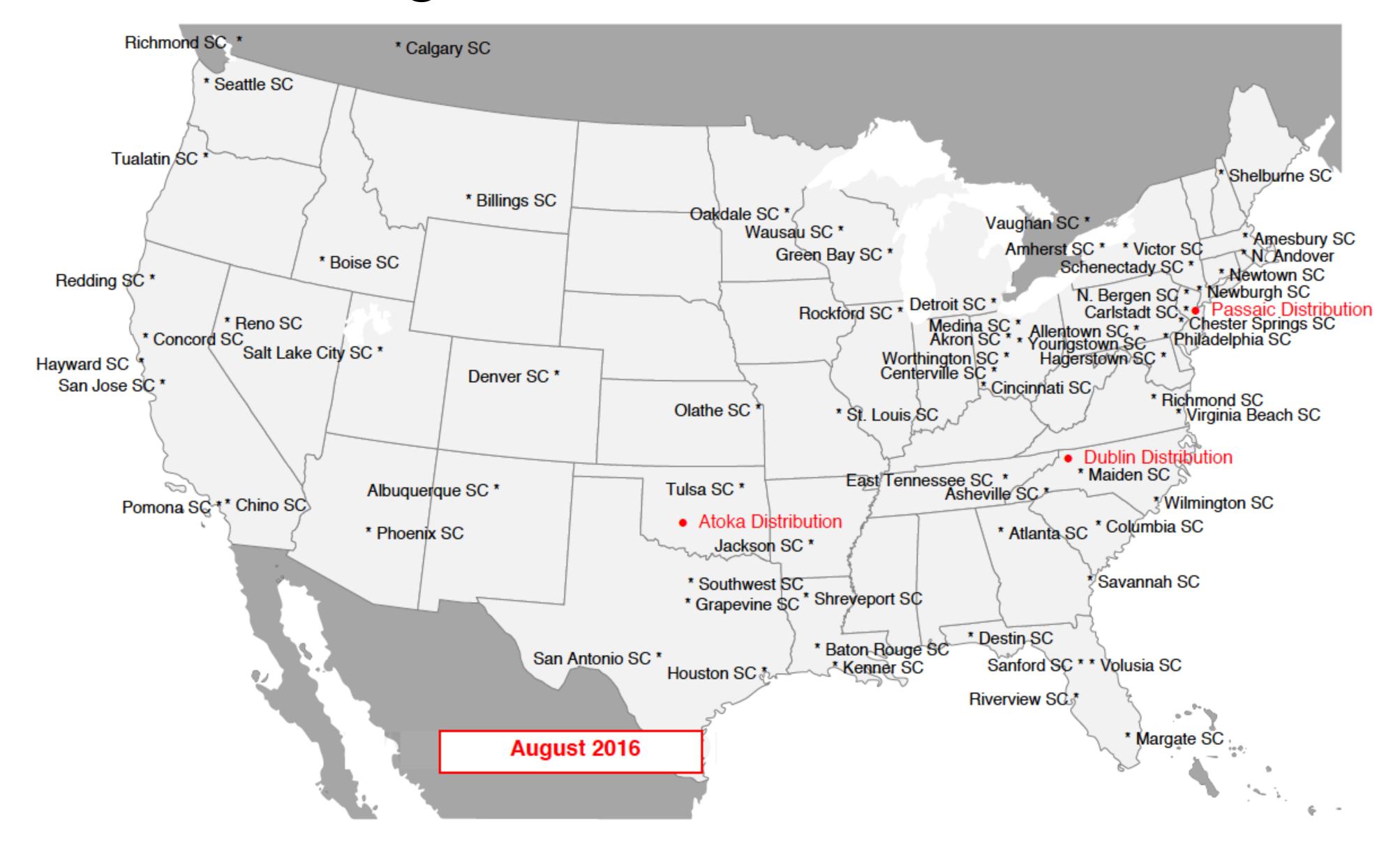






- Margate, Florida
- 50,000 square feet
- Services 7 Design Centers
- Delivery Area South Florida

Retail Network - Logistics



Environmental Stewardship & Sustainability



QUALITY, SERVICE, AND VALUE

Founded in 1932, Ethan Allen has become an iconic brand with unparalleled renown for quality, service, and value. On our journey that has taken us from America to the world, and from maker of colonial furniture to leader in home fashion, we continue to embrace international design influences to meet the ever-evolving, ever more sophisticated tastes of our clients.

Today, we have 300 Design Centers worldwide. These locations employ about 2,000 interior design professionals, who can help as little or as much as

you'd like-at your place or ours-with everything from choosing fabrics and colors to designing floor plans and custom home accents.

It takes talented makers and builders, in whose hands beautiful ideas come to life, to deliver the kind of craftsmanship that's on display every day at Ethan Allen. We still build many pieces by hand, one piece at a time, in our own North American workshops. Wherever they're made, our products are crafted to our highest standards, which translates into exceptional value for our clients.



A DEEPER SHADE OF GREEN

Green isn't a buzzword here; it's our business model, and something we take very seriously locally and globally. We're especially proud that all the scrap wood and sawdust from our Vermont manufacturing facilities is now used to fuel the boilers that heat those facilities, reducing the carbon footprints of both. Steam from the boilers at our Vermont sawmill also heats our wood-drying kilns, and the excess steam is used to generate electricity. At three of our plants, we recycle nearly everything; since 2010, we've reduced the amount of our domestic manufacturing landfill waste by more than 50%.

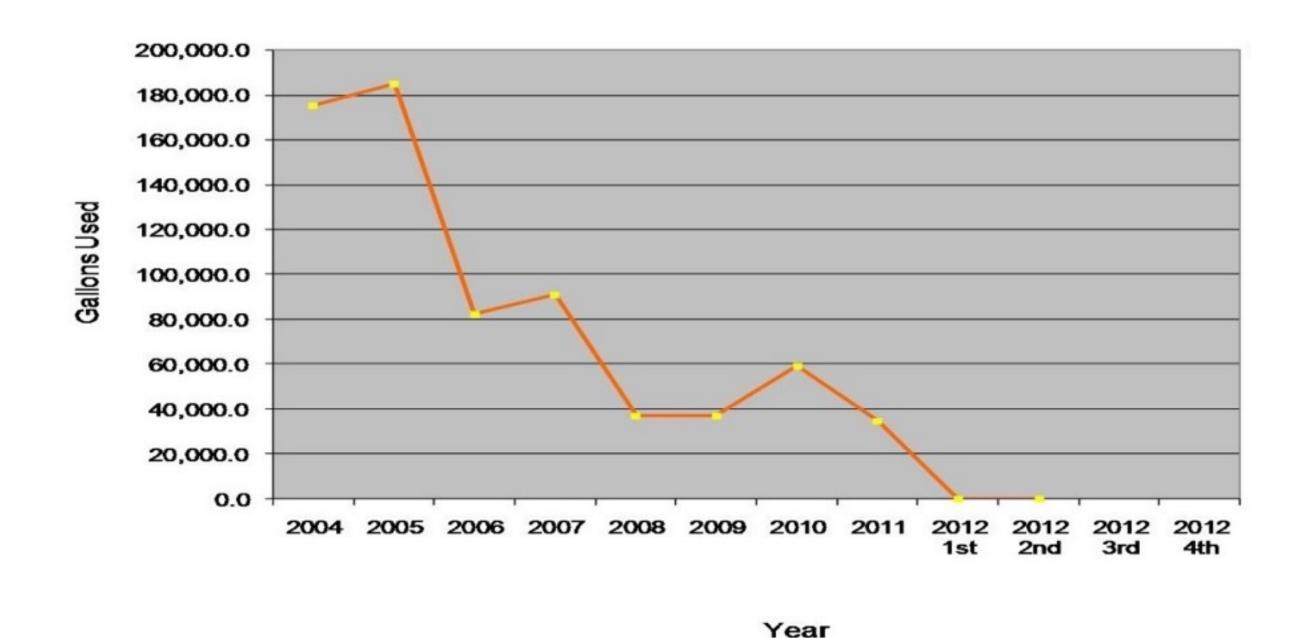
RESPONSIBLE FORESTRY

Our future depends on healthy, well-managed forests. Most of our lumber requirements are satisfied with American hardwood species. Because these trees regenerate naturally by seeding and by sprouts, they don't have to be planted. In fact, natural regeneration often has to be thinned because it becomes too dense. There is approximately 82% more hardwood stock today than there was in 1952. We also work very closely with our suppliers of nonnative species to ensure that the lumber we obtain has been harvested legally from properly managed forests.

We are consistently recognized by the Vermont Department of Environmental Conservation for environmental excellence as well as reducing our fossil fuel oil use to nearly zero through increased recycling of sawdust, chips, and wood scrap and for increasing recycling in general to reduce landfill waste.

Environment, Health, and Safety (E.H.& S.)

No. 4 Fuel Oil Usage Ethan Allen-Orleans



Received EPA Award and Governor's Award for Environmental Excellence in Vermont



State of New Jersey

CHRIS CHRISTIE Governor

KIM GUADAGNO

Lt. Governor

DEPARTMENT OF ENVIRONMENTAL PROTECTION
Compliance & Enforcement
Mail Code 401-04B
P. O. Box 420
Trenton, New Jersey 08625-0420

BOB MARTIN

April 5, 2012

Ethan Allen Inc-Coordinates Division 1 Market St,

Passaic, NJ 07055

Certificate of Environmental Stewardship ETHAN ALLEN INC @ BIG APPLE IND PK

SITE ID # 13410 1 Market St,

Passaic, NJ 07598

Dear Sir or Madame:

For Site:

On March 07, 2012, an inspection was conducted at your facility by Douglas Bannon, of the Air program. At this time, the inspector determined that your facility was engaged in or had completed activities eligible for recognition under our Environmental Stewardship Program. As a result, the Department is formally recognizing the voluntary and proactive measures you have taken in an effort to improve the environment. Enclosed is a Certificate of Stewardship reflecting the Department's appreciation of your efforts.

You may review the details of the stewardship activity we have acknowledged and compare your performance to others in the state by viewing our data online at http://datamine2.state.nj.us/dep/DEP_OPRA/stewardship.html. It is our intent to have this serve as an information resource where others may learn from or be inspired by your actions, just as others may lead you to new achievements. Future inspections will provide the opportunity to update information about your environmental stewardship activities.

This acknowledgement is made independent of any determinations of compliance. If any compliance problems were identified during the inspection, you will be notified separately. The Department reserves the right to change or withdraw any stewardship acknowledgements and associated certificates. If you have any questions regarding the inspection or this correspondence, please contact Douglas Bannon, of the Air program, at (973) 656-4444.

Very truly yours,

Wolfgang Skacel Assistant Commissioner

Enclosure

New Jersey is an Equal Opportunity Employer - Printed on Recycled Paper and Recyclobic



Environment, Health, and Safety / Honduras



Awarded Best Health Clinic

In-House Medical Clinic



Personal Service "The New Luxury"

- 1,500 Design Consultants
- 6,000 Interior Design Affiliates (IDA)
- Live Chat -Personal Service & Technology
- "IDEAL"
 - Interior Designers with an Entrepreneurial Attitude and Lifestyle
- Premier In-Home Delivery

Leading Interior Design Company

- Leading interior design enterprise with 1,500 interior designers in North America
- Added interior designers 60% with entrepreneurial backgrounds
- Interior designers develop long-term relationships and drive sales with professional design service
- Expanded Interior Design Affiliate
 Program (IDA) to over 6,000 members
- Network of interior designers provides opportunity to increase business with existing retail network



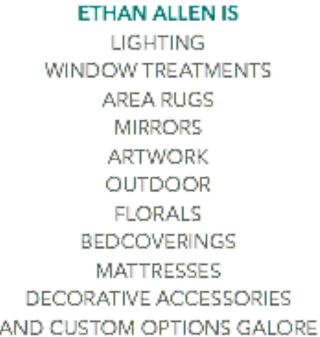
There's even more than what meets the eye

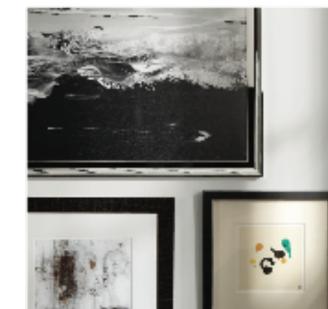




















Premier In-Home Delivery

FLAT RATE:

No surprises. No "heavy item" surcharges. Starting at just \$75 for purchases up to \$2000 delivered within 50 miles.

PREMIER:

Our drivers don't just deliver furniture. They deliver our commitment to excellence, inspecting each piece at the distribution center and then again at your home.

IN-HOME:

This is no curbside service.

Our drivers give each piece that second once-over after they've placed it in your home.

AND THAT'S JUST ONE WAY YOU CAN BE SURE WE DELIVER ON OUR PROMISES. ASK A DESIGNER OR VISIT ETHANALLEN.COM/DELIVERY FOR DETAILS.





INTRODUCING ETHAN ALLEN

IDEAL

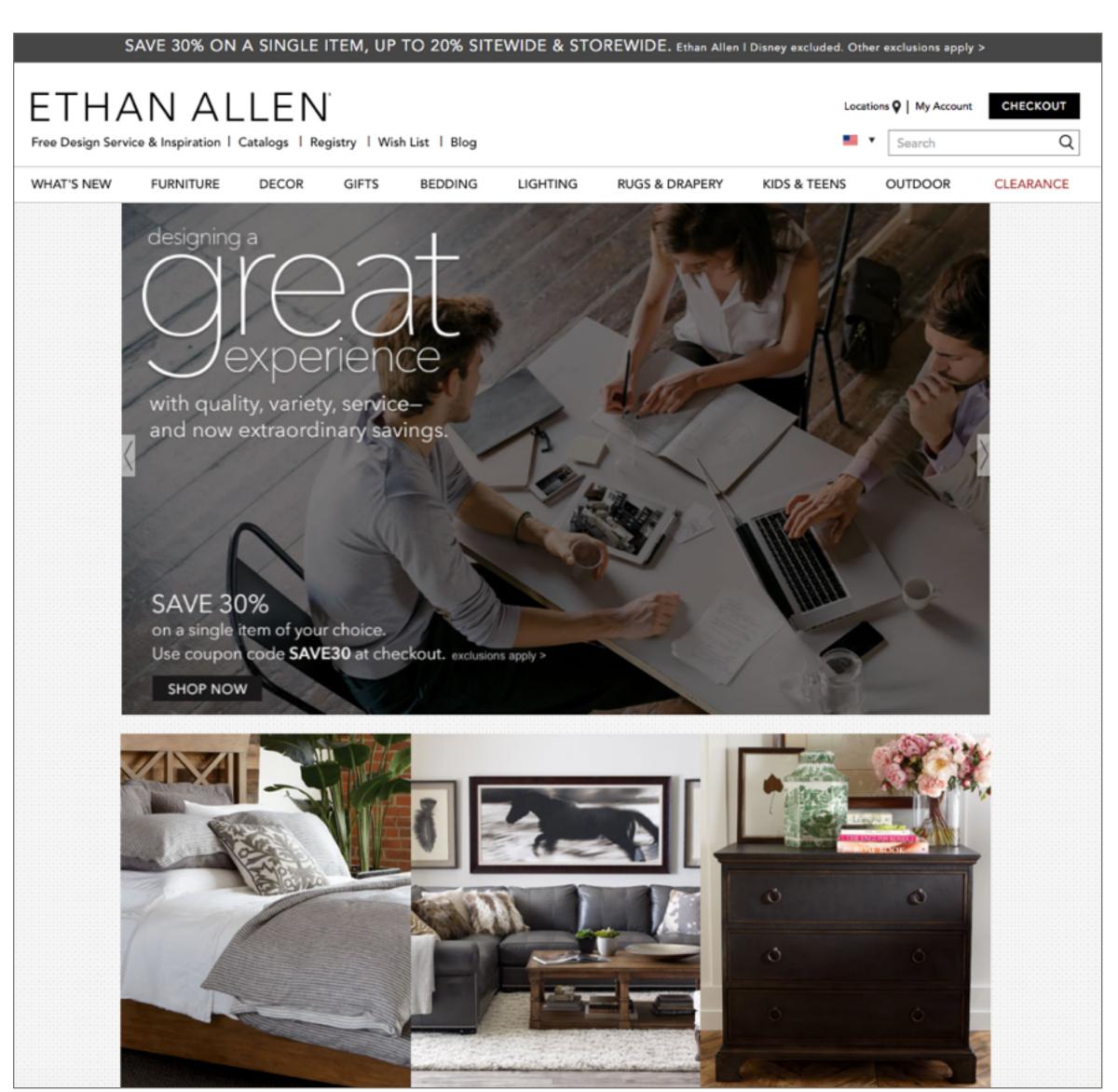
IDEAL, WHICH STANDS FOR "INTERIOR DESIGNERS WITH
AN ENTREPRENEURIAL ATTITUDE AND LIFESTYLE,"
IS A NEW ALTERNATIVE TO THE STANDARD WORKWEEK,
WITH A COMMITMENT OF AS LITTLE AS TWO DAYS PER WEEK
ON-SITE IN OUR DESIGN CENTERS.

ETHAN ALLEN

Investing in Technology

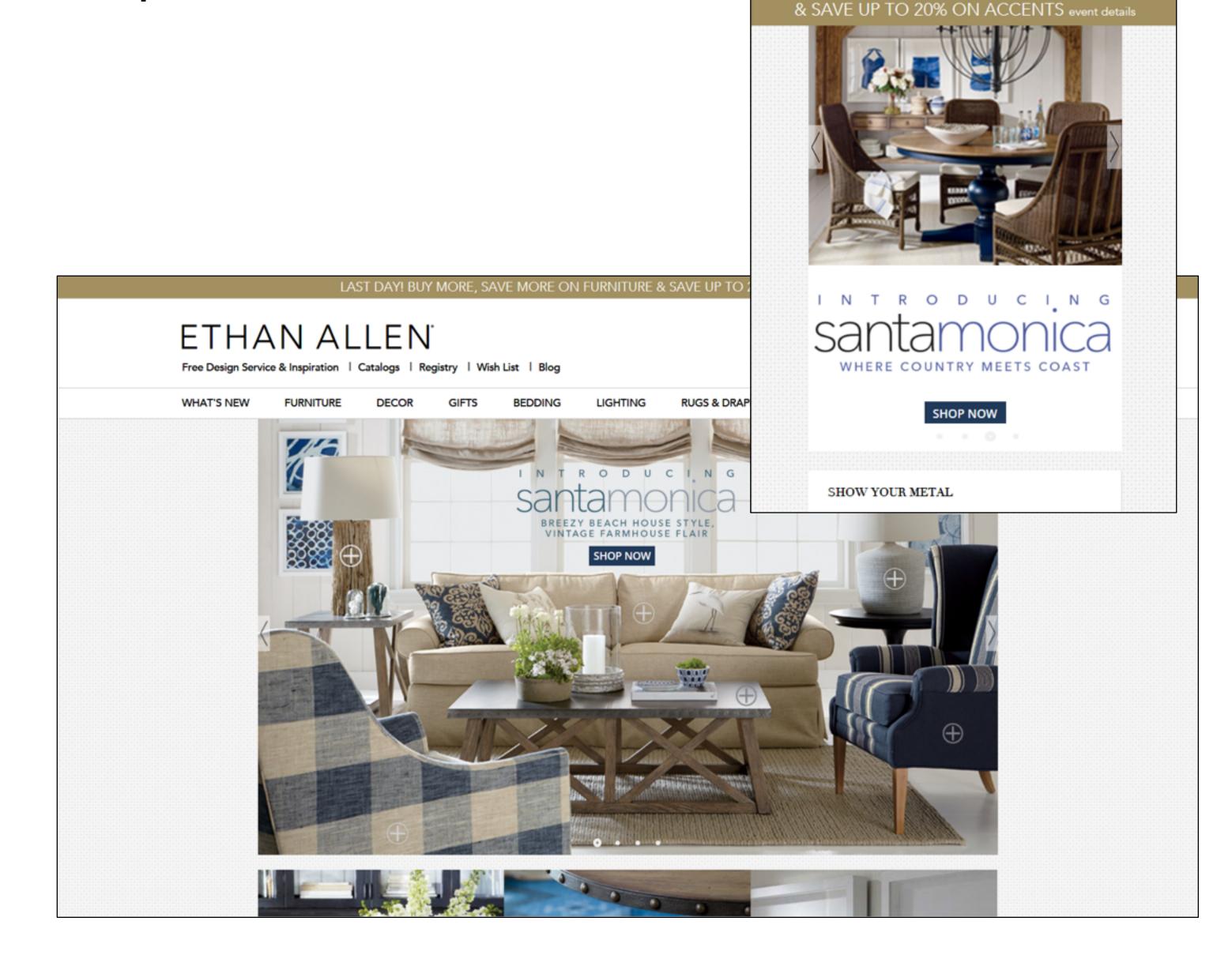
- Adding technology to create a dynamic omni-channel environment
- Investing in technology infrastructure including digital, retail, manufacturing, finance, operations, warehousing, and logistics platforms to seamlessly link information





Updated and Mobile - Responsive Website

- Positive increases in KPI's over prior year - FY17 Q1 online sales grew 55% and traffic increased 26%
- Provides a rich branding experience - introduces our interior design services and offerings
- Drives traffic to our expansive brick-andmortar network



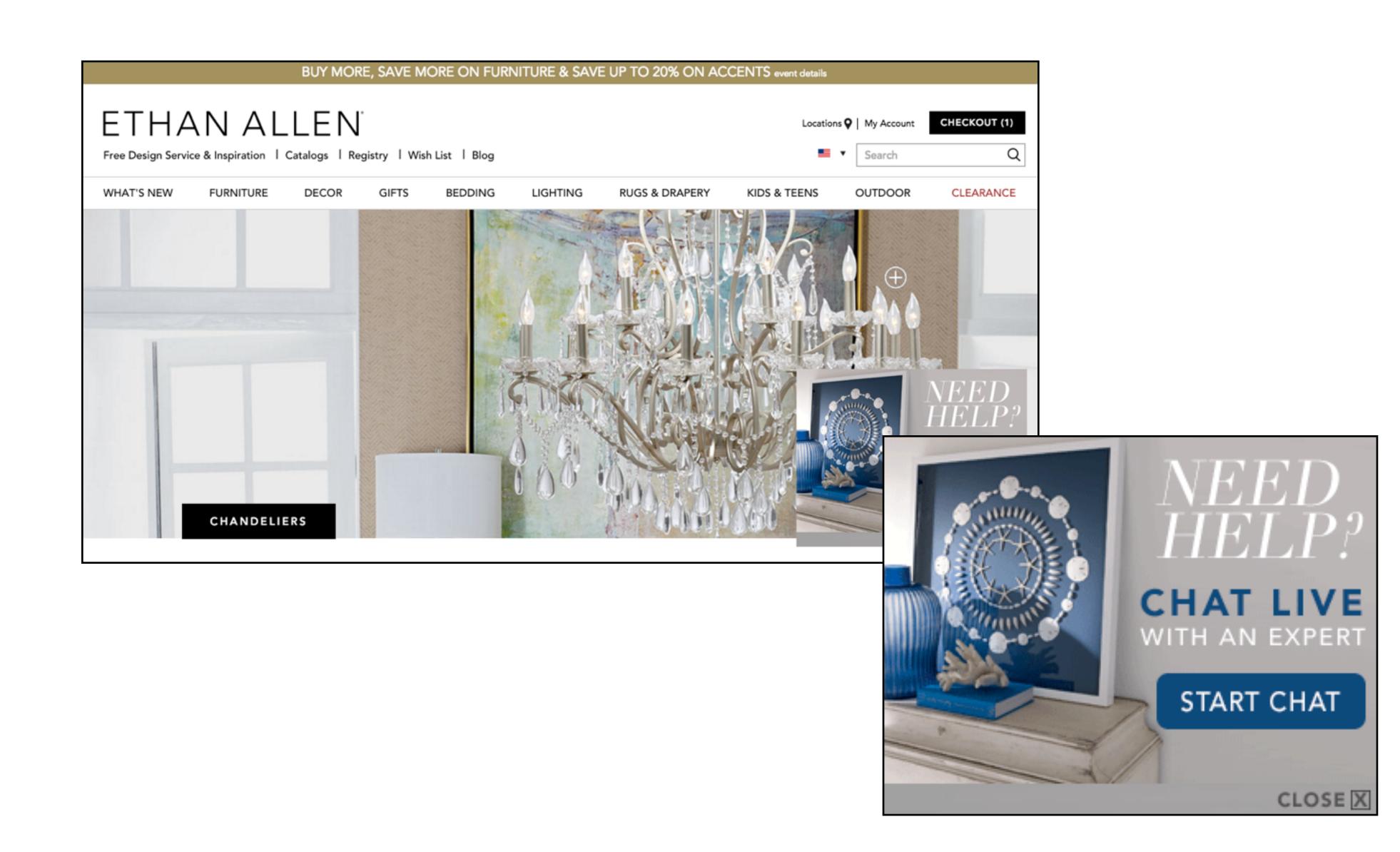
ETHAN ALLEN

Search ethanallen.com

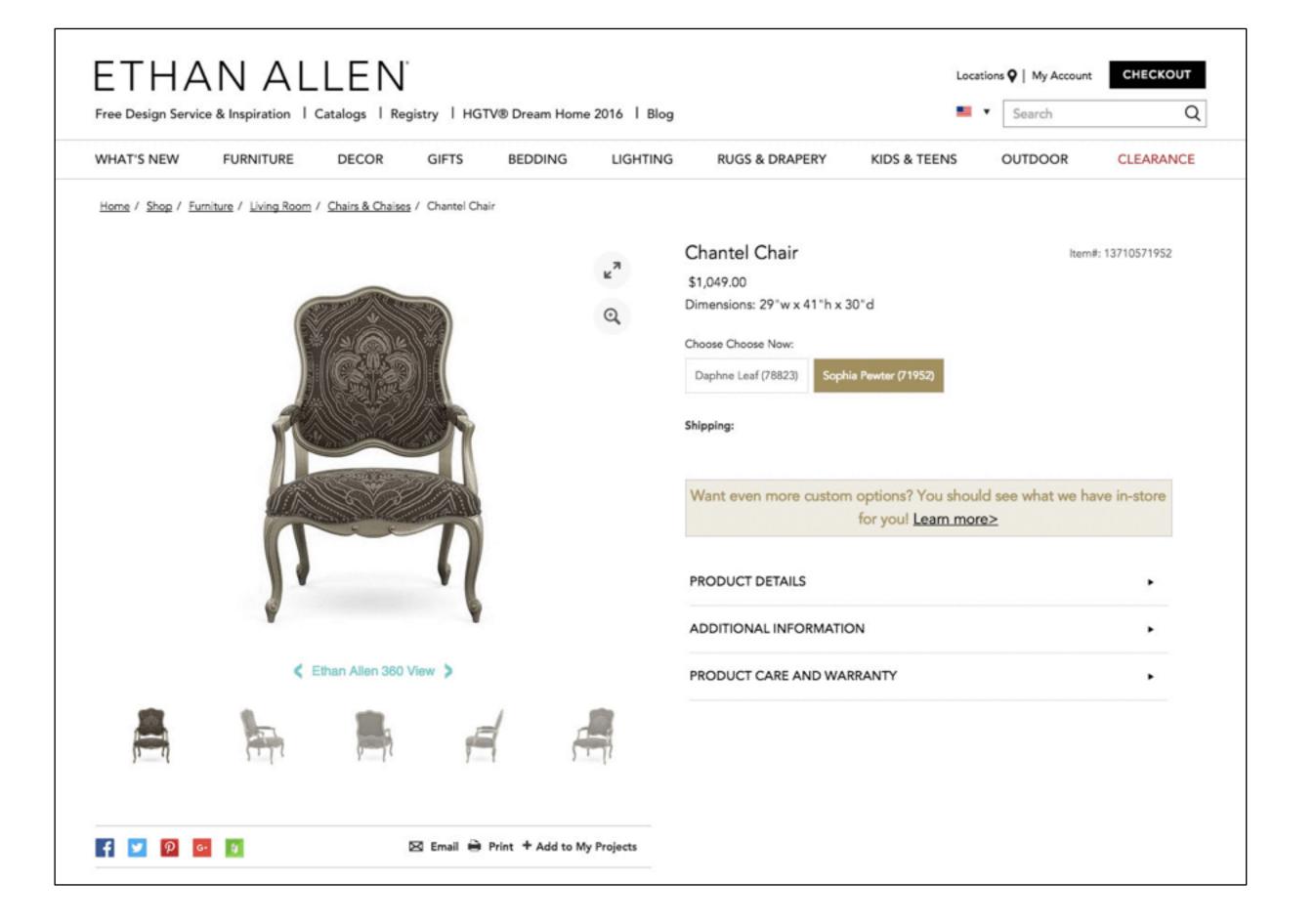
AST DAY! BUY MORE, SAVE MORE ON FURNITUR

Combining Technology with Personal Service

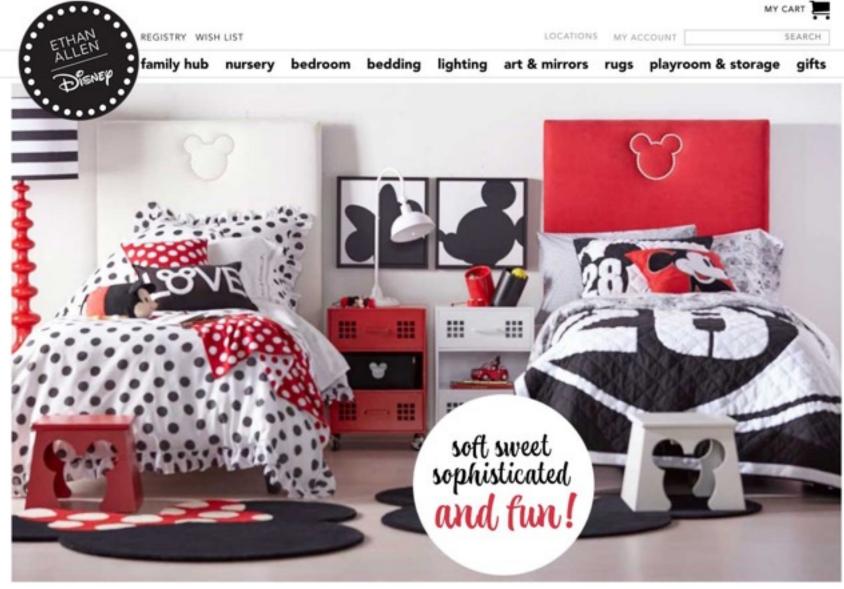
- NEED HETЬ\$
- Customer initiates the chat and speaks with a designer in real time

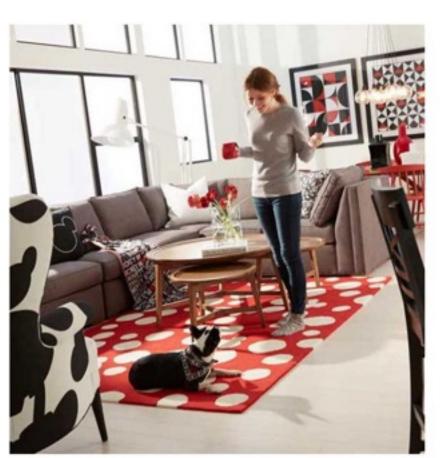


3-D Product Visualization & ethanallen.com/disney











ethan allen | disney

PRESS RELEASES INVESTOR RELATIONS

PRIVACY POLICY PRODUCT RECALLS THE TRADE

online resources

ETHAN ALLEN PLATINUM CARD GIFT CARD TERMS & CONDITIONS PRODUCT INFORMATION AND WARRANTIES EMAIL PREFERENCES SITE MAP

DESIGN WORKSHOPS

client services

ORDER TRACKING SHIPPING DIRECT MAIL - ADD & REMOVE

For the latest Ethan Allen I Disney downloads, enter your email address.





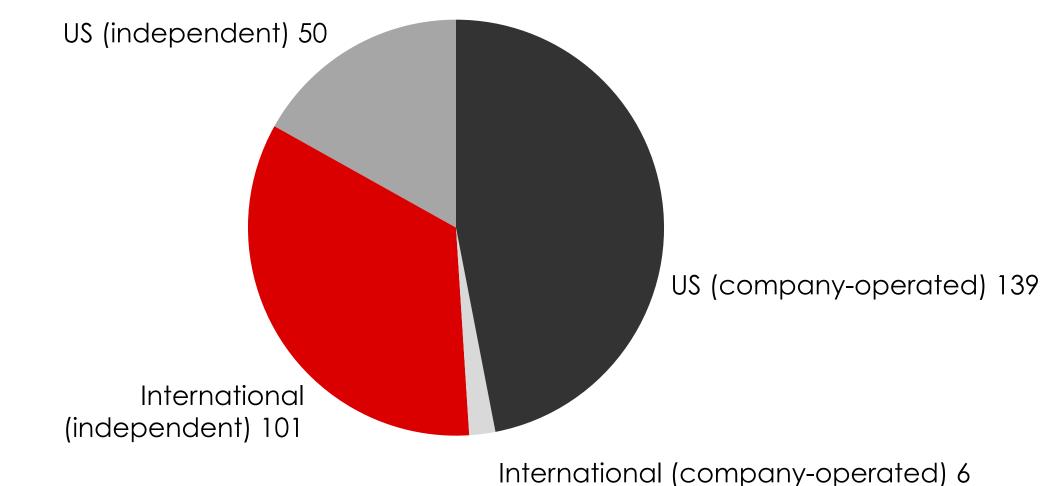
02016 ETHAN ALLEN GLOBAL INC. DISNEY ELEMENTS ODISNEY

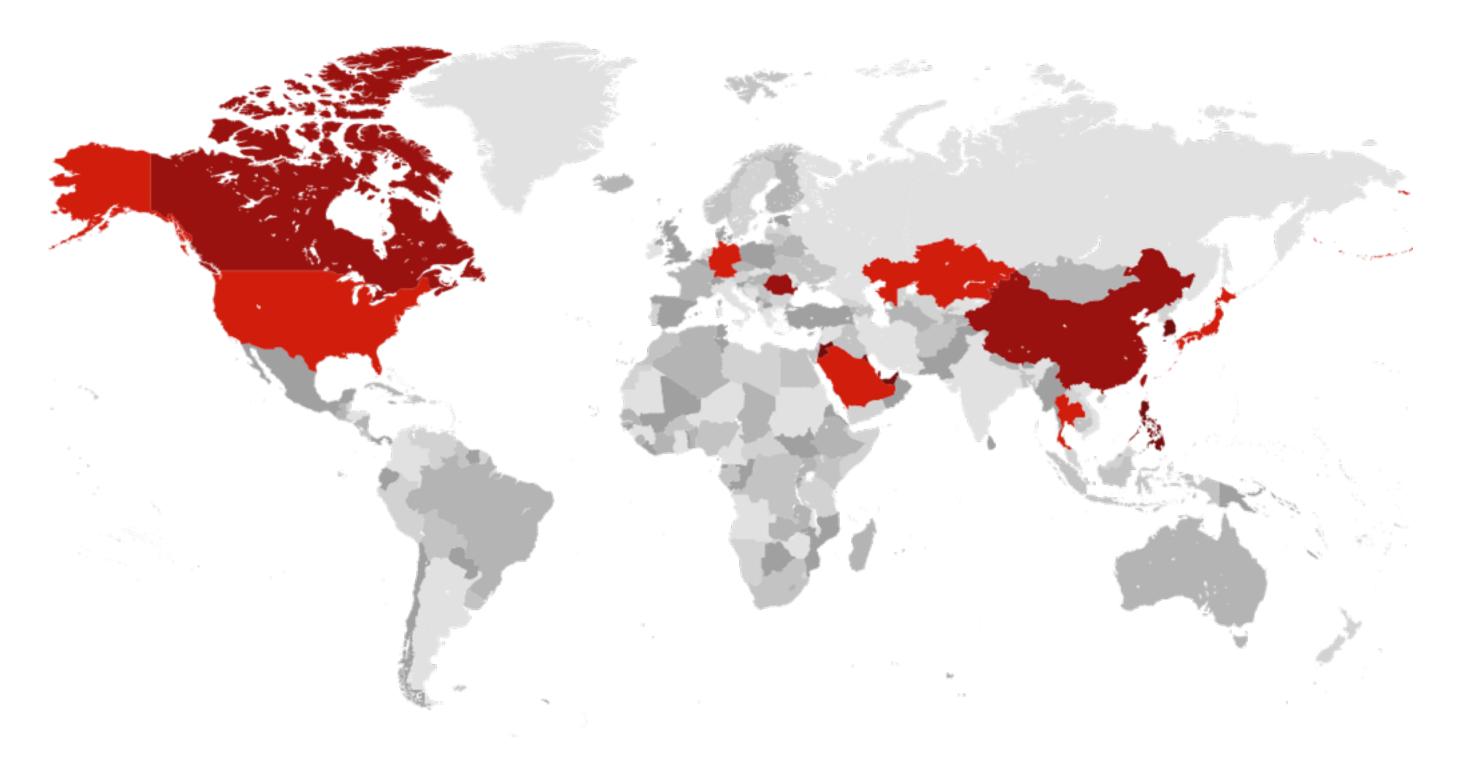
Retail Network

- From "store" to "Design Center"
- Continued Repositioning

Strengthening Interior Design Network

- Matching superior high-quality craftsmanship with approximately 1,500 interior designers and 296 Design Centers worldwide
- Past 5 years, opened 34 company-operated Design Centers, including 18 relocations
- Past 5 years, opened 69 independent-operated Design Centers, including 12 relocations





Expanding and Repositioning Retail Network North American Design Centers

122 Locations – Classic Design



Average 15,000 sq. ft.

40 Locations – Neoclassical Design

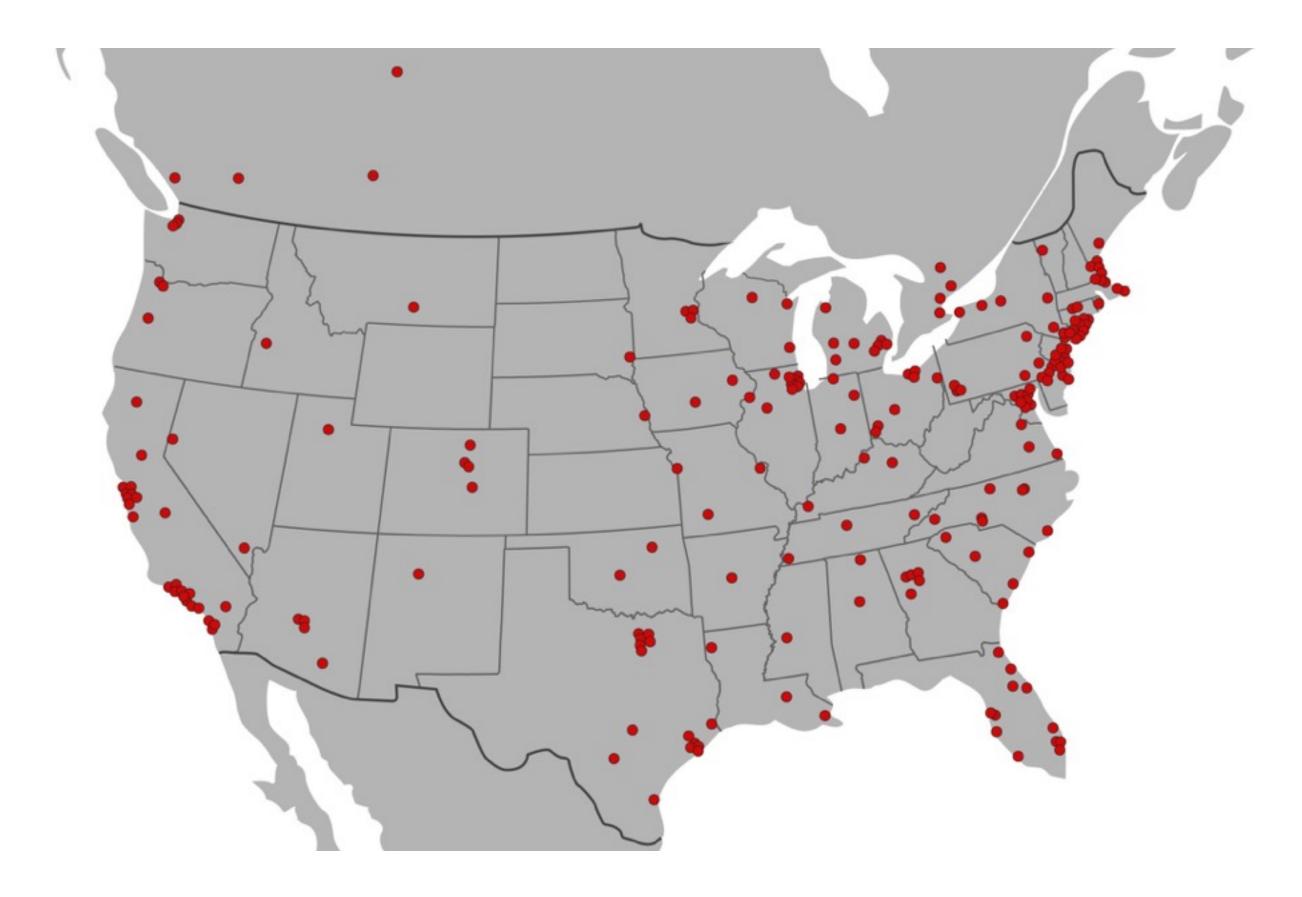


Average 18,000 sq. ft.

33 Locations – Lifestyle Design



Average 8,000 sq. ft.



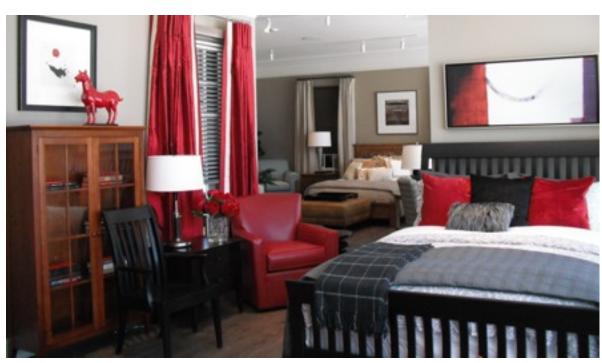
Recent relocation to Design Centers with smaller footprints

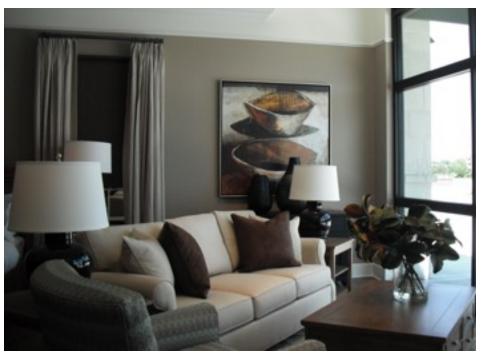
- Average Design Center opened in last 3 years
 - ~10,000 sq. ft. vs. ~16,000 sq. ft.
- 4 markets currently under construction

Wichita, KS – July 2015











Pittsburgh (McCandless), PA - September 2015

Toledo, OH - September 2015

















King of Prussia, PA - September 2015

Columbia, MD - March 2016

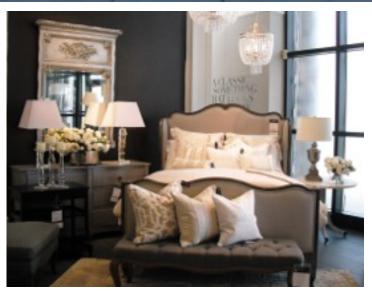






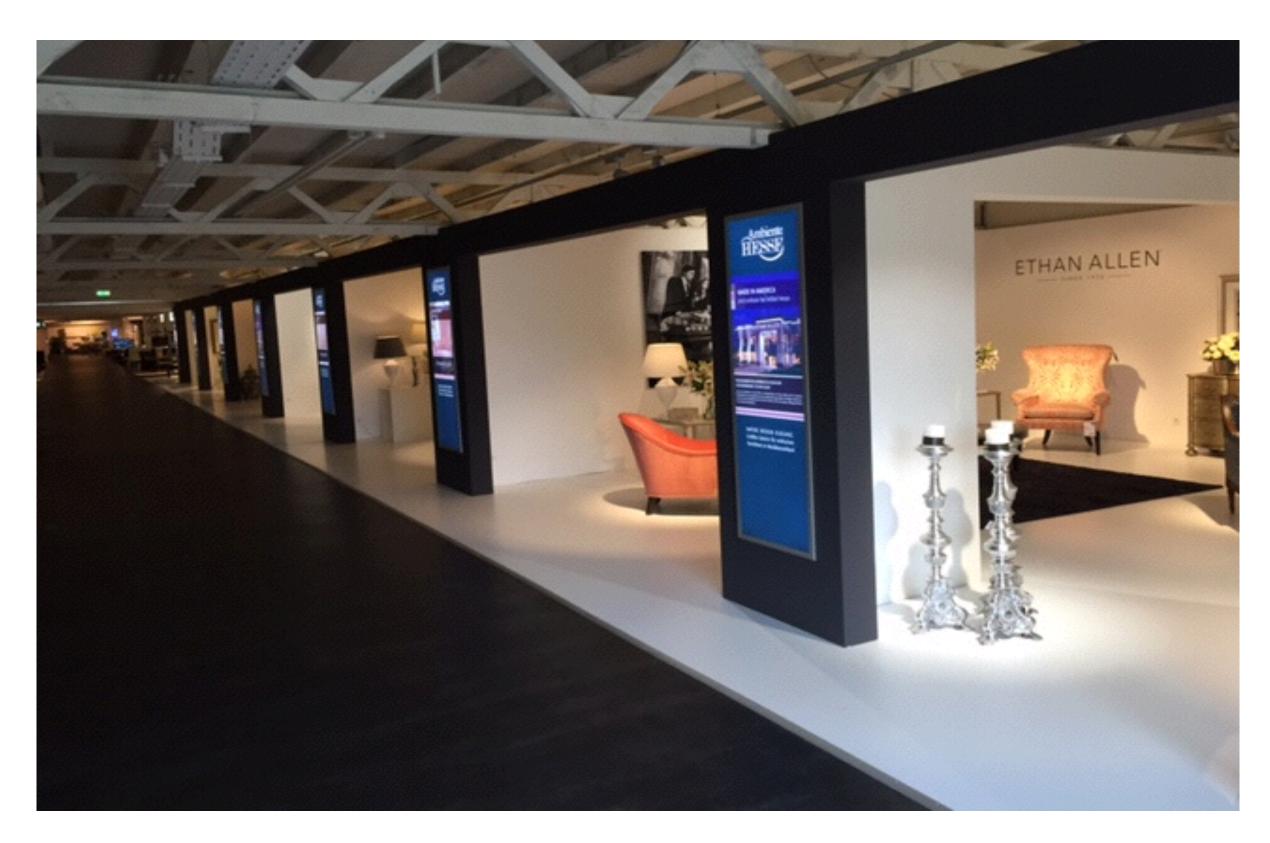




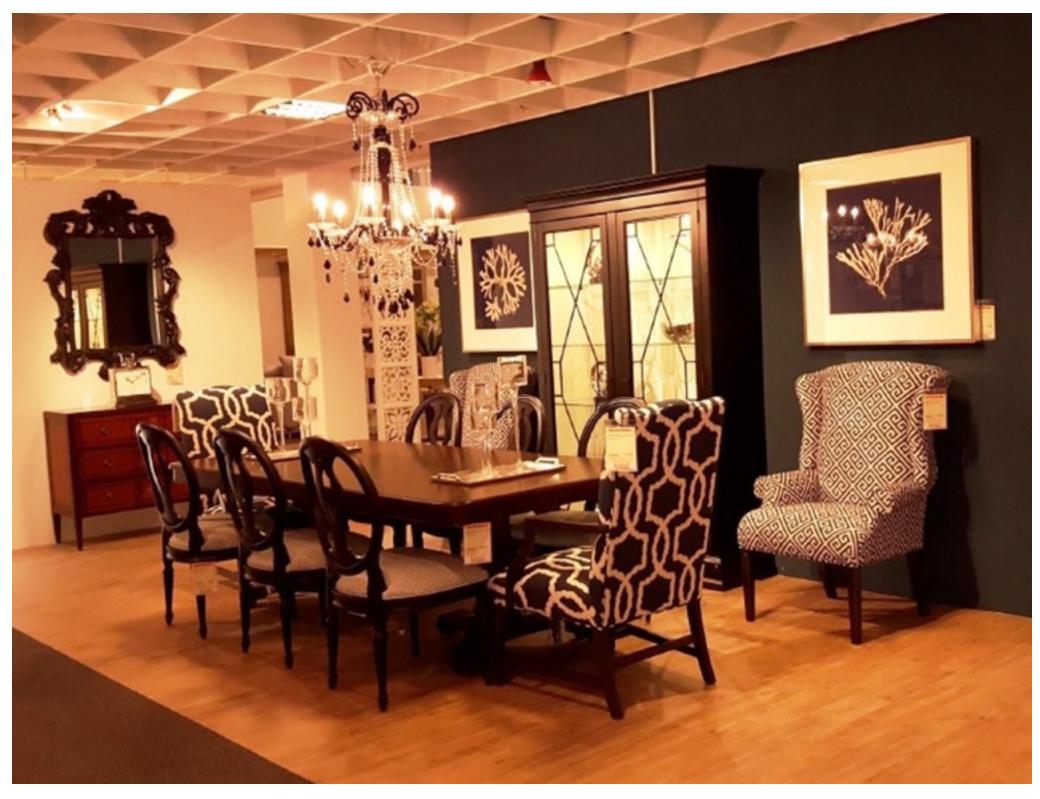




Hesse Hanover, Germany – September 2015



Inhofer Senden, Germany – July 2016



San Francisco (Dublin), CA – January 2016





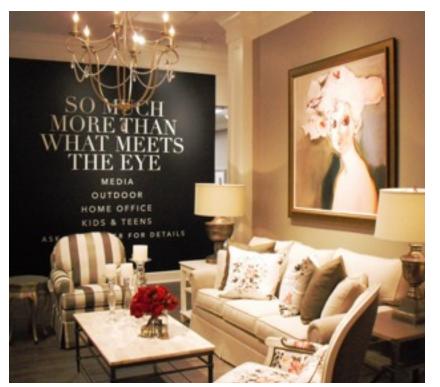






Cranston, RI - April 2016

ETHAN ALLEN







Rockville, MD - April 2016









Hyannis, MA - May 2016

Savannah, GA - June 2016





New York (Flatiron District), NY - August 2016

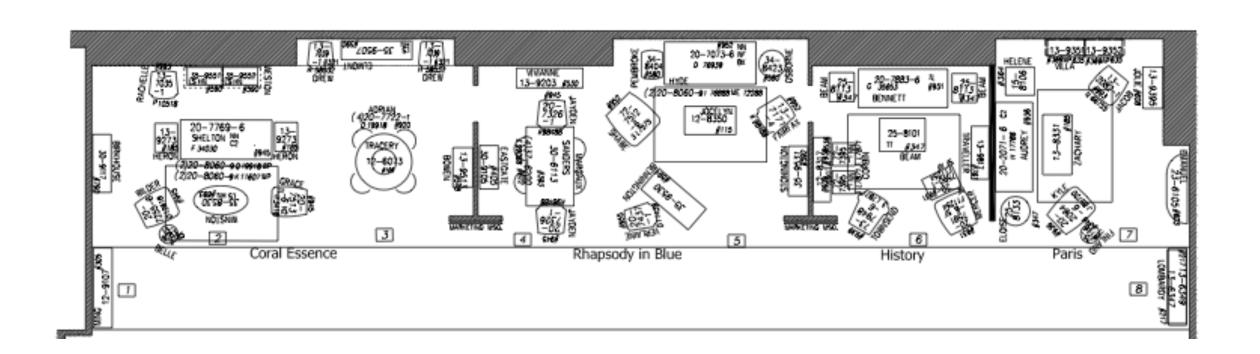


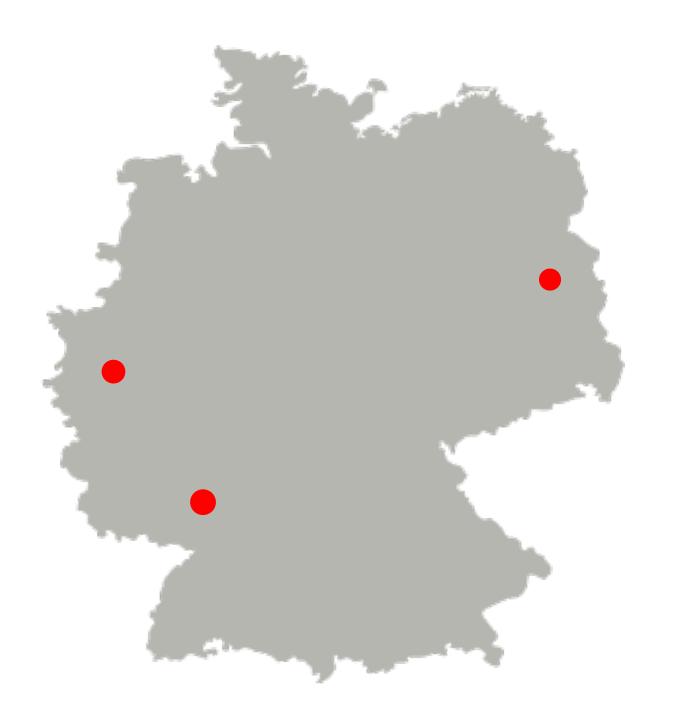


Virginia Beach, VA – August 2016

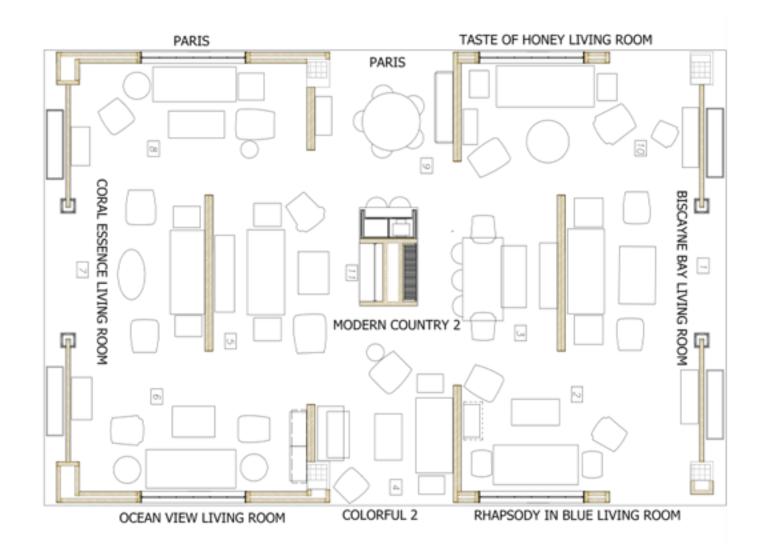


Mainz, Germany – July 2016

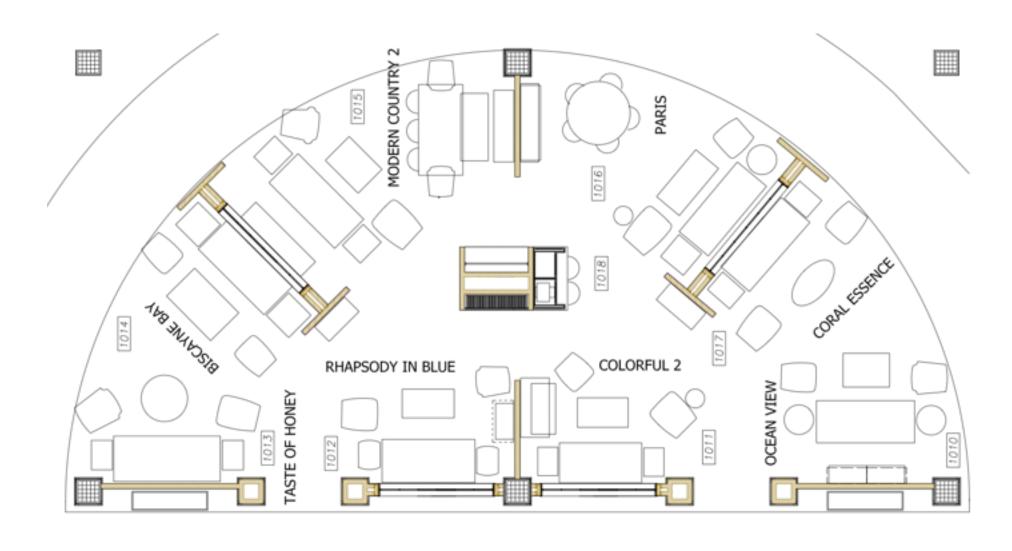




Potsdam, Germany – August 2016



Frechen, Germany – September 2016



Daegu, Korea – September 2016

Seoul, Korea – 2016





Chengdu
– August 2015





Shaoxing

- August 2015

Fuzhou – October 2015





Nantong – August 2015

Suzhou – October 2015





Yantai

- October 2015

Wenzhou – November 2015





Changzhou

- November 2015

Shanghai Huai Hai – December 2015





Xi'an
- May 2016

Kunming
– January 2016





Qingdao – January 2016



Beijing 4th Ring
– January 2016

Marketing Initiatives

- Direct Mail
- Digital Marketing
- Print
- Social Media
- Partnerships

Accelerating Marketing Efforts

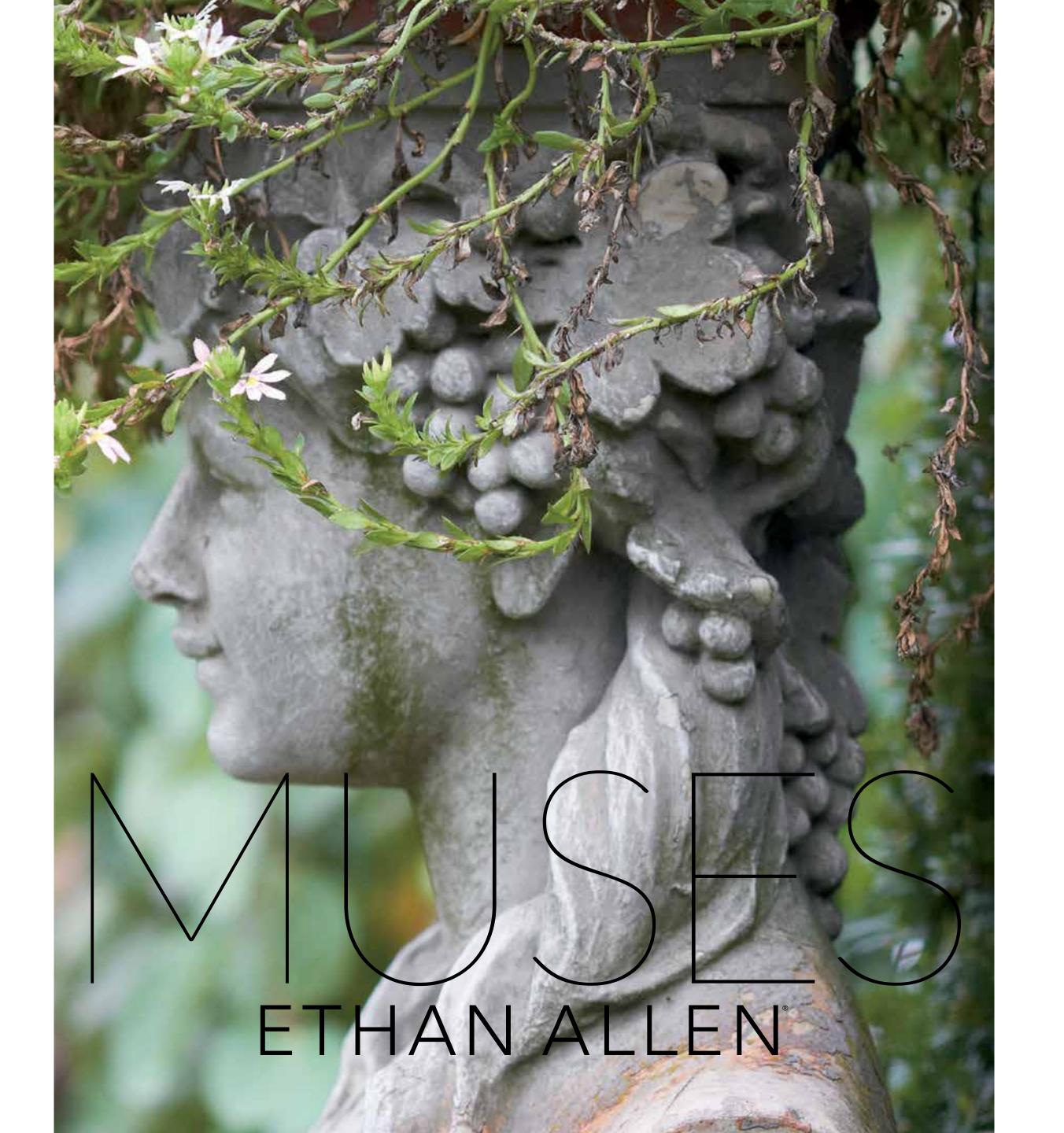
In 2016 and continuing into 2017, with new merchandise now in place, we are accelerating our marketing

- Sent out 35 Million Direct Mail Marketing Magazines (15-month time frame)
- Significantly Expanded Digital and Social Campaigns
- Grassroots Marketing
- Select Partnerships
- Design Center Projection





MUSES 2015

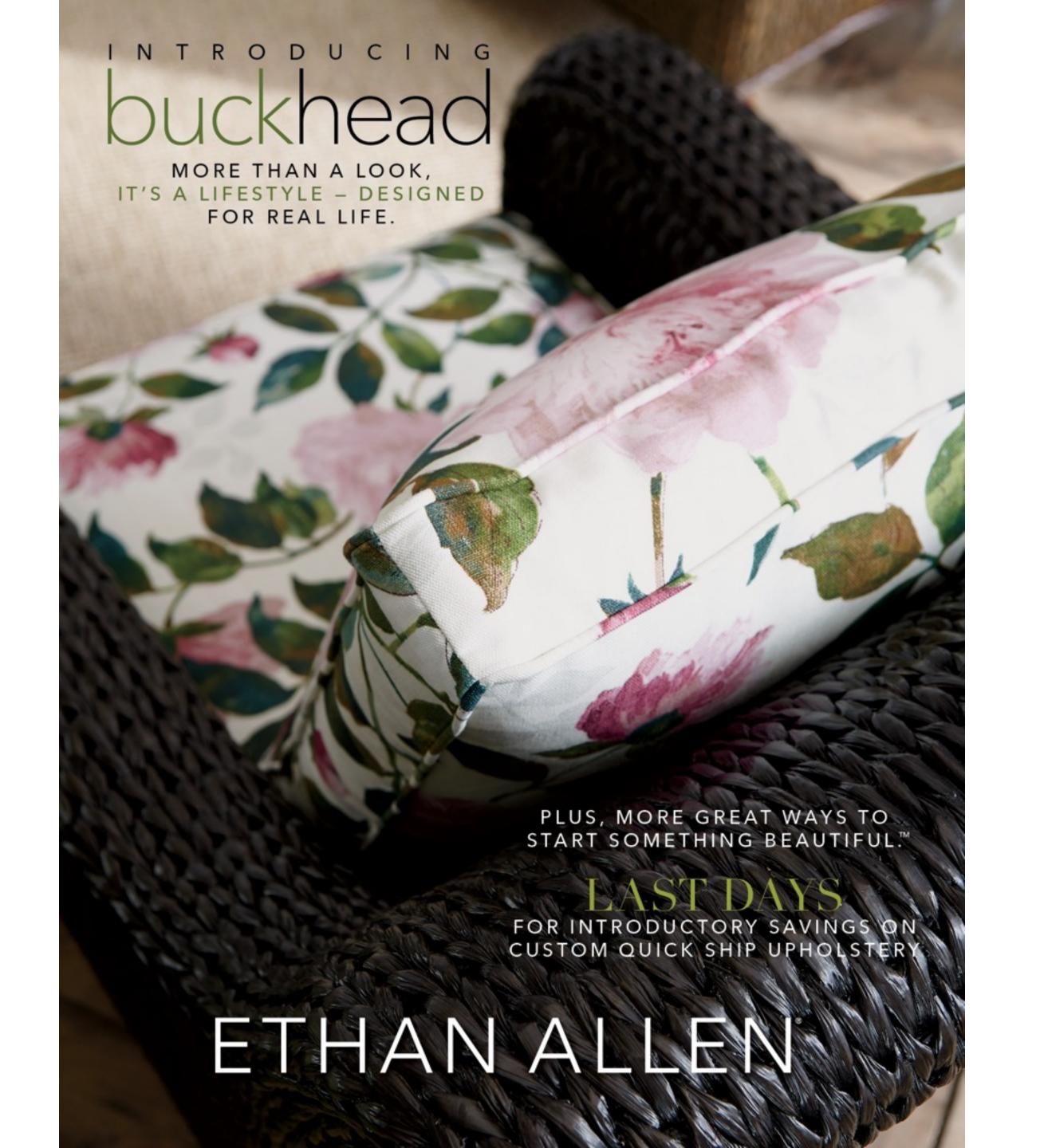




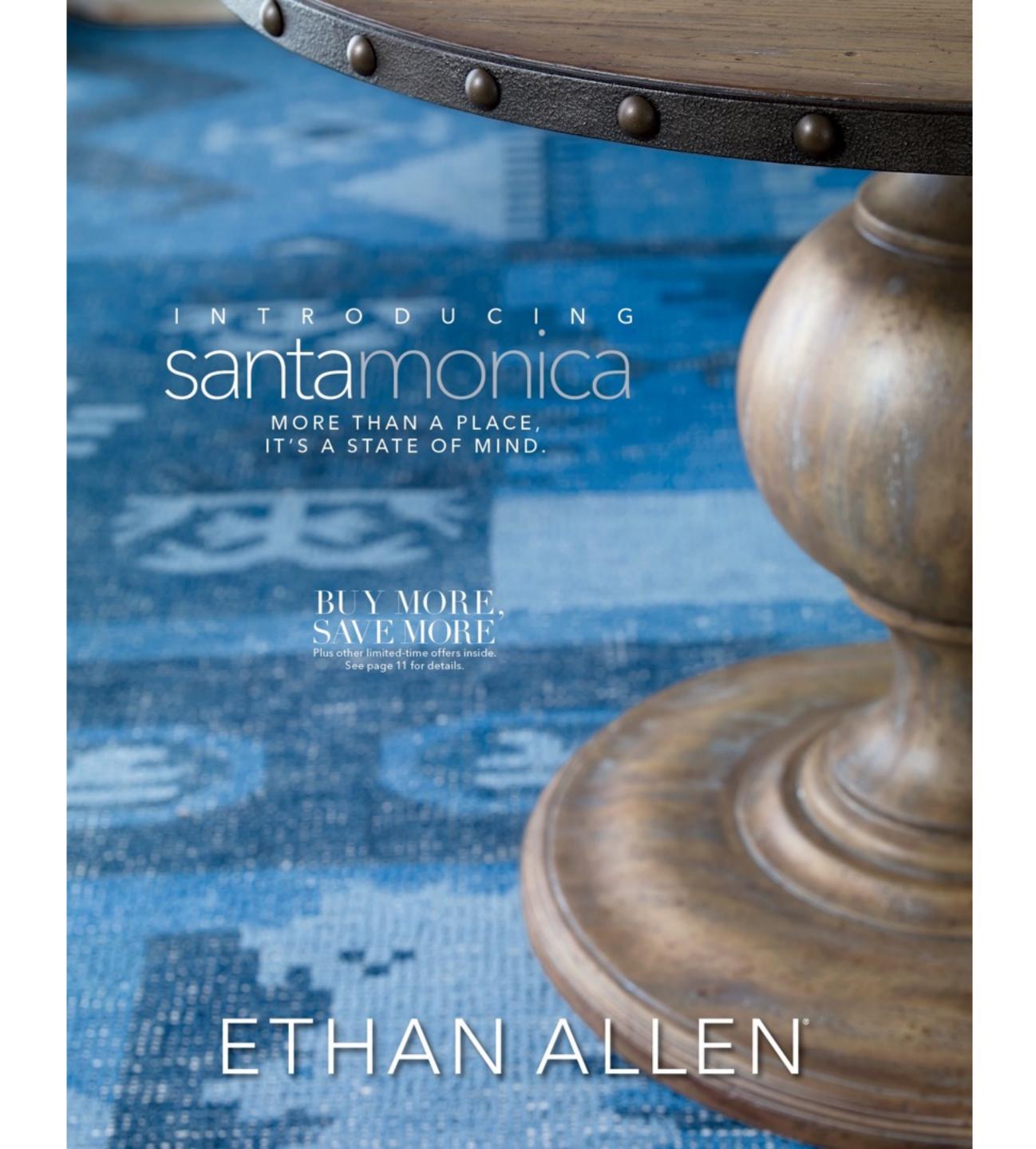




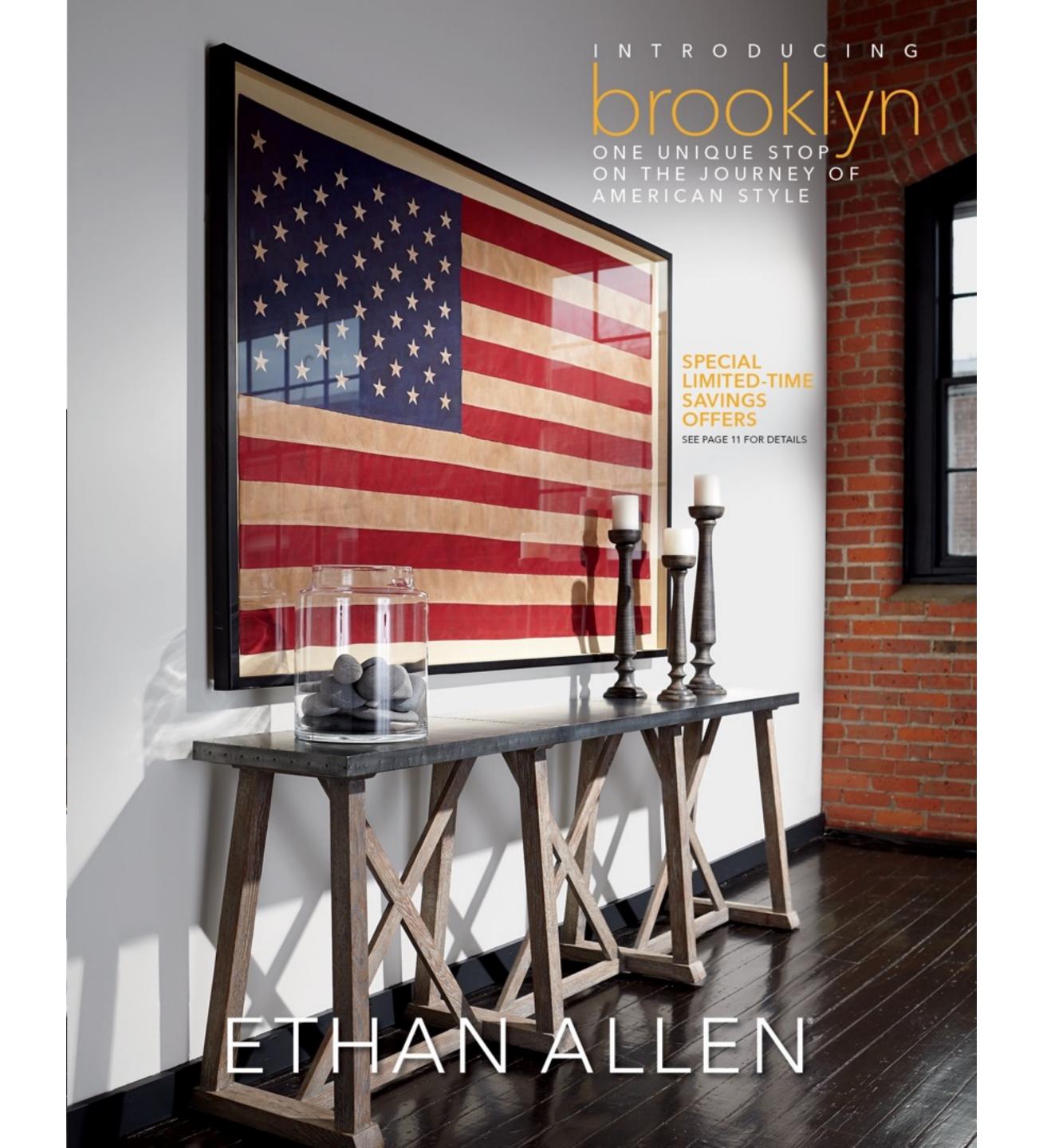
June



July



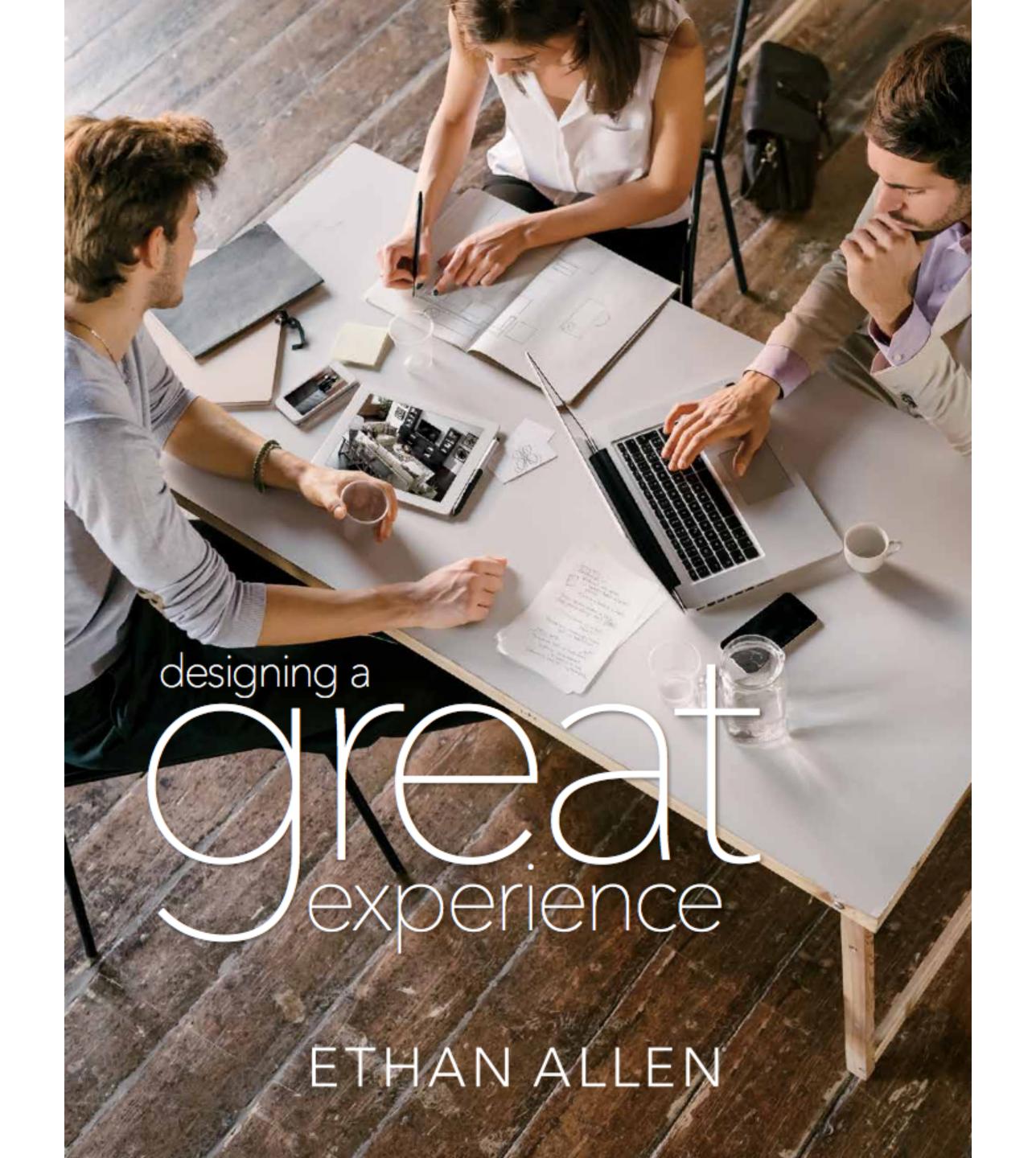
August



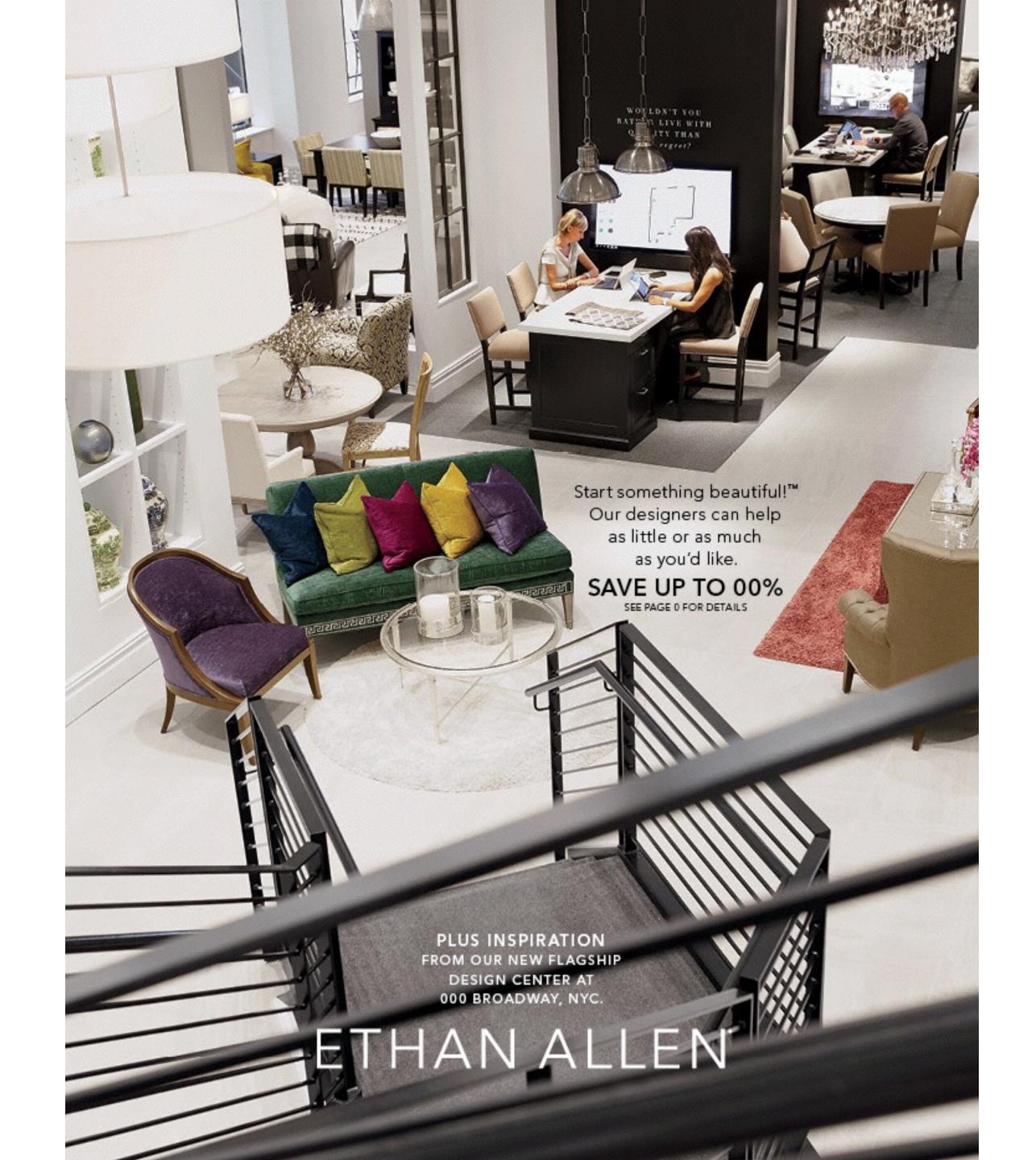
September



October



November



EXPERIENCE THE ETHAN ALLEN DIFFERENCE

fashion is our passion

WELCOME TO ETHAN ALLEN

For the past 00 years, Ethan Allen has proudly been the arbiter of American home furnishings style, projecting unique looks that draw on the country's vast and varied landscapes and lifestyles.

A lot has changed over the years, but this remains as true as always: we're committed to offering classic designs with a modern perspective.

Our latest partnership with Disney Consumer Products also honors that commitment. Fun, fresh, functional, and fashionable, Ethan Allen | Disney offers styles like you've never seen for the whole family. And you can see them here first on pages 0 through 0.

We're also infusing our Design Centers with a modern perspective, updating them with fresh looks and shopping experiences. In the last few months, we've opened new locations around the world, including in New York City's thriving Flatiron District; Rockville, Maryland; Cranston, Rhode Island; Hyannis, Massachusetts; Virginia Beach, Virginia; San Francisco (Dublin), California; as well as in China and Europe.

And as always, we're committed to outstanding service at every level. That's why we continue to provide complimentary design service from design professionals who can help you as little or as much as you'd like and Premier In-home Delivery.

Fall is the season of change. I invite you to join us on our journey of American style in the following pages and discover inspiring looks that can bring beautiful changes to your home.

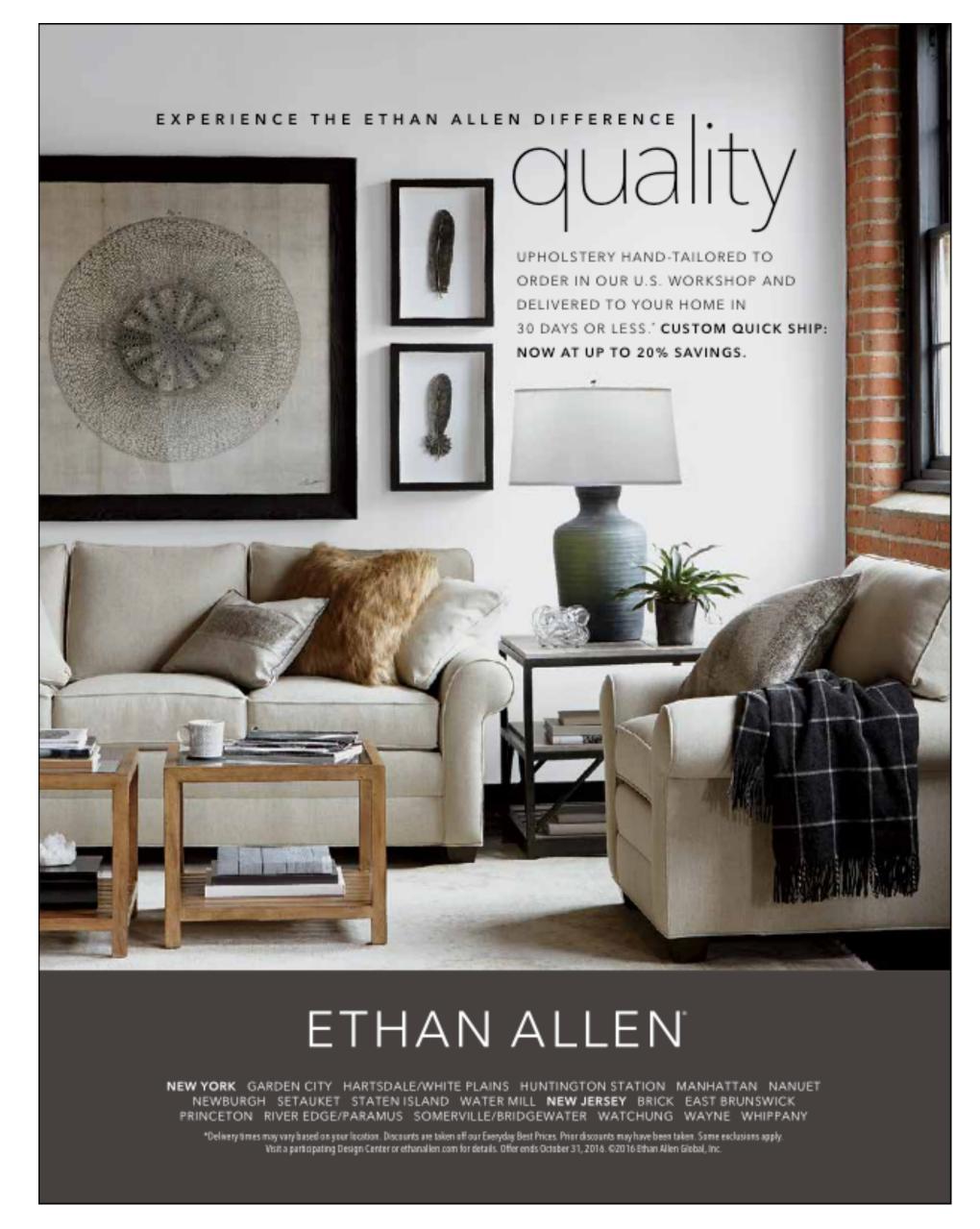
Farooq Kathwari, CEO

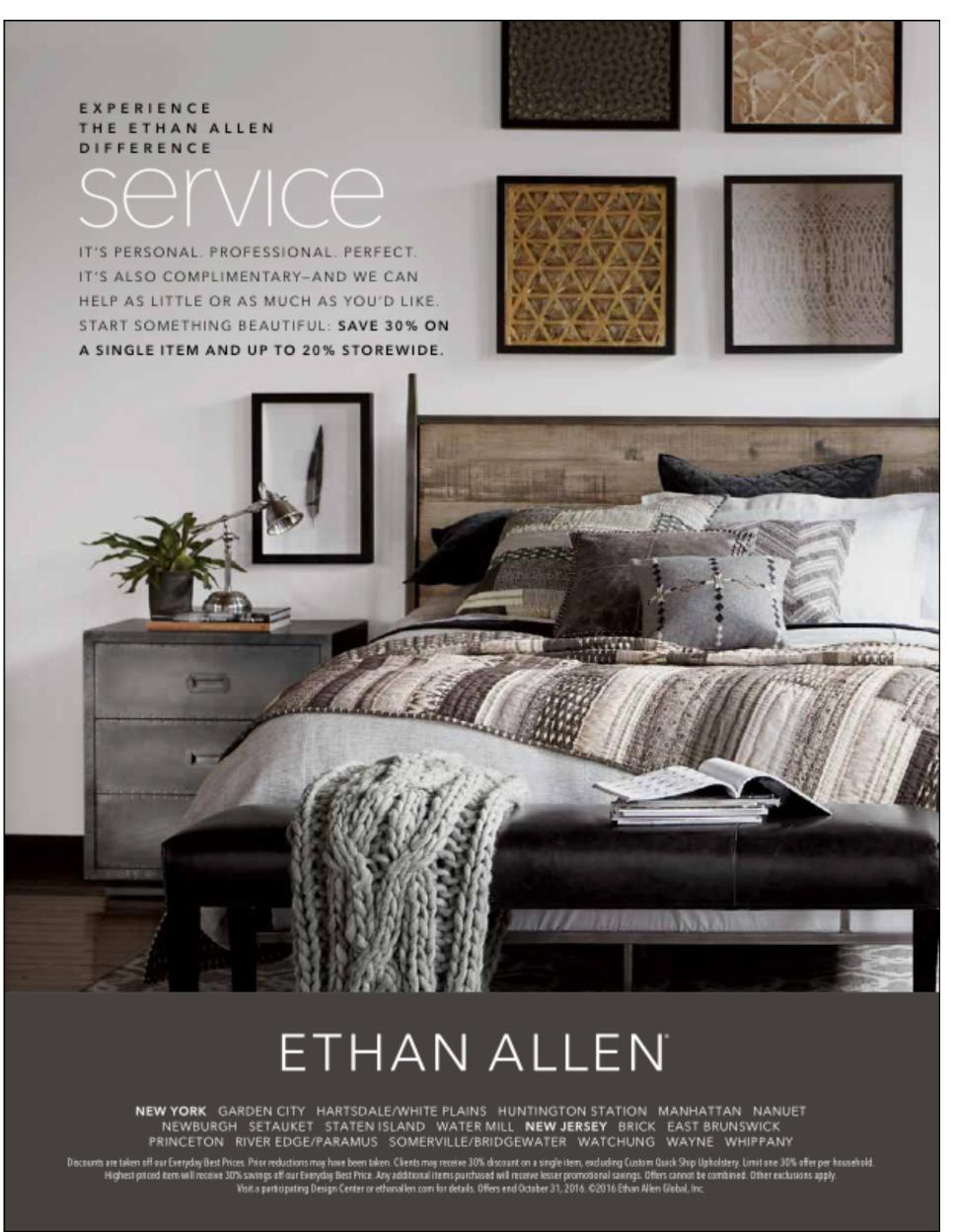


SAVE UP TO 00% STOREWIDE FOR A LIMITED TIME.

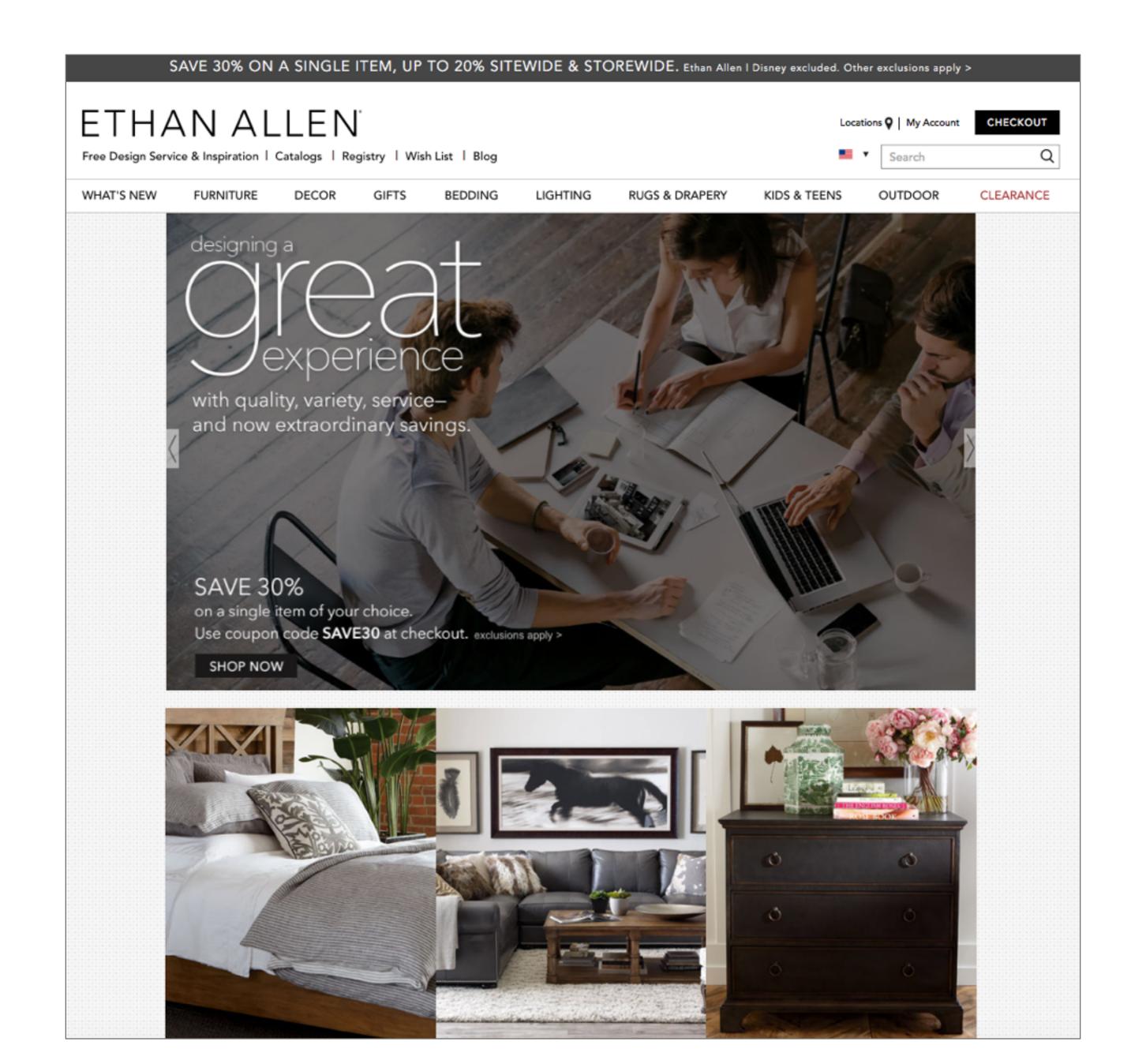
ARCATA CUSTOM QUICK SHIP 00° SOFA 000000 \$0000 NOW \$0000. MONTEREY CHAIR 000000 STARTING AT \$0000 NOW \$0000 AS SHOWN \$0000 NOW \$0000. ELGIN CHAIR 000000 STARTING AT \$0000 NOW \$0000 NOW \$0000 AS SHOWN \$0000 NOW \$0000. CUSTOM PILLOWS: ASKA DESIGNER FOR DETAILS. DYNASTY SQUARE COFFEE TABLE 000000 \$0000 NOW \$0000. JOCELYN SIDE TABLES 000000 \$000 EA. NOW \$000 EA. LIA TABLE LAMPS, TANGERINE 000000 \$000 EA. NOW \$000 EA. UNITY IS PLURAL CUSTOM ARTWORK 0000000 AS SHOWN \$0000 NOW \$0000. BRAIDED WHITE CENTERPIECE 000000 \$000 NOW \$000. ORANGE ORCHIDS IN GLASS VASE 000000C \$000 NOW \$000. NOVA ZEBRA RUG, GREY/IVORY 000000 \$0000.\$0000 NOW \$0000.\$0000.

Print Ads





Home Page



Emails

ETHAN ALLEN

NEW SHOP PRODUCTS INSPIRATION REGISTRY WISH LIST CLEARANCE



COMPLIMENTARY PERSONAL DESIGN SERVICE

From choosing the perfect piece to designing an entire home, our designers can help as little or as much as you'd like-and their services are always on the house.

LEARN MORE

PREMIER IN-HOME DELIVERY

No surprises, no "heavy" item surcharges. Our drivers deliver excellence,



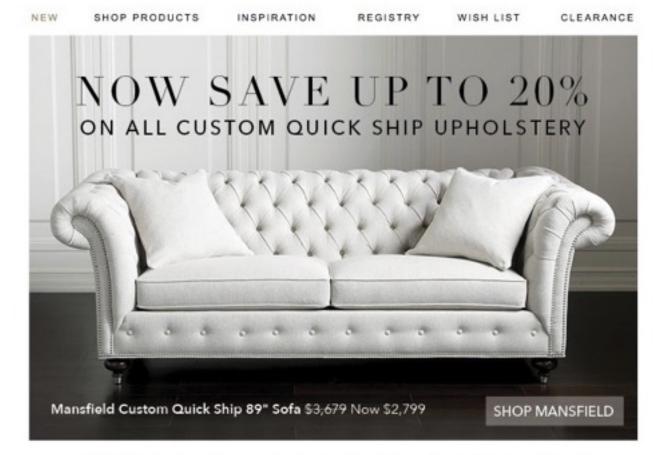
SPECIAL FINANCING OPTIONS

With smart financing options to suit your unique budget, our Platinum Card offers convenient monthly payments to help you get the looks you love now.

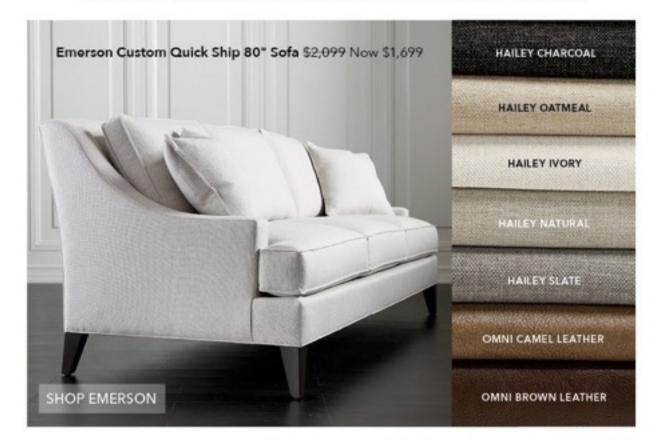
CELEBRATE OCTOBER SAVINGS

Find a Design Center

ETHAN ALLEN



ETHAN ALLEN MEANS QUALITY SAVINGS SERVICE QUICK SHIP STYLE



CHAIRS OTTOMANS RECLINERS

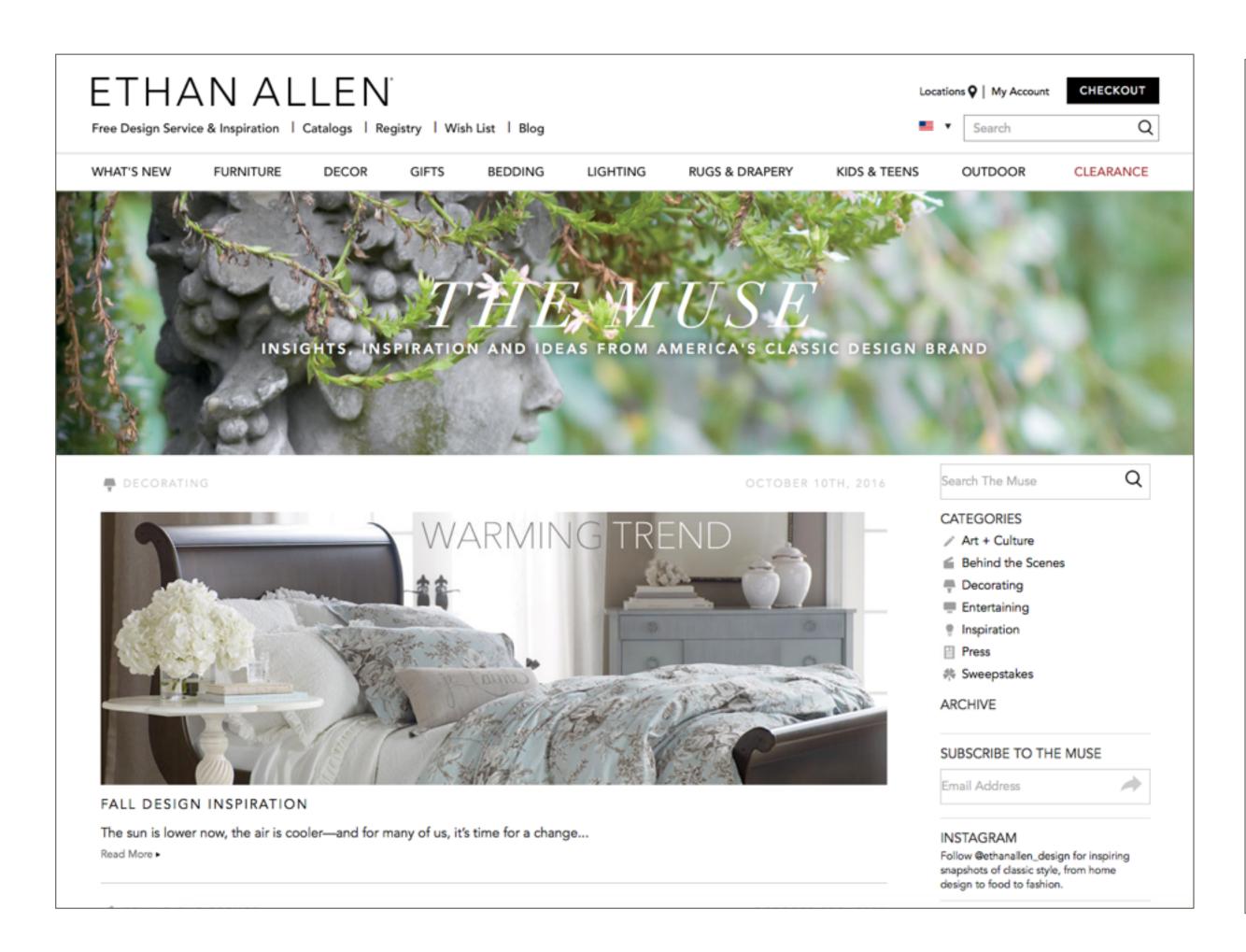






Social Media Focus

The Muse blog, Facebook, Pinterest, Houzz, Twitter, Instagram, Google+, and YouTube





Real Estate Partnership

- Century 21, Coldwell Banker, ERA,
 Sotheby's, and BH&G
- New homeowners program
 - Direct mail to selected new homeowners after they close on a home
 - EA access to uncapped transactional listings and closing data
- Access to brand conferences & events
- Broker offer
 - Offer agents unique gift options for their clients that set them apart from their competition







Wedding & Gift Registry

- Registry FAQ, Registry benefits, registry checklist & POS
- 15% completion offer (in-store only)
- Design Center event guide
- New email signups get a customized experience
- Registry promoted on all social platforms and in digital advertising







- Offerings
- Projection
- Marketing

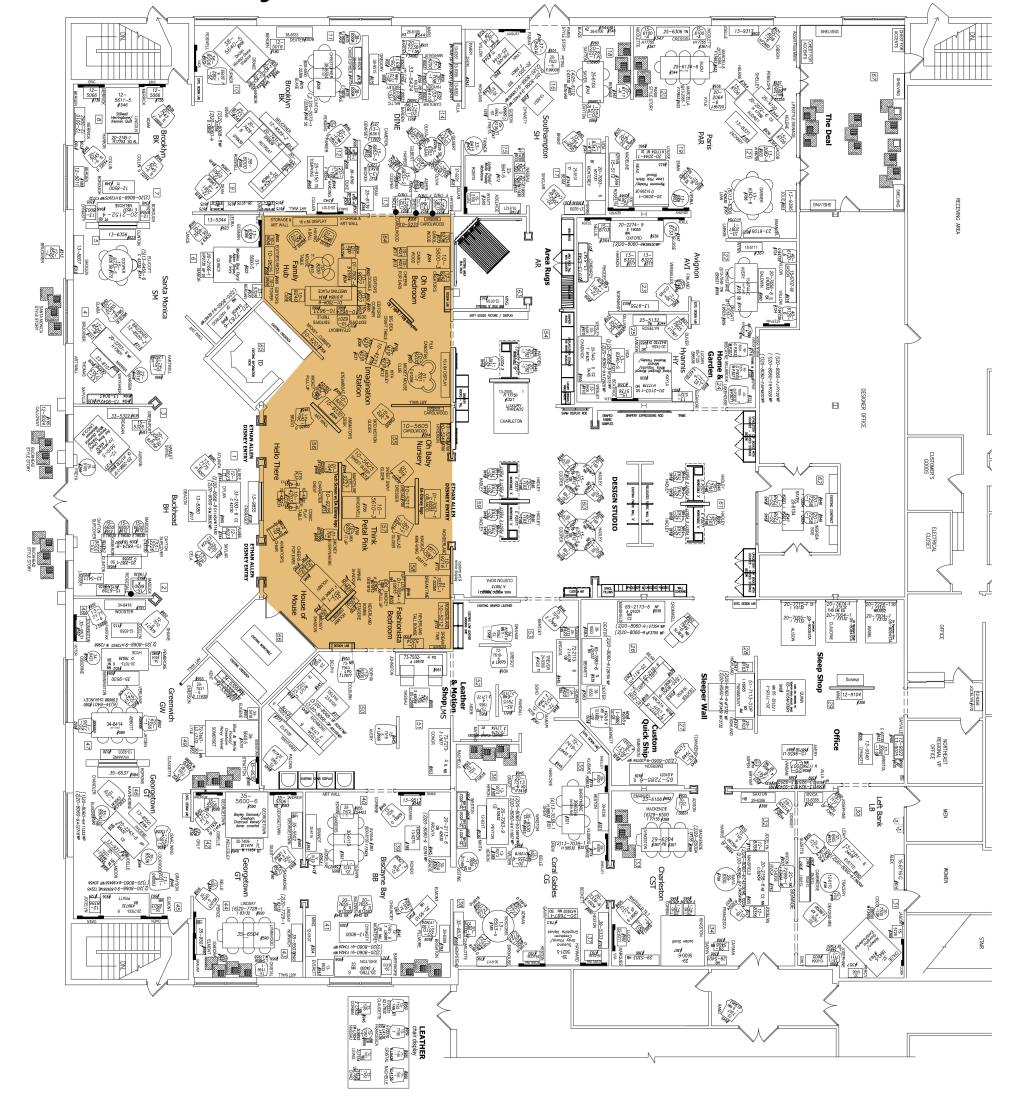


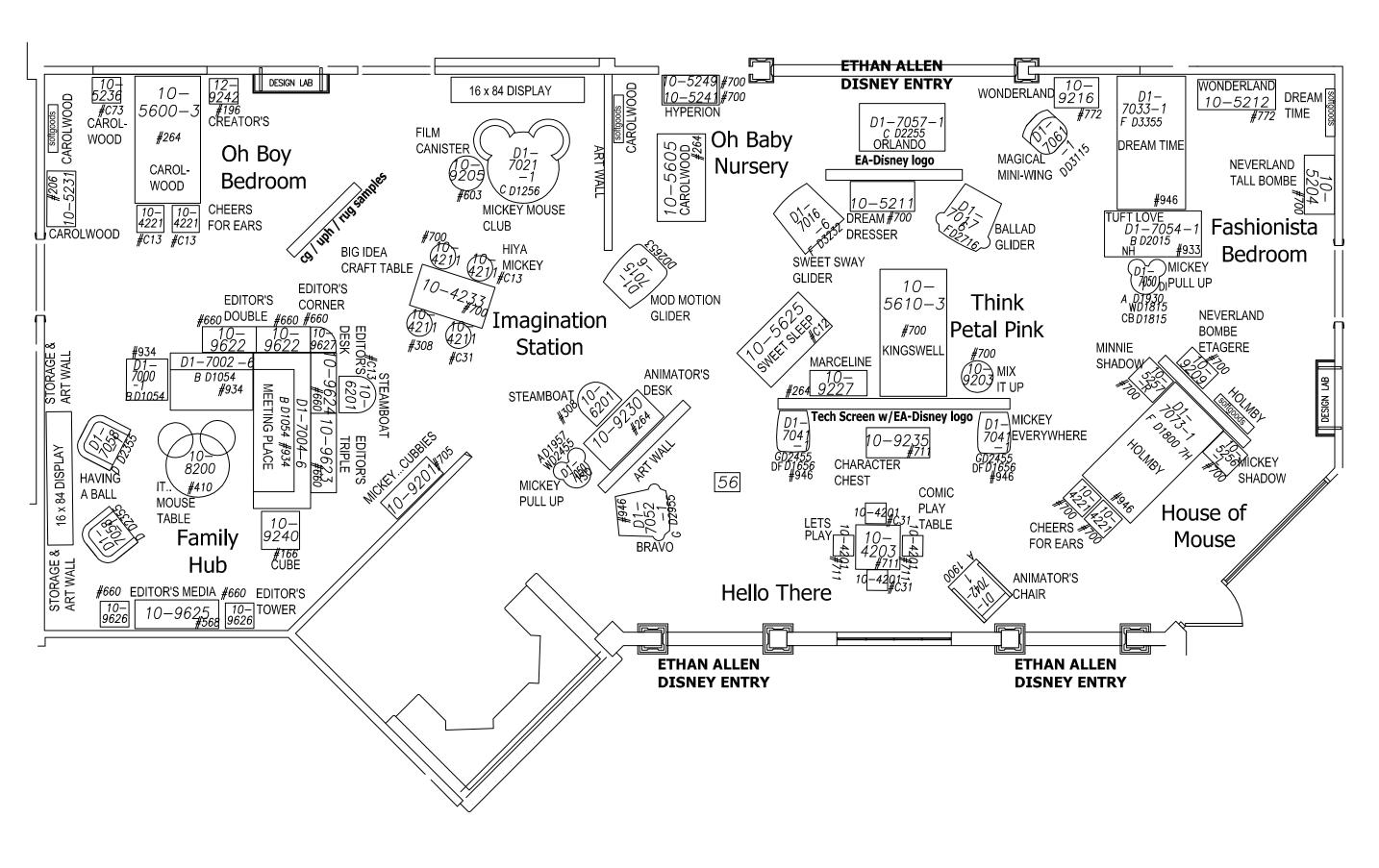






Danbury SUMMER 2016





1500 sq ft

Marketing

- Launch to Disney enthusiast
- November Direct Mail reaching 4 million homes
- Digital / Social media marketing
- 32-page Design Center brochure
- ethanallen.com/disney
- 140-page "Story Book"- January 2017







THERE'S SO MUCH MORE TO SEE! SHOP ALL THE MAGIC AT ETHANALLEN.COM/DISNEY

LIMITED TIME INTRODUCTORY PRICING! OPPOSITE PAGE: CHARACTER CHEST 109235 (711) \$1599. SPECIAL EDITION MICKEY EVERYWHERE CHAIR AS SHOWN D17041 \$909. CONDUCTOR TABLE LAMP 096014 \$279. CHAILXBOARD FRAME WALL MIRROR 070402 \$599. ENSEMBLE PAINTED 18" VASE 430605 MKS \$99. LARGE HOBNAIL VOTIVES: 430607A MKS/SNW \$34 EA. TOTALLY TRIANGLE RUG 041003 MKE \$649-\$1299. THIS PAGE: ANIMATOR'S CHAIR D1/D67042 STARTING AT AND AS SHOWN \$1399. ABSTRACT MICKEY ARTWORK 070050 \$1399. COLOR BLOCK/DRIP PAINT MICKEY ARTWORK 070052A/C \$349 EA. RETRO SHAPE LITH ARTWORK 070054A/B \$599 EA. HI-YA ARTWORK 070056 \$329. MICKEY QUARTET PART LITH VARK 070061A/B/D \$249 EA. MICKEY SILHOUETTE IV ARTWORK 070102 \$149. MINNIE QUARTET PART LITH VARK 070104A/D \$249 EA. GRAPHIC TYPOGRAPHY II ARTWORK 070108 \$249.

U.S. State Department Packaged Home Program

- Three Lifestyle Packages
 - Contemporary
 - Traditional
 - Transitional

DEPARTMENT OF STATE DEPARTMENT OF STATE WORLDWIDE RESIDENTIAL FURNITURE PROGRAM WORLDWIDE RESIDENTIAL FURNITURE PROGRAM ETHAN ALLEN

ESTABLISHED 1932



Contemporary Collection



ETHAN ALLEN



Traditional Collection



ETHAN ALLEN



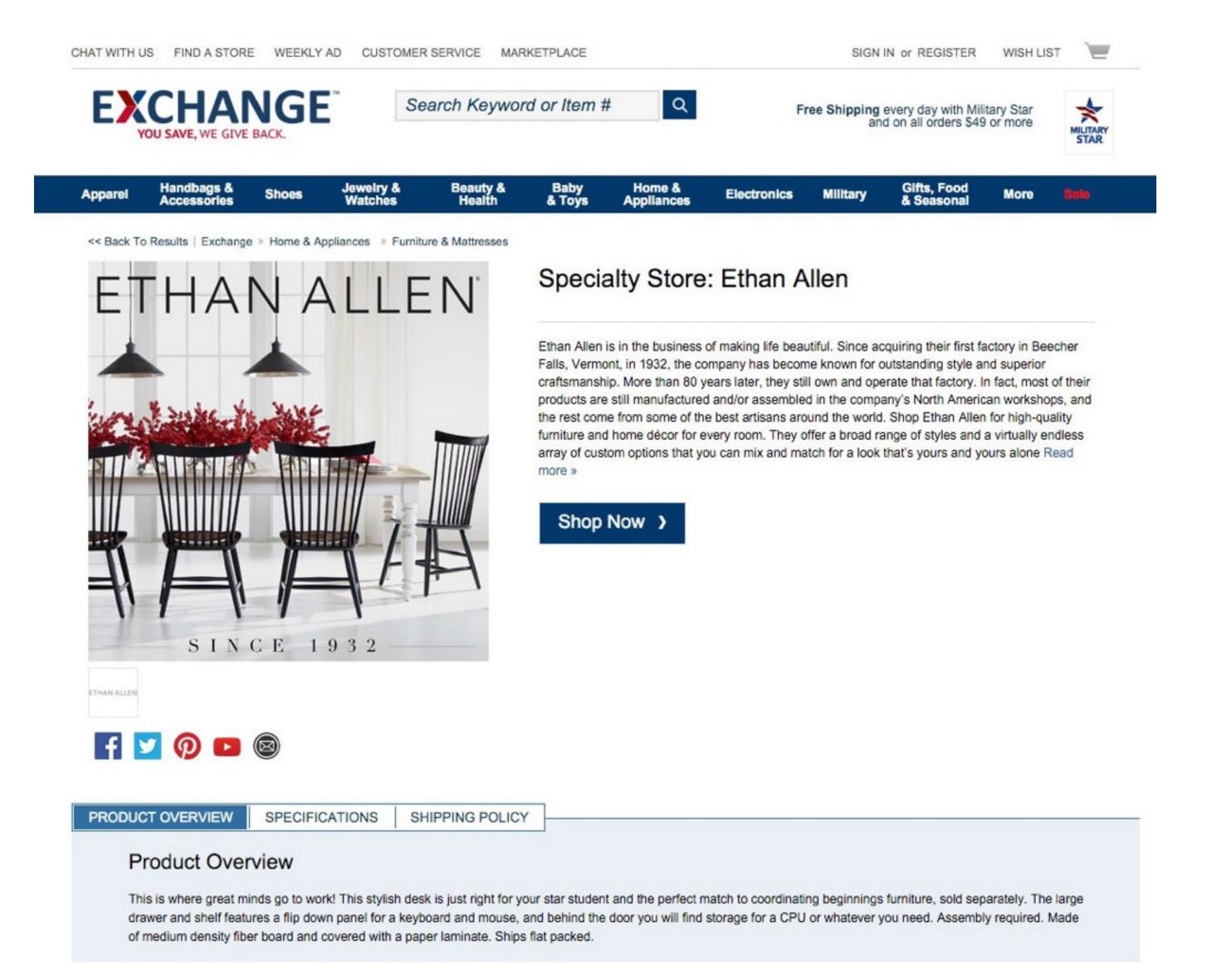
Transitional Collection



ETHAN ALLEN

Army & Air Force Exchange Service

- Specialty Online Store



Good Corporate Governance

Good Corporate Governance

We Continuously Implement Best Practices in Governance

- Implemented Annual Non-Binding Vote on Executive Compensation 2011
- Eliminated Shareholder Rights Plan (Poison Pill) 2012
- At the 2013 Annual Stockholder Meeting, implemented a number of significant changes including:
 - Appointed Lead Director
 - Eliminated classified board terms
 - Approved the recoupment/clawback of executive compensation in certain circumstances
 - Imposed requirements for Board and management stock ownership and implemented no hedging/pledging policy
- At the 2015 Annual Stockholder Meeting, eliminated requirement that business combinations be approved by a majority of the continuing directors

Good Corporate Governance

2016 Annual Stockholder Meeting Governance Proposals

- A. Implement "Proxy Access"
- B. Implement majority voting in uncontested elections
- C. Allow for stockholder removal of directors with or without cause
- D. Make changes to our governance documents to implement the 2016 proposals and conform them to customary standards

Independent and Engaged Board

Snapshot of 2016 Independent Director Nominees

Average
Tenure
2.8 years

Gender
Diversity
33%
women



- Fiscal year 2016: 100% attendance by each director at four Board of Directors meetings, five Audit Committee meetings, two Compensation Committee meetings, and two Nominations Committee meetings
- Independent Board. All members of Board are independent directors, except Chairman of the Board, who is also Chief Executive Officer.
- Independent Board Committees. All Committee members are independent directors.
- Independent executive sessions chaired by Independent Lead Director. Required at each Board meeting,
- Committee authority to retain independent advisors. All fees and expenses are paid by the Company.
- All members of Audit Committee are financial experts.

Financials

Ethan Allen Interiors Inc.

(\$, millions except per share)

Opportunity Scenarios

	1	'Peak"	"\	Valley"				Previous Peak				
	_	F2006	<u> </u>	- 2010	<u>A</u>		<u>B</u>		<u>C</u>	<u>D</u>	<u>F</u>	Y 2016
Net sales	\$	1,066	\$	590	\$ 800	\$	900	\$	1,066	\$ 1,200	\$	794
Gross margin		50.7%		50.1%	55.0%		55.5%		56.0%	56.5%		55.7%
Operating expenses	\$	394	\$	294	\$ 354	\$	385	\$	437	\$ 478	\$	355
% of NS		37.0%		49.8%	44.3%		42.8%		41.0%	39.9%		44.7%
Operating income	\$	147	\$	1	\$ 86	\$	114	\$	160	\$ 200	\$	87
% of NS		13.8%		0.2%	10.7%		12.7%		<i>15.0%</i>	16.6%		10.9%
Net interest & other	\$	5	\$	8	\$ 2	\$	2	\$	2	\$ 2	\$	1
Pretax income	\$	142	\$	(7)	\$ 84	\$	112	\$	158	\$ 198	\$	86
Net income	\$	88	\$	(4)	\$ 53	\$	71	\$	100	\$ 126	\$	54
Diluted EPS	\$	2.59	\$	(0.15)	\$ 1.87	\$	2.49	\$	3.51	\$ 4.40	\$	1.92
Wtd avg shares		34.1		29.0	28.6		28.6		28.6	28.6		28.3

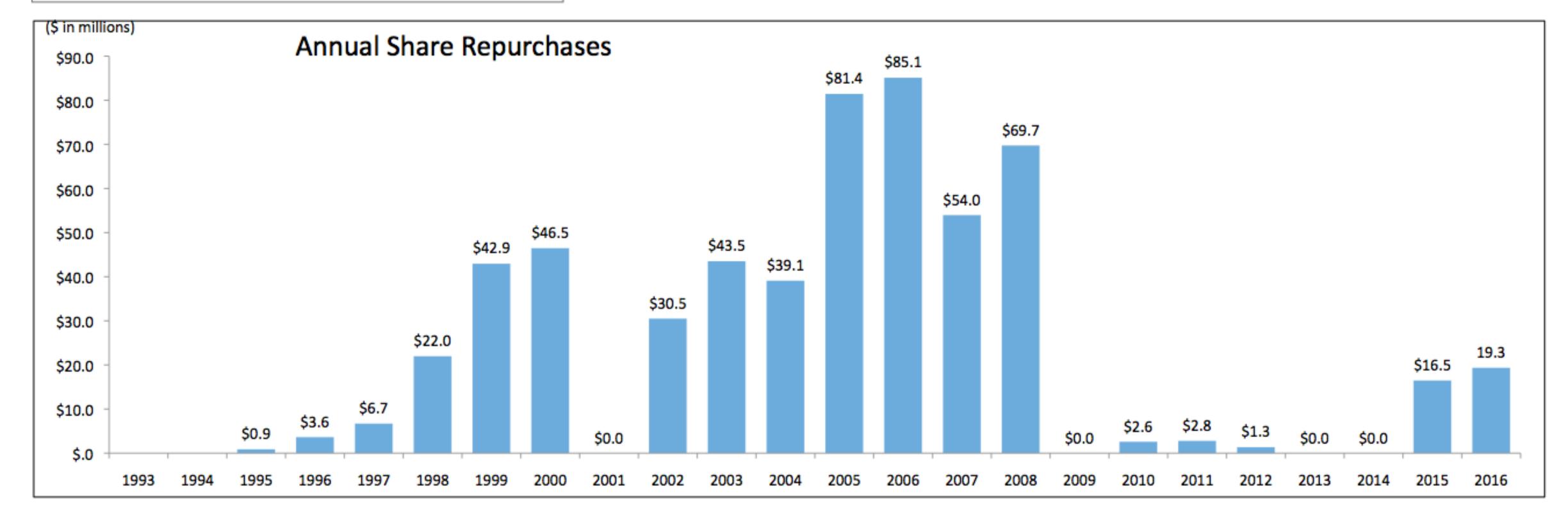
Assumptions: Results exclude certain recurring and non-recurring charges and gains and the tax effect of these adjustments, and are normalized annual opportunities; quarterly results are affected by many factors including seasonality. The Opportunity Scenarios are not intended to be projections but rather hypothetical outcomes that show the sensivity of results to certain variables. Actual results will depend on external macroeconomic conditions and other factors including future decisions by the Company and the risk factors disclosed in the Company's SEC filings.

Focus on Stockholder Returns

(in millions)	
Total shares issued Shares outstanding June 30, 2006 Shares outstanding June 30, 2016	48.9 32.1 27.7
Cumulative share repurchases	19.5 40.0%

Long and consistent history of returning value to stockholders, including frequent Share Repurchases

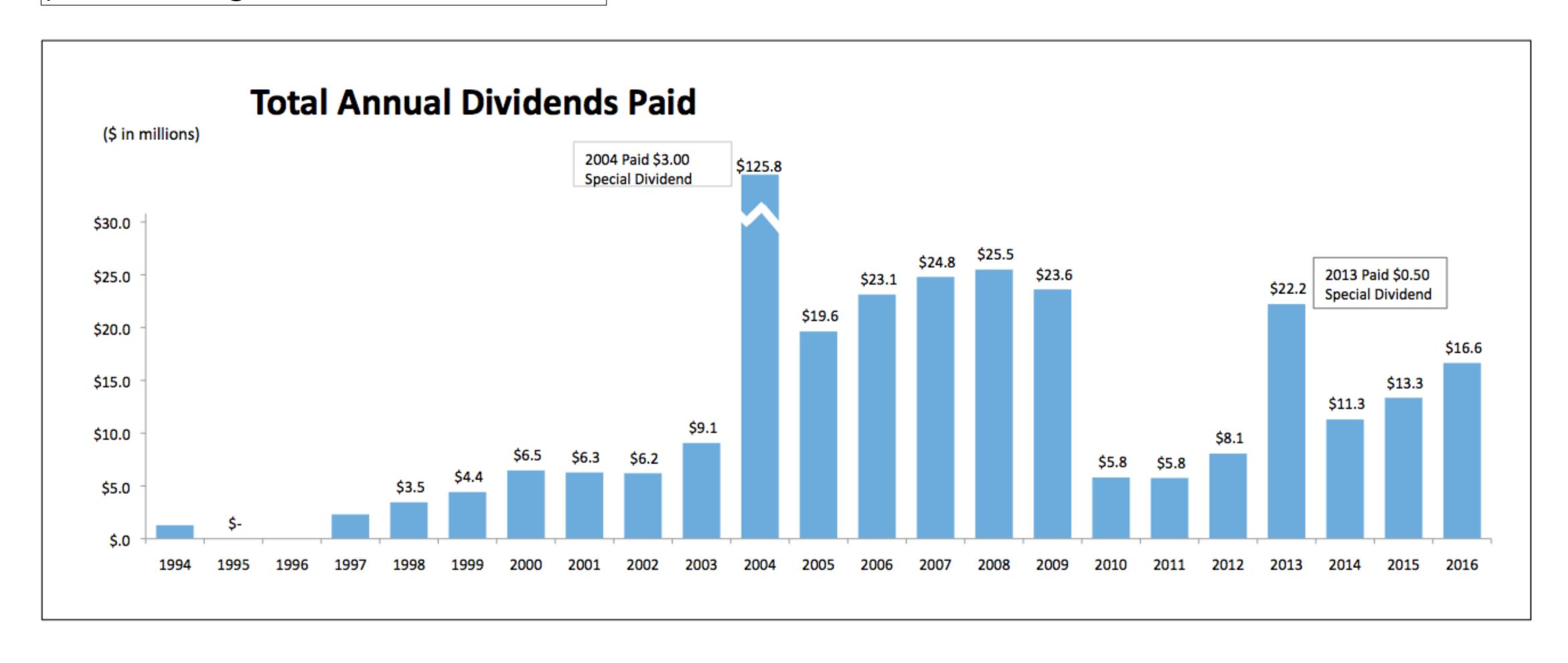
Total Share Repurchases \$568.5 million



Focus on Stockholder Returns

Total Dividends of \$365.0 million paid through FY 2016

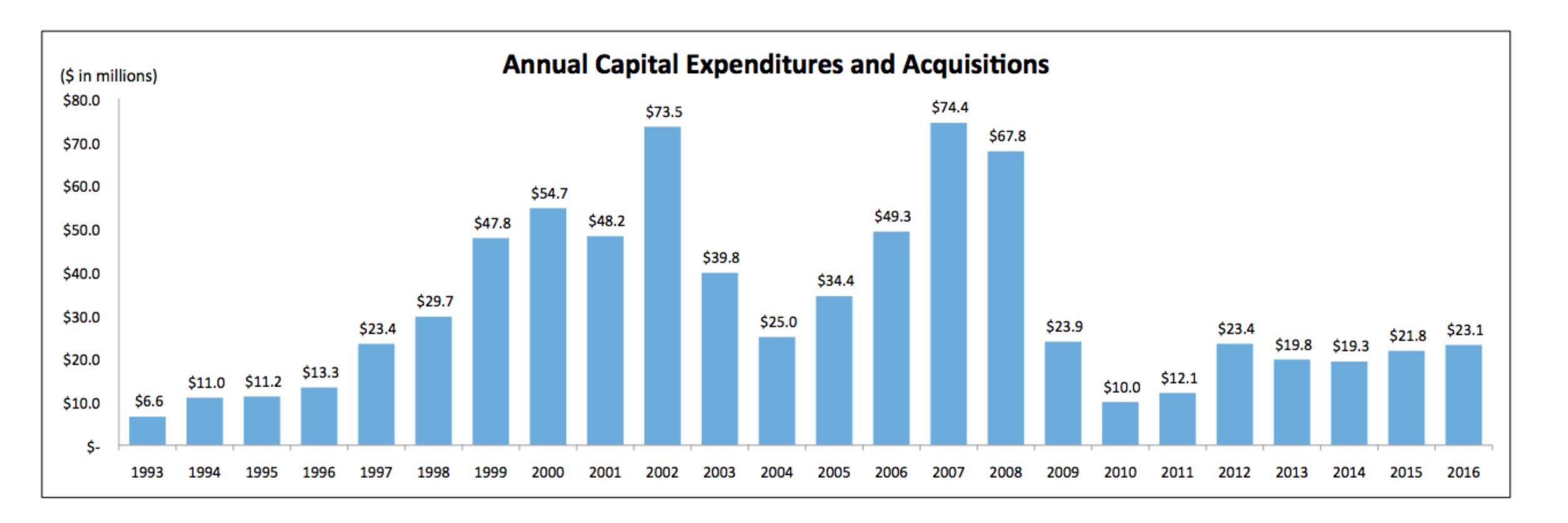
Long and consistent history of returning value to stockholders, including payment of Regular and Special Dividends.



Focus on Stockholder Returns

Total Capital Expenditures of \$763.3 million through FY 2016

Total Capital Expenditures of \$763.3 million through FY 2016



FY 2016 Financial Results

(\$, millions except per share amounts)

Net sales

Gross margin

Operating expenses

Operating income

Operating margin

Net Int & Other Exp

Pretax income

Net income

Diluted EPS

	F2016
\$	794.2
	55.7%
\$	355.3
•	97.0
\$	87.0
	10.9%
\$	(1.2)
\$	85.7
\$	54.4
	\$1.92

	<u>F2015</u>
\$	754.6
	54.5%
\$	340.7
\$	70.5
Ф	70.5
	9.3%
\$	(5.6)
\$	64.9
\$	41.2
	\$1.41

Cha <u>\$</u> \$39.6	nge <u>%</u> 5.2%
\$14.6	4.3%
\$16.5	23.4%
\$ 4.3	-78.0%
\$20.8	32.1%
\$13.2	32.1%
\$0.51	36.2%

Amounts adjusted to exclude certain recurring and non-recurring charges and gains and the tax effect of these adjustments.

FY 2016 Financial Metrics

(\$, millions)
Inventories
Total cash & securities Total debt Net debt
Net debt % of equity Net debt % of capital
Dividends paid YTD
Share Repurchases YTD
Capital expenditures & acquisitions YTD

\$	June 30, 2016 162.3	
\$	60.5	
\$ \$ \$	41.8	
\$	(18.6) -4.8% -4.3%	
\$	16.6	
\$	19.3	
\$	23.1	

June 30, 2015						
\$	151.9					
\$ \$	86.4 76.2					
\$	(10.2)					
	-2.7% -2.3%					
\$	13.3					
\$	16.5					
\$	21.8					

\$	Char <u>\$</u> 10.4	nge <u>%</u> 6.9%
\$ \$	(25.9) (34.4)	-30.0% -45.1%
\$	(8.5)	83.6%
\$	3.3	24.7%
\$	2.8	17.2%
\$	1.4	6.2%

Customer experience differentiates us

- Offerings
 - Stylish, Livable, Quality, Value
 - Vertical Integration A Competitive Advantage
- Personal Service "The New Luxury"
 - Now Combined with Technology
- Retail Network
 - From "store" to "Design Center"
 - Continued Repositioning
- Marketing A New Paradigm
 - 70% "shop" online
 - Create "omni-channel" presence
- Launch of Ethan Allen | Disney Magical Home
- Good Corporate Governance
- Financial Results

Ethan Allen Interiors

Non-GAAP Reconciliation (\$ in millions except per share amounts)

					YTD							
	YTD				Actual		YTD				YTD	
	Actual		Special		Pro-forma		Actual		Special		Pro-forma	
	F16		Items		F16		F15		Items		F15	
Operating expenses	\$	353.1	\$	2.2	\$	355.3	\$	345.2	\$	(4.6)	\$	340.7
Operating income (loss)	\$	89.2	\$	(2.2)	\$	87.0	\$	65.9	\$	4.6	\$	70.5
Net Int & Other Exp	\$	(1.2)	\$	-	\$	(1.2)	\$	(9.3)	\$	3.7	\$	(5.6)
Pretax income (loss)	\$	88.0	\$	(2.2)	\$	85.7	\$	56.7	\$	8.2	\$	64.9
Net income (loss)	\$	56.6	\$	(2.2)	\$	54.4	\$	37.1	\$	4.1	\$	41.2
Diluted EPS		\$2.00	(\$	0.08)		\$1.92		\$1.27		\$0.14		\$1.41

Notes:

Operating Expenses: net loss (gain) on sale of assets

Net Inc & Other Exp: loss on early extinguishment of senior notes

Income Taxes: valuation reserves and similar relative to normalized tax rate of 36.5%

Non-GAAP Financial Information

This presentation is intended to supplement, rather than to supersede, the Company's condensed consolidated financial statements, which are prepared and presented in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"). In this presentation we have included financial measures that are not prepared in accordance with GAAP. The Company uses the following non-GAAP financial measures: "adjusted operating expenses", "adjusted operating income", "adjusted operating margin", "adjusted net income", "adjusted earnings per share", and earnings before interest, taxes, depreciation and amortization ("EBITDA") (collectively "non-GAAP financial measures"). We compute these non-GAAP financial measures by adjusting the GAAP measures to remove the impact of certain recurring and non-recurring charges and gains and the tax effect of these adjustments. The presentation of this financial information is not intended to be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP. The Company uses these non-GAAP financial measures for financial and operational decision making and as a means to evaluate period-to-period comparisons. The Company believes that they provide useful information about operating results, enhance the overall understanding of past financial performance and future prospects, and allow for greater transparency with respect to key metrics used by management in its financial and operational decision making. The non-GAAP financial measures used by the Company in this presentation may be different from the non-GAAP financial measures, including similarly titled measures, used by other companies. A reconciliation of these financial measures to the most directly comparable financial measure reported in accordance with GAAP is also provided at the end of this presentation.

Forward-Looking Information

This presentation and any related webcasts, conference calls and other related discussions should also be read in conjunction with the Company's Annual Report on Form 10-K for the year ended June 30, 2016 (the "2016 Form 10-K") and other reports filed with the Securities and Exchange Commission.

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which represent our management's beliefs and assumptions concerning future events based on information currently available to us relating to our future results. Such forward-looking statements are identified in this presentation and in documents incorporated herein by reference by use of forwardlooking words such as "anticipate", "believe", "plan", "estimate", "expect", "intend", "will", "may", "continue", "project", "target", "outlook", "forecast", "guidance", and similar expressions and the negatives of such forward-looking words. These forward-looking statements are subject to management decisions and various assumptions about future events, and are not guarantees of future performance. A number of risks and uncertainties could cause actual results to differ materially from those anticipated in the forwardlooking statements, including, but not limited to: changes in global or regional political or economic conditions, including changes in governmental and central bank policies; our ability to secure debt or other forms of financing; the effect of operating losses on our ability to pay cash dividends; changes in business conditions in the furniture industry, including changes in consumer spending patterns, tastes and demand for home furnishings; competition from overseas manufacturers and domestic retailers and competitive factors such as changes in products or marketing efforts of others; effects of our brand awareness and marketing programs, including changes in demand for our existing and new products; our ability to locate new design center sites and/or negotiate favorable lease terms for additional design centers or for the expansion of existing design centers; fluctuations in interest rates and the cost, availability and quality of raw materials; pricing pressures; the effects of labor strikes; weather conditions that may affect sales; volatility in fuel, utility, transportation and security costs; the potential effects of natural disasters affecting our suppliers or trading partners; the effects of terrorist attacks or conflicts or wars involving the United States or its allies or trading partners; and those matters discussed in "Item 1A – Risk Factors" of our Annual Report on Form 10-K for the year ended June 30, 2016, and elsewhere in this presentation and our SEC filings. Accordingly, actual circumstances and results could differ materially from those contemplated by the forwardlooking statements.

Given the risks and uncertainties surrounding forward-looking statements, you should not place undue reliance on these statements. Many of these factors are beyond our ability to control or predict. Our forward-looking statements speak only as of the date of this presentation. Other than as required by law, we undertake no obligation to update or revise forward-looking statements, whether as a result of new information, future events, or otherwise.

Customer experience differentiates us

WEDNESDAY, NOVEMBER 16

ETHAN ALLEN[®] 2016 ANNUAL MEETING OF STOCKHOLDERS