

SECURITIES AND EXCHANGE COMMISSION
 Washington, DC 20549

ANNUAL REPORT

Pursuant to Section 15(d) of the Securities Exchange Act of 1934

For the fiscal year ended December 31, 1998

COMMISSION FILE NO. 0-12781

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

 CULP, INC. EMPLOYEES' RETIREMENT BUILDER PLAN

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

CULP, INC.
 101 SOUTH MAIN STREET
 P.O. BOX 2686
 HIGH POINT, NORTH CAROLINA 27261-2686

There were no material changes in the Plan or the Investment Policy of the Plan. Culp, Inc. has made no profit sharing contributions during the past five years. The approximate number of employees participating in the Plan at December 31, 1998 was 1,825. The Retirement Committee administers the Plan, and its members are Phillip W. Wilson, Kenneth M. Ludwig and Robert G. Culp, III, all employees of Culp, Inc.

Financial Statements and Exhibits.

(a) Financial Statements. A list of all financial statements filed as part of this report, beginning on page 1, is set forth below:

Financial Statement	Page of Report
Report of Independent Accountants	1
Statements of Net Assets Available for Plan Benefits	2
Statements of Changes in Net Assets Available for Plan Benefits	3
Notes to Financial Statements	4

(b) Exhibits. No exhibits are filed with this annual report.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the plan administrator has duly caused this annual report to be signed by the undersigned thereunto duly authorized.

CULP, INC. EMPLOYEES' RETIREMENT BUILDER PLAN

By: Culp, Inc. Plan Administrator

By: The Culp, Inc. Retirement Committee

Date: June 29, 1999

Robert G. Culp, III

Phillip W. Wilson

Kenneth M. Ludwig

INDEPENDENT AUDITORS' REPORT

To the Retirement Committee of the
Culp, Inc. Employees' Retirement Builder Plan
High Point, North Carolina

We have audited the accompanying statements of net assets available for plan benefits of the Culp, Inc. Employees' Retirement Builder Plan as of December 31, 1998 and 1997 and the related statements of changes in net assets available for plan benefits for each of the years in the three year period ended December 31, 1998. These financial statements are the responsibility of the Plan Administrator. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for plan benefits of the Culp, Inc. Employees' Retirement Builder Plan as of December 31, 1998 and 1997 and the changes in its net assets available for plan benefits for each of the years in the three year period ended December 31, 1998 in conformity with generally accepted accounting principles.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules presented on pages 12 through 15 are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The supplemental schedules on pages 12 and 13 are supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental information for the years ended December 31, 1998, 1997 and 1996 has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The supplemental information for the years ended December 31, 1995 and 1994 was audited by us and our report dated March 15, 1996 expressed an unqualified opinion on such information in relation to the basic financial statements for those years taken as a whole.

Dixon Odom PLLC

High Point, North Carolina
March 25, 1999

CULP, INC. EMPLOYEES' RETIREMENT BUILDER PLAN
 STATEMENTS OF NET ASSETS AVAILABLE FOR PLAN BENEFITS
 December 31, 1998 and 1997

ASSETS	1998	1997
	-----	-----
Investments, at fair value	\$25,965,403	\$25,814,249
Receivables		
Employer contributions	104,007	176,879
Employee contributions	261,725	432,309
	-----	-----
TOTAL ASSETS	26,331,135	26,423,437
	=====	=====
LIABILITIES		
Accounts payable	441	751
	-----	-----
NET ASSETS AVAILABLE FOR PLAN BENEFITS	\$26,330,694	\$26,422,686
	=====	=====

See accompanying notes.

CULP, INC. EMPLOYEES' RETIREMENT BUILDER PLAN
 STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS
 Years Ended December 31, 1998, 1997 and 1996

	1998	1997	1996
	-----	-----	-----
ADDITIONS TO NET ASSETS			
ATTRIBUTED TO			
Net income from investment in a common trust	\$ 1,566,882	\$ 2,327,091	\$ 1,390,480
Appreciation (depreciation) in fair value of Culp, Inc. Stock Fund	(3,904,082)	1,424,837	1,080,348
Dividend income from Culp, Inc. Stock Fund	281	20,216	32,073
Interest income from participant loan fund	135	-	-
Contributions			
Employer	1,255,704	987,617	870,394
Employees	3,107,175	2,386,222	2,110,867
Direct rollovers	355,722	68,171	-
Loan principal	603	-	-
	-----	-----	-----
TOTAL ADDITIONS	2,382,420	7,214,154	5,484,162
	-----	-----	-----
DEDUCTIONS FROM NET ASSETS			
ATTRIBUTED TO			
Benefits paid to participants	2,403,439	1,562,644	1,591,272
Insurance	4,167	7,869	9,126
Trustee fees	66,203	27,193	50,457
Loan repayment	603	-	-
	-----	-----	-----
TOTAL DEDUCTIONS	2,474,412	1,597,706	1,650,855
	-----	-----	-----
NET INCREASE (DECREASE)	(91,992)	5,616,448	3,833,307
NET ASSETS AVAILABLE FOR			
PLAN BENEFITS			
Beginning of year	26,422,686	20,806,238	16,972,931
	-----	-----	-----
END OF YEAR	\$26,330,694	\$26,422,686	\$20,806,238
	=====	=====	=====

See accompanying notes.

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared using the accrual method of accounting.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Valuation of Investments and Income Recognition

Investments in common trust funds are stated at fair value based on the values of the respective instruments held by each fund as determined by the quoted market prices on the last day of the plan year. Investments in common stocks are stated at fair value as determined by the quoted market prices on the last day of the plan year. The cost of securities sold is determined based on average cost.

Purchases and sales of investments are reported on a trade date basis. Income from investments is reported as earned on the accrual basis. Dividends are recorded on the ex-dividend date.

Payment of Benefits

Benefits are recorded when paid.

Allocated Insurance Contracts

Assets related to life insurance purchased through the Plan are excluded from plan assets.

NOTE B - DESCRIPTION OF PLAN

The following description of the Culp, Inc. Employees' Retirement Builder Plan provides only general information. Participants should refer to the summary plan description for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering all full-time employees of Culp, Inc. (the Company) and its subsidiaries who have one year of service and are age twenty-one or older. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Effective January 1, 1998 and July 1, 1998, employees of Phillips Mills, Inc. and the Wetumpka division of Dan River, Inc. were admitted into the Plan and must meet the above general requirements in order to participate in the Plan.

NOTE B - DESCRIPTION OF PLAN (Continued)

Contributions

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The Plan was established in 1982 as a profit-sharing plan to which contributions determined by the Board of Directors of Culp, Inc. could be made on a discretionary basis. No profit-sharing contributions were made during 1998, 1997 or 1996.

In November 1986, the Plan was amended to include provisions for 401(k) contributions and several related investment options. Participants may contribute from 2% to 15% of their annual compensation as 401(k) contributions. The Company makes a matching contribution equal to 50% of the participant's contribution up to the first 5% of annual compensation. Participants may elect to have contributions invested in 25% increments in a value fund, a guaranteed insurance contract fund, a Culp, Inc. stock fund, or a balanced fund. Contributions are subject to certain limitations.

In addition to its contributions to the Plan, the Company paid administrative expenses on behalf of the Plan which totaled \$0 for the year ended December 31, 1998, \$0 for the year ended December 31, 1997 and \$8,988 for the year ended December 31, 1996.

Participant Accounts

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401(k) contributions are credited on a specific identification basis. Income of the respective funds is allocated based on participants' account balances. Upon retirement, death or termination, the participant or beneficiary may elect to receive either a lump sum amount equal to the vested portion of his account, or an annuity contract of equivalent value. Upon termination, life insurance coverage purchased through the Plan may be either converted to cash or transferred to the participant.

Vesting

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Participants are immediately vested in their profit-sharing accounts and their 401(k) contributions, including the matching contributions from the Company and actual earnings thereon.

Payment of Benefits

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On termination of service, a participant may elect to receive either a lump-sum distribution or monthly or annual installments over a term not to exceed the lesser of fifteen years or life expectancy of the participant and the designated beneficiary.

Participant Loans

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Culp, Inc. acquired Artee Industries, Inc. in 1998 and amended the Plan effective August 1, 1998 to allow existing loan balances from Artee Industries, Inc. to enter the Plan. No new loans may be established under this amendment. As of December 31, 1998, there was one loan outstanding with a balance of \$3,366.

NOTE C - INVESTMENT FUNDS

The following information summarizes the financial condition of the Plan by investment option as of December 31, 1998 and 1997:

December 31, 1998							
	Participant Loan Fund	Value Fund	Guaranteed Insurance Contract Fund	Life Insurance Fund	Stock Fund	Balanced Fund	Total
ASSETS							
Investments	\$ 3,366	\$6,407,546	\$ 9,927,482	\$ -	\$ 3,831,663	\$5,795,346	\$ 25,965,403
Receivables							
Employer contributions	-	22,483	40,152	-	21,820	19,552	104,007
Employee contributions	-	60,508	95,975	-	55,683	49,559	261,725
TOTAL ASSETS	3,366	6,490,537	10,063,609	-	3,909,166	5,864,457	26,331,135
LIABILITIES							
Accounts payable	-	-	441	-	-	-	441
NET ASSETS AVAILABLE FOR PLAN BENEFITS	\$ 3,366	\$6,490,537	\$ 10,063,168	\$ -	\$ 3,909,166	\$5,864,457	\$ 26,330,694
December 31, 1997							
	Participant Loan Fund	Value Fund	Guaranteed Insurance Contract Fund	Life Insurance Fund	Stock Fund	Balanced Fund	Total
ASSETS							
Investments	\$ -	\$5,261,068	\$ 8,969,261	\$ -	\$ 6,495,731	\$5,088,189	\$ 25,814,249
Receivables							
Employer contributions	-	34,943	71,240	-	40,687	30,009	176,879
Employee contributions	-	91,197	162,562	-	102,820	75,730	432,309
TOTAL ASSETS	-	5,387,208	9,203,063	-	6,639,238	5,193,928	26,423,437
LIABILITIES							
Accounts payable	-	-	751	-	-	-	751
NET ASSETS AVAILABLE FOR PLAN BENEFITS	\$ -	\$5,387,208	\$ 9,202,312	\$ -	\$ 6,639,238	\$5,193,928	\$ 26,422,686

NOTE C - INVESTMENT FUNDS (Continued)

The following information summarizes the changes in net assets available for plan benefits by investment option for the years ended December 31, 1998, 1997 and 1996:

	Year Ended December 31, 1998						
	Participant Loan Fund	Value Fund	Guaranteed Insurance Contract Fund	Life Insurance Fund	Stock Fund	Balanced Fund	Total
ADDITIONS TO NET ASSETS ATTRIBUTED TO							
Net income from investment in a common trust	\$ -	\$466,424	\$ 514,987	\$ -	\$ -	\$585,471	\$1,566,882
Depreciation in fair value of Culp, Inc. Stock Fund	-	-	-	-	(3,904,082)	-	(3,904,082)
Dividend income from Culp, Inc. Stock Fund	-	58	107	-	68	48	281
Interest income from participant loan fund	-	-	-	-	67	68	135
Contributions							
Employer	-	294,547	439,865	-	291,083	230,209	1,255,704
Employees	-	763,667	1,033,877	5,790	728,033	575,808	3,107,175
Direct rollovers	3,969	92,900	73,414	-	96,850	88,589	355,722
Loan principal	-	-	-	-	301	302	603
TOTAL ADDITIONS	3,969	1,617,596	2,062,250	5,790	(2,787,680)	1,480,495	2,382,420
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO							
Benefits paid to participants	-	444,279	1,367,074	5,790	289,443	296,853	2,403,439
Insurance	-	607	1,528	-	605	1,427	4,167
Trustee fees	-	15,043	24,125	-	13,052	13,983	66,203
Loan repayment	603	-	-	-	-	-	603
TOTAL DEDUCTIONS	603	459,929	1,392,727	5,790	303,100	312,263	2,474,412
NET INCREASE (DECREASE)	3,366	1,157,667	669,523	-	(3,090,780)	1,168,232	(91,992)
NET ASSETS AVAILABLE FOR PLAN BENEFITS							
Beginning of year	-	5,387,208	9,202,312	-	6,639,238	5,193,928	26,422,686
Fund transfers	-	(54,338)	191,333	-	360,708	(497,703)	-
END OF YEAR	\$ 3,366	\$6,490,537	\$10,063,168	\$ -	\$ 3,909,166	\$5,864,457	\$26,330,694

NOTE C - INVESTMENT FUNDS (Continued)

Year Ended December 31, 1997

	Participant Loan Fund	Value Fund	Guaranteed Insurance Contract Fund	Life Insurance Fund	Stock Fund	Balanced Fund	Total
ADDITIONS TO NET ASSETS ATTRIBUTED TO							
Net income from investment in a common trust	\$ -	\$981,246	\$483,155	\$ -	\$ -	\$862,690	\$2,327,091
Appreciation in fair value of Culp, Inc. Stock Fund	-	-	-	-	1,424,837	-	1,424,837
Dividend income from Culp, Inc. Stock Fund	-	-	-	-	20,216	-	20,216
Contributions							
Employer	-	195,678	386,973	-	228,362	176,604	987,617
Employees	-	499,405	884,821	5,590	561,414	434,992	2,386,222
Direct rollovers	-	17,482	-	-	17,482	33,207	68,171
TOTAL ADDITIONS	-	1,693,811	1,754,949	5,590	2,252,311	1,507,493	7,214,154
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO							
Benefits paid to participants	-	132,373	926,649	5,590	303,065	194,967	1,562,644
Insurance	-	624	4,408	-	1,124	1,713	7,869
Trustee fees	-	4,611	10,931	-	6,509	5,142	27,193
TOTAL DEDUCTIONS	-	137,608	941,988	5,590	310,698	201,822	1,597,706
NET INCREASE	-	1,556,203	812,961	-	1,941,613	1,305,671	5,616,448
NET ASSETS AVAILABLE FOR PLAN BENEFITS							
Beginning of year	-	3,566,525	8,575,602	-	4,744,903	3,919,208	20,806,238
Fund transfers	-	264,480	(186,251)	-	(47,278)	(30,951)	-
END OF YEAR \$	-	\$5,387,208	\$ 9,202,312	\$ -	\$ 6,639,238	\$5,193,928	\$ 26,422,686

NOTE C - INVESTMENT FUNDS (Continued)

Year Ended December 31, 1996

	Participant Loan Fund	Value Fund	Guaranteed Insurance Contract Fund	Life Insurance Fund	Stock Fund	Balanced Fund	Total
ADDITIONS TO NET ASSETS ATTRIBUTED TO							
Net income from investment in a common trust	\$ -	\$ 540,670	\$ 441,212	\$ -	\$ -	\$ 408,598	\$ 1,390,480
Appreciation in fair value of Culp, Inc. Stock Fund	-	-	-	-	1,080,348	-	1,080,348
Dividend income from Culp, Inc. Stock Fund	-	-	-	-	32,073	-	32,073
Contributions							
Employer	-	150,672	391,215	-	155,581	172,926	870,394
Employees	-	391,122	910,076	10,604	378,196	420,869	2,110,867
TOTAL ADDITIONS	-	1,082,464	1,742,503	10,604	1,646,198	1,002,393	5,484,162
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO							
Benefits paid to participants	-	72,284	1,006,442	10,604	303,316	198,626	1,591,272
Insurance	-	744	5,669	-	731	1,982	9,126
Trustee fees	-	7,892	23,003	-	9,598	9,964	50,457
TOTAL DEDUCTIONS	-	80,920	1,035,114	10,604	313,645	210,572	1,650,855
NET INCREASE	-	1,001,544	707,389	-	1,332,553	791,821	3,833,307
NET ASSETS AVAILABLE FOR PLAN BENEFITS							
Beginning of year	-	2,407,144	8,101,720	-	3,011,066	3,453,001	16,972,931
Fund transfers	-	157,837	(233,507)	-	401,284	(325,614)	-
END OF YEAR	\$ -	\$3,566,525	\$ 8,575,602	\$ -	\$4,744,903	\$ 3,919,208	\$ 20,806,238

NOTE D - INVESTMENTS

The following table presents the fair value of investments at December 31, 1998 and 1997. Investments that represent 5% or more of the Plan's net assets are separately identified.

	1998	1997
	-----	-----
Investments at fair value as determined by quoted market price:		
Common trust funds:		
First Union Funds Value Portfolio Trust	\$ 6,407,546	\$ 5,261,068
Common trust fund - Money Market Stable Investment Fund	9,927,482	8,969,261
First Union Funds Balanced Portfolio Trust	5,795,346	5,088,189
Culp, Inc. common stock	3,831,663	6,495,731
Investments at cost which approximates fair value:		
Participant loans	3,366	-
	-----	-----
	\$25,965,403	\$25,814,249
	=====	=====

The Plan's investments (including investments bought, sold, and held during the year) have appreciated (depreciated) in value as follows:

	1998	1997	1996
	-----	-----	-----
Investments at fair value as determined by quoted market price:			
Common trust funds	\$ 1,566,882	\$2,327,091	\$1,390,480
Culp, Inc. common stock	(3,904,082)	1,424,837	1,080,348
	-----	-----	-----
	\$(2,337,200)	\$3,751,928	\$2,470,828
	=====	=====	=====

NOTE E - ACCOUNTS OF TERMINATED PARTICIPANTS

Included in net assets available for plan benefits at December 31, 1998 and 1997 is \$264,232 and \$446,180, respectively, allocated to the accounts of persons who elected to withdraw from the Plan or who were terminated but have not yet been paid.

NOTE F - PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

NOTE G - INCOME TAX STATUS

The Plan obtained its last determination letter on June 15, 1995, in which the Internal Revenue Service stated that the Plan, as then designed, constituted a qualified trust under Section 401(a) of the Internal Revenue Code and is therefore exempt from federal income taxes under provisions of Section 501. The Plan has been amended since receiving the determination letter. However, the plan administrator and the Plan's tax counsel believe that the Plan is designed and currently being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, they believe that the Plan was qualified and the related trust was tax-exempt as of the financial statement date.

NOTE H - RELATED PARTY TRANSACTIONS

Certain plan investments are shares of mutual funds managed by First Union National Bank. First Union National Bank is the trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest.