

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (date of earliest event reported): October 8, 2019

HERMAN MILLER, INC.
(Exact Name of Registrant as Specified in Charter)

Michigan
(State or Other Jurisdiction
of Incorporation)

001-15141
(Commission
File Number)

38-0837640
(IRS Employer
Identification No.)

855 East Main Street
Zeeland, Michigan
(Address of principal executive office)

49464
(Zip Code)

Registrant's telephone number, including area code: (616) 654-3000

Not Applicable
(Former Name or Former Address, If Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12).
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240-14d-2(b)).
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c)).

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	MLHR	NASDAQ-Global Select Market System

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2). 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. ☐

Item 1.01 Entry into a Material Definitive Agreement

As previously reported in a Current Report on Form 8-K filed June 7, 2018, on June 7, 2018, Herman Miller Holdings Limited, a wholly owned subsidiary of Herman Miller, Inc. (the “Company”), acquired 33% of the outstanding equity of Nine United Denmark A/S, d/b/a HAY, which has subsequently been renamed to HAY A/S (“HAY”), a Copenhagen, Denmark-based, design leader in furniture and ancillary furnishings for residential and contract markets in Europe and Asia (the “Original Acquisition”).

In connection with options granted in connection with the Original Acquisition, on October 8, 2019, the Company entered into a Share Purchase Agreement with Nine United A/S (the “Purchase Agreement”) to acquire an additional 34% of the outstanding equity of HAY for approximately \$78 million in cash, subject to the terms and conditions of the Purchase Agreement. The Company currently expects the acquisition to close on December 2, 2019, subject to the satisfaction or waiver of certain customary closing conditions, as set forth in the Purchase Agreement.

Item 7.01 Regulation FD Disclosure

On October 8, 2019, the Company issued the final press release and transaction highlight materials attached as Exhibit 99.

The information in this Item 7.01 and the attached Exhibit shall not be deemed filed for purposes of Section 18 of the Securities Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits

Exhibits

Exhibit 99 [Press release and transaction highlight materials issued October 8, 2019, regarding the execution of the Purchase Agreement](#)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Dated: October 8, 2019

HERMAN MILLER, INC.
(Registrant)

By: /s/ Kevin J. Veltman
Kevin J. Veltman

Vice President of Investor Relations & Treasurer (Duly Authorized Signatory for Registrant)



Herman Miller Agrees to Acquire Majority Interest in HAY A/S

- *Further accelerates global growth of the HAY brand*
- *Increases Herman Miller's ancillary product offering*
- *Expands Herman Miller's retail and contract furnishing footprint*

October 8, 2019

News Release

ZEELAND, Michigan – Herman Miller, Inc. (NASDAQ: MLHR), the global designer and furniture manufacturer, announced today it signed an agreement to acquire an additional 34% equity interest in HAY A/S ("HAY") for approximately \$78 million. This transaction follows a similar transaction in 2018 in which Herman Miller acquired a 33% equity interest in HAY. Upon closing the current transaction, Herman Miller will own a majority 67% interest in HAY; Rolf and Mette Hay, Co-founders and Creative Directors of HAY, own the remaining 33% of the equity in HAY.

Founded in Copenhagen in 2002 by Troels Holch Povlsen and Rolf and Mette Hay, HAY is a leader in ancillary furnishings in Europe and Asia and is active in both the contract and residential furnishing markets. With its proven success as a fast-growing global company, HAY's catalog of high-quality, well-designed furniture and accessories has been a welcome and transformative addition to the Herman Miller Group family of brands. Herman Miller is excited to continue its partnership with Rolf and Mette, who bring an innovative product direction and a particularly fresh perspective to modern design, having recently been named to Fast Company's 100 Most Creative People list for 2019.

Increasing its ownership position in HAY directly aligns with Herman Miller's strategic priority to accelerate profitable growth while further integration into the Herman Miller ecosystem will accelerate the development of the HAY brand globally. Since the launch of HAY in North America in 2018 within its retail and contract channels, Herman Miller has seen meaningful progress, including launching the North American eCommerce platform, starting localized production, and opening three physical locations in Portland, OR; Costa Mesa, CA; and Chicago, IL.

"Scaling HAY is a key component in expanding our footprint within the retail and contract markets while reaching a younger, more urban demographic that we've been targeting for expansion," said Andi Owen, Herman Miller President and CEO. "I'm so proud of the design-first approach HAY has brought to an already exciting family of brands."

"We are pleased to continue and expand HAY's relationship with Herman Miller, a company whose design heritage very much inspired both modern living, and Mette and I," said Rolf Hay. "Our partnership with Herman Miller has enabled us to make our high-quality products by top designers accessible to even more people around the world."

"Our partnership with Herman Miller will help us do what we do best – on a larger scale," said HAY CEO Henrik Steensgaard. "We look forward to further capitalizing on this great partnership."

Upon closing the transaction, Herman Miller expects to consolidate HAY's operating results going forward and record a non-controlling interest for the remaining 33% minority ownership stake. Revenue for HAY's most recent fiscal year that ended in July 2019 totaled approximately \$160 million. Excluding the potential purchase accounting impact related to a required step-up in inventory carrying value, this transaction is expected to have a \$0.01 to \$0.02 accretive impact on earnings per share in the second half of fiscal 2020. Herman Miller currently expects the acquisition to close December 2, 2019, subject to the satisfaction or waiver of certain customary closing conditions, as set forth in the Purchase Agreement.

HermanMiller



Additional information concerning the transaction is included in an investor presentation available on Herman Miller's website. [View presentation.](#)

For more information contact: Media_Relations@hermanmiller.com
Investor_Relations@hermanmiller.com

News Release

About Herman Miller

Herman Miller is a globally recognized provider of furnishings and related technologies and services. Since its inception in 1905, the company has relied on innovative design to help people do great things. The global design leader has evolved into Herman Miller Group, a family of brands that collectively offers a variety of products for environments where people live, learn, work, and heal. The family of brands includes Colebrook Bosson Saunders, Design Within Reach, Geiger, HAY, Maars Living Walls, Maharam, naughtone, Nemschoff, and Herman Miller. For more information, visit www.hermanmiller.com/about-us

About HAY

Founded in Copenhagen in 2002 with the ambition of creating contemporary furniture for modern living, HAY's continued vision is to create high-quality and well-designed products in collaboration with some of the world's most talented, curious, and courageous designers. Inspired by the principles of architecture and the dynamic nature of fashion, the HAY brand has found an enthusiastic international audience. Through our commitment to sophisticated industrial manufacturing processes, we strive to make good design accessible. HAY.com

HermanMiller



Transaction Highlights

HAY

OCTOBER 2019





HAY COMPANY SNAPSHOT

High design European brand offering furniture and accessories products for consumer and contract markets

Headquarters: **Denmark**
Founded: **2002**
Employees: **~190**
Geographic Presence: **Over 50 countries**

Revenue Growth (4 Yr. CAGR):
FY19 Financial Results
(Year Ended July 2019):
Revenue: **\$160M**
EBITDA Margin: **10.5%**

GEOGRAPHIC MIX:

Europe 88%

North America 9%

Other 3%



CHANNEL MIX:

Contract 52%

Wholesale 46%

Retail 2%

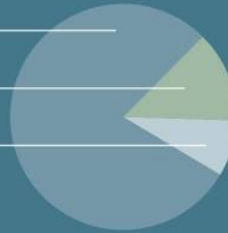


PRODUCT MIX:

Furnishings 86%

Accessories 12%

Lighting 2%





HAY DESIGN
LEADERSHIP

Rolf and Mette Hay are the husband-and-wife duo behind HAY. Rolf began his career working for various design companies in Denmark and teaching himself design and design development, while Mette's parents ran a design store. In 2002, the couple founded HAY as a contemporary design and furniture company.

In 2019, Rolf and Mette were named to Fast Company's 100 Most Creative People list.



HAY PORTFOLIO

HAY brings a growing portfolio of beautifully designed furnishings and accessories to the Herman Miller family of brands. Today, they offer 200 styles of furniture and more than 400 accessory options. Here are just a few examples...













HAY TRANSACTION HIGHLIGHTS

Additional 34% Equity Investment in HAY

- When combined with initial 33% investment in 2018, ownership in HAY increases to a majority interest of 67%
- \$78M cash investment
- Accounting treatment expected to shift from a non-consolidated equity investment to consolidated financial results, including 33% minority interest
- Year 1 (FY20) estimated adjusted EPS accretion of \$0.01 to \$0.02 for partial year
 - Excludes purchase accounting adjustments related to inventory step-up
- Anticipated transaction closing date on December 2, 2019



