

SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the period ended July 28, 1996

Commission File No. 0-12781

CULP, INC.

(Exact name of registrant as specified in its charter)

NORTH CAROLINA
(State or other jurisdiction
incorporation or other organization)

56-1001967
(I.R.S. Employer Identification No.)

101 S. Main St., High Point, North Carolina
(Address of principal executive offices)

27261-2686
(zip code)

(910) 889-5161
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 of the Securities Exchange Act of 1934 during the preceding 12 months and (2) has been subject to the filing requirements for at least the past 90 days.

YES X NO

Common shares outstanding at July 28, 1996: 11,302,613
Par Value: \$.05

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July 28, 1996

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CULP, INC.
CONSOLIDATED INCOME STATEMENTS
FOR THE THREE MONTHS ENDED JULY 28, 1996 AND JULY 30, 1995

(Amounts in Thousands, Except for Per Share Data)

	THREE MONTHS ENDED (UNAUDITED)				
	Amounts			Percent of Sales	
	July 28, 1996	July 30, 1995	% Over (Under)	1997	1996
Net sales	\$ 90,529	72,357	25.1 %	100.0 %	100.0 %
Cost of sales	74,609	60,159	24.0 %	82.4 %	83.1 %
Gross profit	15,920	12,198	30.5 %	17.6 %	16.9 %
Selling, general and administrative expenses	10,864	8,454	28.5 %	12.0 %	11.7 %
Income from operations	5,056	3,744	35.0 %	5.6 %	5.2 %
Interest expense	1,182	1,297	(8.9) %	1.3 %	1.8 %
Interest income	(57)	0	** %	(0.1) %	0.0 %
Other expense (income), net	395	107	269.2 %	0.4 %	0.1 %
Income before income taxes	3,536	2,340	51.1 %	3.9 %	3.2 %
Income taxes *	1,326	825	60.7 %	37.5 %	35.3 %
Net income	\$ 2,210	1,515	45.9 %	2.4 %	2.1 %
Average shares outstanding	11,297	11,207	0.8 %		
Net income per share	\$0.20	\$0.14	42.9 %		
Dividends per share	\$0.0325	\$0.0275	18.2 %		

* Percent of sales column is calculated as a % of income before income taxes.

** Measurement is not meaningful.

CULP, INC.
CONSOLIDATED BALANCE SHEETS
JULY 28, 1996, JULY 30, 1995 AND APRIL 28, 1996

(Unaudited, Amounts in Thousands)

	Amounts		Increase (Decrease)		* April 28, 1996
	July 28, 1996	July 30, 1995	Dollars	Percent	
Current assets					
Cash and cash investments	\$ 1,709	988	721	73.0 %	498
Accounts receivable	42,262	38,243	4,019	10.5 %	52,038
Inventories	51,676	49,363	2,313	4.7 %	47,395
Other current assets	3,911	3,553	358	10.1 %	4,191
Total current assets	99,558	92,147	7,411	8.0 %	104,122
Restricted investments	5,244	0	5,244		5,250
Property, plant & equipment, net	78,292	75,744	2,548	3.4 %	76,961
Goodwill	22,720	22,391	329	1.5 %	22,871
Other assets	2,469	2,443	26	1.1 %	2,440
Total assets	\$ 208,283	192,725	15,558	8.1 %	211,644
Current Liabilities					
Current maturities of long-term debt	\$ 7,100	11,555	(4,455)	(38.6) %	7,100
Accounts payable	24,233	25,864	(1,631)	(6.3) %	27,308
Accrued expenses	13,295	8,520	4,775	56.0 %	12,564
Income taxes payable	1,295	1,139	156	13.7 %	197
Total current liabilities	45,923	47,078	(1,155)	(2.5) %	47,169
Long-term debt	70,916	67,662	3,254	4.8 %	74,941
Deferred income taxes	8,088	5,361	2,727	50.9 %	8,088
Total liabilities	124,927	120,101	4,826	4.0 %	130,198
Shareholders' equity	83,356	72,624	10,732	14.8 %	81,446
Total liabilities and shareholders' equity	\$ 208,283	192,725	15,558	8.1 %	211,644
Shares outstanding	11,303	11,210	93	0.8 %	11,290

* Derived from audited financial statements.

CULP, INC. FINANCIAL INFORMATION RELEASE
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED JULY 28, 1996 AND JULY 30, 1995
(Unaudited, Amounts in Thousands)

	THREE MONTHS ENDED	
	Amounts	
	July 28, 1996	July 30, 1995
Cash flows from operating activities:		
Net income	\$ 2,210	1,515
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation	3,144	3,067
Amortization of intangible assets	198	148
Provision for deferred income taxes	0	(57)
Changes in assets and liabilities:		
Accounts receivable	9,776	6,009
Inventories	(4,281)	(3,592)
Other current assets	280	(359)
Other assets	(76)	93
Accounts payable	131	(1,787)
Accrued expenses	731	(3,012)
Income taxes payable	1,098	478
Net cash provided by (used in) operating activities	13,211	2,503
Cash flows from investing activities:		
Capital expenditures	(4,475)	(3,006)
Purchases of restricted investments	(53)	0
Purchase of investments to fund deferred compensation liability	0	(1,286)
Proceeds from sale of restricted investments	59	795
Net cash provided by (used in) investing activities	(4,469)	(3,497)
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	0	7,000
Principal payments on long-term debt	(4,025)	(1,525)
Change in accounts payable-capital expenditures	(3,206)	(4,599)
Dividends paid	(368)	(308)
Proceeds from sale of common stock	68	21
Net cash provided by (used in) financing activities	(7,531)	589
Increase (decrease) in cash and cash investments	1,211	(405)
Cash and cash investments at beginning of period	498	1,393
Cash and cash investments at end of period	\$ 1,709	988

Culp, Inc.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(Unaudited)

(Dollars in thousands, except per share data)

	Common Stock		Capital Contributed in Excess of Par Value	Retained Earnings	Total Shareholders' Equity
	Shares	Amount			
Balance, April 30, 1995	11,204,766	\$ 560	\$ 16,577	\$ 54,259	\$ 71,396
Cash dividends (\$.11 per share)				(1,236)	(1,236)
Net income				10,980	10,980
Common stock issued in connection with stock option plan	85,534	5	301		306
Balance, April 28, 1996	11,290,300	\$ 565	\$ 16,878	\$ 64,003	\$ 81,446
Cash dividends (\$.0325 per share)				(368)	(368)
Net income				2,210	2,210
Common stock issued in connection with stock option plan	12,313		68		68
Balance, July 28, 1996	11,302,613	\$ 565	\$ 16,946	\$ 65,845	\$ 83,356

Culp, Inc.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

1. Basis of Presentation

The financial information included herein is unaudited; however, such information reflects all adjustments which are, in the opinion of management, necessary for a fair statement of results for the interim periods.

Certain amounts for fiscal year 1996 have been reclassified to conform with the fiscal year 1997 presentation. Such reclassifications had no effect on net income as previously reported. All such adjustments are of a normal recurring nature.

The results of operations for the three months ended July 28, 1996 are not necessarily indicative of the results to be expected for the full year.

2. Accounts Receivable

A summary of accounts receivable follows (dollars in thousands):

	July 28, 1996	April 28, 1996
Customers	\$ 43,532	\$ 53,321
Factors	-0-	71
Allowance for doubtful accounts	(999)	(1,016)
Reserve for returns and allowances	(271)	(338)
	\$ 42,262	\$ 52,038

3. Inventories

Inventories are carried at the lower of cost of market. Cost is determined for substantially all inventories using the LIFO (last-in, first-out) method.

A summary of inventories follows (dollars in thousands):

	July 28, 1996	April 28, 1996
Raw materials	\$ 30,462	\$ 29,150
Work-in-process	3,338	5,067
Finished goods	21,861	16,708
Total inventories valued at FIFO cost	55,661	50,925
Adjustments of certain inventories to the LIFO cost method	(3,985)	(3,530)
	\$ 51,676	\$ 47,395

Culp, Inc.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

4. Accounts Payable

A summary of accounts payable follows (dollars in thousands):

	July 28, 1996	April 28, 1996
Bank overdraft	\$ -0-	\$ -0-
Accounts payable-trade	21,701	21,570
Accounts payable-capital expenditures	2,532	5,738
	\$ 24,233	\$ 27,308

5. Accrued Expenses

A summary of accrued expenses follows (dollars in thousands):

	July 28, 1996	April 28, 1996
Compensation and benefits	\$ 8,421	\$ 8,153
Other	4,874	4,411
	\$ 13,295	\$ 12,564

6. Long-term Debt

A summary of long-term debt follows (dollars in thousands).

	July 28, 1996	April 28, 1996
Industrial revenue bonds and other obligations	\$ 22,216	\$ 22,241
Revolving credit line	20,800	23,300
Term loan	34,000	35,500
Subordinated note payable	1,000	1,000
	78,016	82,041
Less current maturities	(7,100)	(7,100)
	\$ 70,916	\$ 74,941

Culp, Inc.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

The company has an unsecured loan agreement with two banks, which provides for a \$36,000,000 five-year term loan and a \$33,500,000 Revolving Credit Line, which also has a five-year term. The term loan requires monthly installments of \$500,000 and a final payment of \$6,500,000 on March 1, 2001. The Revolving Credit Line requires payment of an annual facility fee in advance.

The company's loan agreements require, among other things, that the company maintain certain financial ratios. At July 28, 1996, the company was in compliance with these required financial covenants.

At July 28, 1996, the company had three interest rate swap agreements in order to reduce its exposure to floating interest rates on a portion of its variable rate borrowings.

The following table summarizes certain data regarding the interest rate swaps:

notional amount	interest rate	expiration date
\$ 15,000,000	7.3%	April 2000
\$ 5,000,000	6.9%	June 2002
\$ 5,000,000	6.6%	July 2002

Net amounts paid under these agreements increased interest expense for the three months ended July 28, 1996 and July 30, 1995 by approximately \$92,000 and \$49,000, respectively. Management believes the risk of incurring losses resulting from the inability of the bank to fulfill its obligation under the interest rate swap agreements to be remote and that any losses incurred would be immaterial.

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7. Cash Flow Information

Payments for interest and income taxes during the period were (dollars in thousands)

	1997	1996
Interest	\$1,006	\$ 1,374
Income taxes	228	347

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8. Foreign Exchange Forward Contracts

The company generally enters into foreign exchange forward contracts as a hedge against its exposure to currency fluctuations on firm commitments to purchase certain machinery and equipment and raw materials. Machinery and equipment and raw material purchases hedged by foreign exchange forward contracts are valued by using the exchange rate of the applicable foreign exchange forward contract. At July 28, 1996, the company had approximately \$1,200,000 of foreign exchange forward contracts outstanding.

CULP, INC. FINANCIAL INFORMATION RELEASE
 SALES BY PRODUCT CATEGORY/BUSINESS UNIT
 FOR THREE MONTHS ENDED JULY 28, 1996 AND JULY 30, 1995

(Amounts in thousands)

Product Category/Business Unit	THREE MONTHS ENDED (UNAUDITED)				
	Amounts			Percent of Total Sales	
	July 28, 1996	July 30, 1995	% Over (Under)	1997	1996
Upholstery Fabrics					
Culp Textures	\$ 20,801	17,584	18.3 %	23.0 %	24.3 %
Rossville/Chromatex	18,165	15,358	18.3 %	20.1 %	21.2 %
	-----	-----	-----	-----	-----
	38,966	32,942	18.3 %	43.0 %	45.5 %
Velvets/Prints	34,867	23,523	48.2 %	38.5 %	32.5 %
	-----	-----	-----	-----	-----
	73,833	56,465	30.8 %	81.6 %	78.0 %
Mattress Ticking					
Culp Home Fashions (1)	16,696	15,892	5.1 %	18.4 %	22.0 %
	-----	-----	-----	-----	-----
	* \$ 90,529	72,357	25.1 %	100.0 %	100.0 %
	=====	=====	=====	=====	=====

*US. Domestic sales were \$69,001 and \$57,945 for the three months of fiscal 1997 and fiscal 1996, respectively.
 The percentage increase in U.S. Domestic sales was 19.1% for the three months.

(1) Formerly known as Culp Ticking

CULP, INC. FINANCIAL INFORMATION RELEASE
INTERNATIONAL SALES BY GEOGRAPHIC AREA
FOR THREE MONTHS ENDED JULY 28, 1996 AND JULY 30, 1995

(Amounts in thousands)

THREE MONTHS ENDED (UNAUDITED)					
Geographic Area	Amounts			Percent of Total Sales	
	July 28, 1996	July 30, 1995	% Over (Under)	1997	1996
North America (Excluding USA)	\$ 7,958	4,568	74.2 %	37.0 %	31.7 %
Europe	4,723	3,185	48.3 %	21.9 %	22.1 %
Middle East	4,196	2,112	98.7 %	19.5 %	14.7 %
Far East & Asia	3,694	2,251	64.1 %	17.2 %	15.6 %
South America	366	445	(17.8) %	1.7 %	3.1 %
All other areas	592	1,850	(68.0) %	2.7 %	12.8 %
	\$ 21,528	14,412	49.4 %	100.0 %	100.0 %
	=====	=====	=====	=====	=====

MANAGEMENT'S DISCUSSION & ANALYSIS OF OPERATIONS

The following analysis of the financial condition and results of operations should be read in conjunction with the Financial Statements and Notes thereto included elsewhere in this report.

Overview

For the three months ended July 28, 1996, net sales were \$90.5 million, up 25% from \$72.4 million in the year-earlier period. Net income for the quarter totaled \$2.2 million, or \$0.20 per share, compared with \$1.5 million, or \$0.14 per share, for the first quarter of fiscal 1996. The increase in sales primarily reflected higher shipments of upholstery fabrics and, to a lesser degree, increased sales of mattress ticking to both U.S.-based and international manufacturers. The company experienced a generally favorable pattern in incoming orders during the period. Sales to customers outside the United States rose 49% for the quarter and are continuing to account for an increasing percentage of the company's total sales. The pace of incoming orders has remained positive, but demand over the remainder of fiscal 1997 will depend on the trend in consumer purchases of home furnishings.

Analysis of Operations

The table below sets forth certain items in the Consolidated Statements of Income as a percentage of net sales. Income taxes are expressed as a percentage of income before income taxes.

	THREE MONTHS ENDED	
	July 28, 1996	July 30, 1995
Net sales	100.0%	100.0%
Cost of sales	82.4	83.1
Gross profit	17.6	16.9
Selling, general and administrative expenses	12.0	11.7
Income from operations	5.6	5.2
Interest expense	1.3	1.8
Interest income	-0.1	0.0
Other expense (income), net	0.4	0.1
Income before income taxes	3.9	3.2
Income taxes (*)	37.5	35.3
Net income	2.4%	2.1%

(*) Calculated as a percent of income before income taxes.

MANAGEMENT'S DISCUSSION & ANALYSIS OF OPERATIONS

Three Months Ended July 28, 1996 Compared With Three Months Ended July 30, 1995

The following table sets forth the company's sales divided into various categories with the year-to-year percentage change in each case. In addition to showing sales between the major product categories of Upholstery Fabrics and Mattress Ticking, the table shows sales by the company's four business units: Culp Textures, Rossville/Chromatex, Velvets/Prints and Culp Home Fashions (which primarily produces mattress ticking).

(dollars in thousands)

Product Category/Business Unit	AMOUNTS		Percent Change
	July 28, 1996	July 30, 1995	
Upholstery Fabrics			
Culp Textures	\$ 20,801	\$ 17,584	18.3%
Rossville/Chromatex	18,165	15,358	18.3%
	38,966	32,942	18.3%
Velvets/Prints	34,867	23,523	48.2%
	73,833	56,465	30.8%
Mattress Ticking			
Culp Home Fashions	16,696	15,892	5.1%
	\$ 90,529	\$ 72,357	25.1%

Sales of upholstery fabrics increased \$17.4 million, or 31%, from a year ago. Each of the business units in this category recorded higher sales. Sales of mattress ticking rose \$804,000, or 5%, from a year ago. International sales, consisting primarily of upholstery fabrics, increased to \$21.5 million, up 49% from the year-earlier period. As a result of this gain, international sales accounted for 24% of the company's sales compared with 20% a year ago.

Gross profit increased both in absolute dollars and as a percentage of net sales. The higher profitability principally relates to products produced by the Culp Textures and Velvets/Prints business units. The increased gross profit reflects higher operating efficiencies as a result of the growth in sales as well as the company's ongoing capital investment in equipment designed to

MANAGEMENT'S DISCUSSION & ANALYSIS OF OPERATIONS

lower manufacturing costs and raise productivity.

Selling, general and administrative expenses increased as a percentage of net sales. Although the company is continuing to emphasize cost-containment programs, planned increases in expenses related to resources for designing new fabrics and higher selling commissions related to international sales led to the higher ratio of expenses to net sales. The accrual for incentive-based compensation plans also increased significantly compared with a year ago.

Net interest expense of \$1.2 million was down from \$1.3 million in the year-earlier period due to lower average borrowings outstanding. The effective tax rate for the quarter was 37.5% compared with 35.3%. The company expects the rate for fiscal 1997 as a whole will be essentially unchanged from the 36.5% in fiscal 1996.

Liquidity and Capital Resources

The company continues to maintain a sound financial position. Funded debt (includes long-and short-term debt, less restricted investments) decreased to \$72.8 million at the close of the first quarter versus \$76.8 million at the close of fiscal 1996, and compared to \$79.2 million at July 30, 1995. As a percentage of total capital (funded debt plus total shareholders' equity), the company's borrowings amounted to 47% as of July 28, 1996 compared with 49% at the end of fiscal 1996 and 52% at July 30, 1995. The company's current ratio as of July 28, 1996 was 2.2 compared with 2.2 as of April 28, 1996. Shareholders' equity increased to \$83.4 million as of July 28, 1996 compared with \$81.4 million at the end of fiscal 1996.

Cash flow from operating activities totaled \$13.2 million for the first quarter. The funds from operations were used to fund capital expenditures of \$4.5 million and debt repayments of \$4.0 million.

The company's borrowings are through financing arrangements with two banks which provide for a \$36.0 million term loan and a \$33.5 million revolving credit line. As of July 28, 1996, the company had \$12.7 million in borrowings available under the revolving credit line.

The company's Board of Directors has approved a capital expenditure budget of \$16.5 million for

MANAGEMENT'S DISCUSSION & ANALYSIS OF OPERATIONS

fiscal 1997. Capital spending during the first quarter totaled \$4.5 million. The company believes that cash flows from operations and funds available under existing credit facilities will be sufficient to fund capital expenditures and working capital requirements during the remainder of fiscal 1997.

Forward-Looking Information

This discussion on Form 10-Q contains forward-looking statements that are inherently subject to risks and uncertainties. Factors that could influence the matters discussed in the forward-looking statements include the level of housing starts and sales of existing homes, consumer confidence and changes in disposable income. Decreases in these economic indicators could have a negative effect on the company's business and prospects. Likewise, higher interest rates, particularly the rates on home mortgages, and increases in consumer debt or the general rate of inflation, could adversely affect the company.

Part II - OTHER INFORMATION

Item 1. Legal Proceedings

There are no legal proceedings that are required to be disclosed under this item.

Item 2. Change in Securities

None

Item 3. Default Upon Senior Securities

None

Item 4. Submission of Matters to a Vote of Security Holders

None

Item 5. Other Information

None

Item 6. Exhibits and Reports on Form 8-K

(a) The following exhibits are filed as part of this report or incorporated by reference:

- 3(i) Articles of Incorporation of the company, as amended, were filed as Exhibit 3(i) to the company's Form 10-Q for the quarter ended January 29, 1995, filed March 15, 1995, and are incorporated herein by reference.
- 3(ii) Restated and Amended Bylaws of the company, as amended, were filed as Exhibit 3(b) to the company's Form 10-K for the year ended April 28, 1991, filed July 25, 1991, and are incorporated herein by reference.
- 4(a) Form of Common Stock Certificate of the company was filed as Exhibit 4(a) to Amendment No. 1 to the company's registration statement No. 2-85174, filed on August 30, 1983, and is incorporated herein by reference.
- 10(a) Loan Agreement dated December 1, 1988 with Chesterfield County, South Carolina relating to Series 1988 Industrial Revenue Bonds in the principal amount of \$3,377,000 and related Letter of

Credit and Reimbursement Agreement dated December 1, 1988 with First Union National Bank of North Carolina were filed as Exhibit 10(n) to the company's Form 10-K for the year ended April 29, 1989, and are incorporated herein by reference.

- 10(b) Loan Agreement dated November 1, 1988 with the Alamance County Industrial Facilities and Pollution Control Financing Authority relating to Series A and B Industrial Revenue Refunding Bonds in the principal amount of \$7,900,000, and related Letter of Credit and Reimbursement Agreement dated November 1, 1988 with First Union National Bank of North Carolina were filed as exhibit 10(o) to the company's Form 10-K for the year ended April 29, 1990, and are incorporated herein by reference.
- 10(c) Loan Agreement dated January 5, 1990 with the with the Guilford County Industrial Facilities and Pollution Control Financing Authority, North Carolina, relating to Series 1989 Industrial Revenue Bonds in the principal amount of \$4,500,000, and related Letter of Credit and Reimbursement Agreement dated January 5, 1990 with First Union National Bank of North Carolina was filed as Exhibit 10(d) to the company's Form 10-K for the year ended April 19, 1990, filed on July 15, 1990, and is incorporated herein by reference.
- 10(d) Loan Agreement dated as of December 1, 1993 between Anderson County, South Carolina and the company relating to \$6,580,000 Anderson County, South Carolina Industrial Revenue Bonds (Culp, Inc. Project) Series 1993, and related Letter of Credit and Reimbursement Agreement dated as of December 1, 1993 by and between the company and First Union National Bank of North Carolina were filed as Exhibit 10(o) to the Company's Form 10-Q for the quarter ended January 30, 1994, filed March 16, 1994, and is incorporated herein by reference.
- 10(e) Severance Protection Agreement, dated September 21, 1989, was filed as Exhibit 10(f) to the company's Form 10-K for the year ended April 29, 1990, filed on July 25 1990, and is incorporated herein by reference.(*)
- 10(f) Lease Agreement, dated January 19, 1990, with Phillips Interests, Inc. was filed as Exhibit 10(g) to the company's Form 10-K for the year ended April 29, 1990, filed on July 25, 1990, and is incorporated herein by reference.

- 10(g) Management Incentive Plan of the company, dated August 1986 and amended July, 1989, was filed as Exhibit 10(o) to the company's Form 10-K for the year ended May 3, 1992, filed on August 4, 1992, and is incorporated herein by reference.(*)
- 10(h) Lease Agreement, dated September 6, 1988, with Partnership 74 was filed as Exhibit 10(h) to the company's Form 10-K for the year ended April 28, 1991, filed on July 25, 1990, and is incorporated herein by reference.
- 10(i) Amendment and Restatement of the Employees's Retirement Builder Plan of the company dated May 1, 1981 with amendments dated January 1, 1990 and January 8, 1990 were filed as Exhibit 10(p) to the company's Form 10-K for the year ended May 3, 1992, filed on August 4, 1992, and is incorporated herein by reference.(*)
- 10(j) First Amendment of Lease Agreement dated July 27, 1992 with Partnership 74 Associates was filed as Exhibit 10(n) to the company's Form 10-K for the year ended May 2, 1993, filed on July 29, 1993, and is incorporated herein by reference.
- 10(k) Second Amendment of Lease agreement dated April 16, 1993, with Partnership 52 Associates was filed as Exhibit 10(l) to the company's Form 10-K for the year ended May 2, 1993, filed on July 29, 1993, and is incorporated herein by reference.
- 10(l) 1993 Stock Option Plan was filed as Exhibit 10(o) to the company's Form 10-K for the year ended May 2, 1993, filed on July 29, 1993, and is incorporated herein by reference.(*)
- 10(m) First Amendment to Loan Agreement dated as of December 1, 1993 by and between The Guilford County Industrial Facilities and Pollution Control Financing Authority and the company, was filed as Exhibit 10(p) to the company's Form 10-Q, filed on March 15, 1994, and is incorporated herein by reference.
- 10(n) First Amendment to Loan Agreement dated as of December 16, 1993 by and between The Alamance County Industrial Facilities and Pollution Control Financing Authority and the company, was filed as Exhibit 10(q) to the company's Form 10-Q filed, on March 15, 1994, and is incorporated herein by reference.

- 10(o) First Amendment to Loan Agreement dated as of December 16, 1993 by and between Chesterfield County, South Carolina and the company, was filed as Exhibit 10(r) to the company's Form 10-Q, filed on March 15, 1994, and is incorporated herein by reference.
- 10(p) Amendment to Lease dated as of November 4, 1994, by and between the company and RDC, Inc. was filed as Exhibit 10(w) to the company's Form 10-Q, for the quarter ended January 29, 1995, filed on March 15, 1995, and is incorporated herein by reference.
- 10(q) Amendment to Lease Agreement dated as of December 14, 1994, by and between the company and Rossville Investments, Inc. (formerly known as A & E Leasing, Inc.) was filed as Exhibit 10(y) to the company's Form 10-Q, for the quarter ended January 29, 1995, filed on March 15, 1995, and is incorporated herein by reference.
- 10(r) Interest Rate Swap Agreement between company and First Union National Bank of North Carolina dated April 17, 1995, was filed as Exhibit 10(aa) to the company's Form 10-K for the year ended April 30, 1995, filed on July 26, 1995, and is incorporated herein by reference.
- 10(s) Performance-Based Stock Option Plan, dated June 21, 1994, was filed as Exhibit 10(bb) to the company's Form 10-K for the year ended April 30, 1995, filed on July 26, 1995, and is incorporated herein by reference. (*)
- 10(t) Interest Rate Swap Agreement between company and First Union National Bank of North Carolina, dated May 31, 1995 was filed as exhibit 10(w) to the company's Form 10-Q for the quarter ended July 30, 1995, filed on September 12, 1995, and is incorporated herein by reference.
- 10(u) Interest Rate Swap Agreement between company and First Union National Bank of North Carolina, dated July 7, 1995 was filed as exhibit 10(x) to the company's Form 10-Q for the quarter ended July 30, 1995, filed on September 12, 1995, and is incorporated herein by reference.
- 10(v) Second Amendment of Lease Agreement dated June 15, 1994 with Partnership 74 Associates was filed as Exhibit 10(v) to the company's Form 10-Q for the quarter ended October 29, 1995,

filed on December 12, 1995, and is incorporated herein by reference.

- 10(w) Lease Agreement dated November 1, 1993 by and between the company and Chromatex, Inc. was filed as Exhibit 10(w) to the company's Form 10-Q for the quarter ended October 29, 1995, filed on December 12, 1995, and is incorporated herein by reference.
 - 10(x) Lease Agreement dated November 1, 1993 by and between the company and Chromatex Properties, Inc. was filed as Exhibit 10(x) to the company's Form 10-Q for the quarter ended October 29, 1995, filed on December 12, 1995, and is incorporated herein by reference.
 - 10(y) Amendment to Lease Agreement dated May 1, 1994 by and between the company and Chromatex Properties, Inc. was filed as Exhibit 10(y) to the company's Form 10-Q for the quarter ended October 29, 1995, filed on December 12, 1995, and is incorporated herein by reference.
 - 10(z) Canada-Quebec Subsidiary Agreement on Industrial Development (1991), dated January 4, 1995 was filed as Exhibit 10(z) to the company's Form 10-Q for the quarter ended October 29, 1995, filed on December 12, 1995, and is incorporated herein by reference.
 - 10(aa) Loan Agreement between Chesterfield County, South Carolina and the company dated as of April 1, 1996 relating to Tax Exempt Adjustable Mode Industrial Development Bonds (Culp, Inc. Project) Series 1996 in the aggregate amount of \$6,000,000 was filed as Exhibit 10(aa) to the company's Form 10-K for the year ended April 28, 1996 on July 25, 1996, and is incorporated herein by reference.
 - 10(bb) 1996 Amended and Restated Credit Agreement dated as of April 1, 1996 by and among the company, First Union National Bank of North Carolina and Wachovia Bank of North Carolina, N.A. was filed as Exhibit 10(bb) to the company's Form 10-K for the year ended April 28, 1996 on July 25, 1996, and is incorporated herein by reference.
- 27 Financial Data Schedule.

(b) Reports on Form 8-K:

The following report on Form 8-K was filed during the period covered by this report:

- (1) Form 8-K dated August 8, 1996, included under Item 5, Other Events, disclosure of the company's press release for quarterly earnings and the company's Financial Information Release relating to the financial information for the first quarter ended July 28, 1996.

SIGNATURES

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.

CULP, INC.
(Registrant)

Date: September 11, 1996

By: s/s

Franklin N. Saxon

Franklin N. Saxon
Sr. Vice President and
Chief Financial Officer

(Authorized to sign on behalf
of the registrant and also
signing as principal accounting officer)

Date: September 11, 1996

By: s/s

Stephen T. Hancock

Stephen T. Hancock
General Accounting Manager

(Chief Accounting Officer)

3-MOS

APR-27-1997

JUL-28-1996

1,709

0

43,532

(1,270)

51,676

99,558

151,237

(72,945)

208,283

45,923

0

0

0

565

82,791

208,283

90,529

90,529

74,609

74,609

395

0

1,182

3,536

1,326

0

0

0

0

2,210

0.20

0.20