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 February 1, 1998

Commission File No. 0-12781

CULP, INC.

(Exact name of registrant as specified in its charter)

NORTH CAROLINA	56-1001967
(State or other jurisdiction of incorporation or other organization)	(I.R.S. Employer Identification No.)
101 S. Main St., High Point, North Carolina	27261-2686
(Address of principal executive offices)	(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 February 1, 1998: 12,699,916
Par Value: $.05

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February 1, 1998

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CULP, INC.
CONSOLIDATED INCOME STATEMENTS
FOR THREE MONTHS AND NINE MONTHS ENDED FEBRUARY 1, 1998 AND JANUARY 26, 1997

(Amounts in Thousands, Except for Per Share Data)

	THREE MONTHS ENDED (UNAUDITED)				
	Amounts			Percent of Sales	
	February 1, 1998	January 26, 1997	% Over (Under)	1998	1997
Net sales	$ 118,457	97,468	21.5 %	100.0 %	100.0 %
Cost of sales	97,554	80,317	21.5 %	82.4 %	82.4 %
Gross profit	20,903	17,151	21.9 %	17.6 %	17.6 %
Selling, general and administrative expenses	13,162	10,760	22.3 %	11.1 %	11.0 %
Income from operations	7,741	6,391	21.1 %	6.5 %	6.6 %
Interest expense	2,180	1,228	77.5 %	1.8 %	1.3 %
Interest income	(73)	(73)	0.0 %	(0.1) %	(0.1) %
Other expense (income), net	492	421	16.9 %	0.4 %	0.4 %
Income before income taxes	5,142	4,815	6.8 %	4.3 %	4.9 %
Income taxes *	1,140	1,805	(36.8) %	22.2 %	37.5 %
Net income	$ 4,002	3,010	33.0 %	3.4 %	3.1 %
Net income per share	$0.32	$0.27	18.5 %		
Net income per share (assuming dilution)	$0.31	$0.26	19.2 %		
Dividends per share	$0.0350	$0.0325	7.7 %		
Average shares outstanding	12,692	11,342	11.9 %		
Average shares outstanding (assuming dilution)	12,986	11,653	11.4 %		

	NINE MONTHS ENDED (UNAUDITED)				
	Amounts			Percent of Sales	
	February 1, 1998	January 26, 1997	% Over (Under)	1998	1997
Net sales	$ 340,881	293,201	16.3 %	100.0 %	100.0 %
Cost of sales	280,510	241,008	16.4 %	82.3 %	82.2 %
Gross profit	60,371	52,193	15.7 %	17.7 %	17.8 %
Selling, general and administrative expenses	37,710	33,328	13.1 %	11.1 %	11.4 %
Income from operations	22,661	18,865	20.1 %	6.6 %	6.4 %
Interest expense	5,280	3,652	44.6 %	1.5 %	1.2 %
Interest income	(235)	(190)	23.7 %	(0.1) %	(0.1) %
Other expense (income), net	1,159	1,117	3.8 %	0.3 %	0.4 %
Income before income taxes	16,457	14,286	15.2 %	4.8 %	4.9 %
Income taxes *	5,100	5,356	(4.8) %	31.0 %	37.5 %
Net income	$ 11,357	8,930	27.2 %	3.3 %	3.0 %
Net income per share	$0.90	$0.79	13.9 %		

Net income per share (assuming dilution)	$0.88	$0.77	14.3 %
Dividends per share	$0.1050	$0.0975	7.7 %
Average shares outstanding	12,663	11,317	11.9 %
Average shares outstanding (assuming dilution)	12,964	11,618	11.6 %

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

CULP, INC.
CONSOLIDATED BALANCE SHEETS
FEBRUARY 1, 1998, JANUARY 26, 1997 AND APRIL 27, 1997

(Unaudited, Amounts in Thousands)

		Amounts		Increase (Decrease)		*
		February 1, 1998	January 26, 1997	Dollars	Percent	April 27, 1997
Current assets						
Cash and cash investments	$	348	406	(58)	(14.3)%	830
Accounts receivable		73,109	50,157	22,952	45.8 %	56,691
Inventories		75,032	50,755	24,277	47.8 %	53,463
Other current assets		7,202	3,701	3,501	94.6 %	5,450
Total current assets		155,691	105,019	50,672	48.3 %	116,434
Restricted investments		3,976	11,778	(7,802)	(66.2)%	11,018
Property, plant & equipment, net		113,658	86,146	27,512	31.9 %	91,231
Goodwill		48,558	22,413	26,145	116.7 %	22,262
Other assets		5,439	2,906	2,533	87.2 %	3,007
Total assets	$	327,322	228,262	99,060	43.4 %	243,952
Current liabilities						
Current maturities of long-term debt	$	1,120	6,100	(4,980)	(81.6)%	100
Accounts payable		35,921	20,833	15,088	72.4 %	29,903
Accrued expenses		12,683	15,644	(2,961)	(18.9)%	15,074
Income taxes payable		1,941	1,753	188	10.7 %	1,580
Total current liabilities		51,665	44,330	7,335	16.5 %	46,657
Long-term debt		144,079	86,266	57,813	67.0 %	76,541
Deferred income taxes		9,965	8,088	1,877	23.2 %	9,965
Total liabilities		205,709	138,684	67,025	48.3 %	133,163
Shareholders' equity		121,613	89,578	32,035	35.8 %	110,789
Total liabilities and shareholders' equity	$	327,322	228,262	99,060	43.4 %	243,952
Shares outstanding		12,700	11,352	1,348	11.9 %	12,609

* Derived from audited financial statements.

CULP, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED FEBRUARY 1, 1998 AND JANUARY 26, 1997
(Unaudited, Amounts in Thousands)

	NINE MONTHS ENDED	
	Amounts	
	February 1, 1998	January 26, 1997
Cash flows from operating activities:		
Net income	$ 11,357	8,930
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation	10,660	9,440
Amortization of intangible assets	883	634
Changes in assets and liabilities, net of effects of businesses acquired:		
Accounts receivable	(16,418)	1,881
Inventories	(16,330)	(3,360)
Other current assets	(1,752)	466
Other assets	(1,942)	(642)
Accounts payable	8,783	(2,213)
Accrued expenses	(2,175)	3,080
Income taxes payable	361	1,556
Net cash provided by (used in) operating activities	(6,573)	19,772
Cash flows from investing activities:		
Capital expenditures	(28,183)	(18,625)
Purchases of restricted investments	(8,724)	(9,681)
Purchase of investments to fund deferred compensation liability	(581)	0
Sale of restricted investments	15,766	3,177
Businesses acquired	(37,156)	0
Net cash used in investing activities	(58,878)	(25,129)
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	77,600	15,900
Principal payments on long-term debt	(9,042)	(5,575)
Change in accounts payable-capital expenditures	(2,765)	(4,262)
Dividends paid	(1,333)	(1,103)
Proceeds from common stock issued	509	305
Net cash provided by financing activities	64,969	5,265
Decrease in cash and cash investments	(482)	(92)
Cash and cash investments at beginning of period	830	498
Cash and cash investments at end of period	$ 348	406

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

(Dollars in thousands, except per share data)

	Common Stock		Capital Contributed in Excess	Retained	Total Shareholders'
	Shares	Amount	of Par Value	Earnings	Equity
Balance, April 28, 1996	11,290,300 $	565 $	16,878 $	64,003 $	81,446
Proceeds from public offering of 1,200,000 shares	1,200,000	60	16,235		16,295
Cash dividends ($0.13 per share)				(1,513)	(1,513)
Net income				13,770	13,770
Common stock issued in connection with stock option plan	118,459	5	786		791
Balance, April 27, 1997	12,608,759	630	33,899	76,260	110,789
Cash dividends ($.105 per share)				(1,333)	(1,333)
Net income				11,357	11,357
Common stock issued in connection with stock option plans	91,157	5	795		800
Balance, February 1, 1998	12,699,916 $	635 $	34,694 $	86,284 $	121,613

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 (consisting of normal recurring adjustments) which the management of the company considers necessary for a fair statement of results for the interim periods.

Certain amounts for fiscal year 1997 have been reclassified to conform with the fiscal year 1998 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 and nine months ended February 1, 1998 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):

	February 1, 1998	April 27, 1997
Customers	$ 74,744	$ 58,568
Allowance for doubtful accounts	(1,146)	(1,500)
Reserve for returns and allowances	(489)	(377)
	$ 73,109	$ 56,691

3. Inventories

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

A summary of inventories follows (dollars in thousands):

	February 1, 1998	April 27, 1997
Raw materials	$ 45,183	$ 32,025
Work-in-process	5,838	4,627
Finished goods	28,391	20,212
Total inventories valued at FIFO cost	79,412	56,864
Adjustments of certain inventories to the LIFO cost method	(4,380)	(3,401)
	$ 75,032	$ 53,463

4. Restricted Investments

Restricted investments were purchased with proceeds from industrial revenue bond issues and are invested pending application of such proceeds to project costs or repayment of the bonds. The investments are stated at cost which approximates market value.

5. Accounts Payable

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

	February 1, 1998	April 27, 1997
Accounts payable-trade	$ 32,939	$ 24,156
Accounts payable-capital expenditures	2,982	5,747
	$ 35,921	$ 29,903

6. Accrued Expenses

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

	February 1, 1998	April 27, 1997
Compensation and benefits	$ 8,771	$ 10,217
Other	3,912	4,857
	$ 12,683	$ 15,074

7. Long-Term Debt

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

	February 1, 1998	April 27, 1997
Industrial revenue bonds and other obligations	$ 34,066	$ 31,641
Revolving credit facility	105,000	41,000
Revolving line of credit	1,033	4,000
Seller note payable	5,100	-0-
	145,199	76,641
Less current maturities	(1,120)	(100)
	$ 144,079	$ 76,541

7. Long-Term Debt (continued)

On April 23, 1997, the company entered into a revolving credit agreement (the "Credit Agreement") providing for a five-year unsecured multi-currency revolving credit facility with a syndicate of banks in the United States and Europe. The Credit Agreement provides for a revolving loan commitment of $125,000,000 which declines $5,000,000 at each of four annual dates beginning in April 1998. The agreement requires payment of a quarterly facility fee in advance.

The company has a $6,000,000 revolving line of credit which expires on February 28, 1999 and will automatically be extended for an additional three-month period on each, May 31, August 31, November 30, and February 28, unless the bank notifies the company that the line of credit will not be extended.

On July 17, 1997, the company obtained $8,500,000 of new industrial revenue bond (IRB) financing related to the expansion of its plant and equipment at its Lumberton, North Carolina facility. The final maturity of this IRB is the year 2014. The remaining IRBs are substantially due in one-time payments at various dates from 2006 to 2013 and are collateralized by restricted investments of $3,976,000 and letters of credit for $35,041,000 at February 1, 1998.

During the third fiscal quarter of 1998, the Company repaid $6,000,000 in IRB financing related to its Burlington, NC facility due to capital expenditures in the jurisdiction approaching the statutory limit as provided by federal tax laws.

During the third fiscal quarter of 1998, the Company obtained a $15,000,000 revolving credit line which expires on March 31, 1998. No borrowings were outstanding during the third fiscal quarter of 1998 or at February 1, 1998. The line of credit was obtained due to short-term working capital needs. Additionally, the line of credit requires payment of interest on any outstanding borrowings at an interest rate based on LIBOR. Subsequent to February 1, 1998, the Company borrowed $9,200,000 and $6,500,000, respectively, for a period of 7 days and 10 days, respectively.

The company's loan agreements require, among other things, that the company maintain compliance with certain positive and negative financial covenants. At February 1, 1998, the company was in compliance with these required financial covenants.

At February 1, 1998, the company had three interest rate swap agreements with a bank 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.

notational amounts	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

The company believes it could terminate these agreements as of February 1, 1998 for approximately $690,000. Net amounts paid under these agreements increased interest expense by approximately $156,000 in 1998 and $216,000 in 1997. 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.

8. Cash Flow Information

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

	1998	1997
Interest	$ 5,254	$ 3,437
Income taxes	4,720	4,003

9. Foreign Exchange Forward Contracts

The company generally enters into foreign exchange forward and option 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. The contracts outstanding at February 1, 1998 mature at various dates in fiscal 1998.

10. Acquisition

On August 5, 1997, the company completed the purchase of the business and certain assets relating to the upholstery fabric businesses operating as Phillips Weaving Mills, Phillips Velvet Mills, Phillips Printing and Phillips Mills. Based on the terms of the asset purchase agreement, the transaction is valued at approximately $37,000,000 which included cash, seller debt retired, a note payable to the seller and acquisition costs. The consideration for the acquisition also included stock options and an agreement for contingent payments to the selling companies within three years following closing that could range from $0 to $5,500,000, depending upon the future sales performance of the Phillips jacquard fabric product line. The transaction has an effective date of August 4, 1997.

The acquisition has been accounted for by the purchase method of accounting, and accordingly, the purchase price has been allocated to the assets acquired and the liabilities assumed based on the estimated fair market values at the date of acquisition. The cost in excess of net assets of business acquired will be amortized on the straight-line method over 40 years. The preliminary estimated fair values of assets and liabilities acquired are summarized below:

Inventories	$ 4,916,000
Property, plant and equipment	3,799,000
Cost in excess of net assets of business acquired	28,732,000
Accrued expenses	(447,000)
	$ 37,000,000

11. Income Taxes

The effective tax rate for the third quarter was 22.2% and for the nine months was 31.0% compared with 37.5% in the year-earlier periods. The lower rate was due principally to increased tax benefits related To the Company's foreign sales corporation. The amount of these benefits recorded for the third quarter reflected operating results for both the current quarter and certain prior periods. The reduced tax rate also reflected a higher proportion of earnings from the Company's Canadian subsidiary that is taxed at a lower effective rate. The Company is estimating the effective tax rate to be 31.0% for the fourth quarter of fiscal 1998.

12. Subsequent Event

On February 2, 1998, the Company completed the purchase of the business and substantially all the assets relating to the yarn manufacturing business operating as Artee Industries, Incorporated. Based on the value of the definitive asset purchase agreement, the transaction value at closing is estimated to be $18,000,000 (including issuance of Culp common stock, cash, a note and assumption of certain liabilities). Terms of the purchase also provide the opportunity for additional consideration of up to $7,600,000 contingent upon the profitability of Artee during Culp's fiscal year ending May 2, 1999. The acquisition will be accounted for as a purchase, and the results of Artee will therefore be included in Culp's results from the closing date.

13. New Accounting Standard

During the third fiscal quarter of 1998, the Company adopted the Financial Accounting Standards Board's Statement of Financial Accounting Standard No. 128, "Earnings per Share" which is effective for financial statements issued for interim and annual periods ending after December 15, 1997. The new standard specifies the computation, presentation and disclosure requirements for earnings per share for entities with publicly-held common stock, and also requires retroactive restatement of all other periods presented.

The following table illustrates the reconciliation of the numerators and denominators of net income per share and net income per share, assuming dilution:

	Three Months Ended					
	February 1, 1998			January 26, 1997		
(Amounts in thousands, Except per-share data)	Income (Numerator	Shares (Denominator)	Per-Share Amount	Income Numerator)	Shares Denominator	Per-Share Amount
Net income per share:						
Net income	$4,002	12,692	$0.32	$3,010	11,342	$0.27
Effect of dilutive securities:						
Options	-	294	-	311		
Net income per share, Assuming dilution	$4,002	12,986	$0.31	$3,010	11,653	$0.26

13. New Accounting Standard (continued)

	Nine Months Ended					
	February 1, 1998			January 26, 1997		
(Amounts in thousands, Except per-share data)	Income (Numerator	Shares (Denominator)	Per-Share Amount	Income (Numerator)	Shares Denominator	Per-Share Amount
Net income per share:						
Net income	$11,357	12,663	$0.90	$8,930	11,317	$0.79
Effect of dilutive securities:						
Options	-	301		-	301	
Net income per share, assuming dilution	$11,357	12,964	$0.88	$8,930	11,618	$0.77

14. Segment Reporting

In June 1997, the Financial Accounting Standards Board ("FASB") issued SFAS No. 131, "Disclosures About Segments of an Enterprise and Related Information", effective for fiscal years beginning after December 15, 1997. The purpose of this standard is to disclose disaggregated information which provides information about the operating segments an enterprise engages is consistent with the way management reviews financial information to make decisions about the enterprise's operating matters. The Company will comply with the requirements of this standard for fiscal year 1999.

CULP, INC.
SALES BY PRODUCT CATEGORY/BUSINESS UNIT
FOR THREE MONTHS AND NINE MONTHS ENDED FEBRUARY 1, 1998 AND JANUARY 26, 1997

(Amounts in thousands)

THREE MONTHS ENDED (UNAUDITED)

Product Category/Business Unit	Amounts February 1, 1998	Amounts January 26, 1997	% Over (Under)	Percent of Total Sales 1998	Percent of Total Sales 1997
Upholstery Fabrics					
Culp Textures	$ 21,059	20,389	3.3 %	17.8 %	20.9 %
Rossville/Chromatex	21,120	18,953	11.4 %	17.8 %	19.4 %
	42,179	39,342	7.2 %	35.6 %	40.4 %
Velvets/Prints	44,020	40,387	9.0 %	37.2 %	41.4 %
Phillips	11,236	0	100.0 %	9.5 %	0.0 %
	97,435	79,729	22.2 %	82.3 %	81.8 %
Mattress Ticking					
Culp Home Fashions	20,261	17,739	14.2 %	17.1 %	18.2 %
Yarn					
Artee	761	0	100.0 %	0.6 %	0.0 %
*	$ 118,457	97,468	21.5 %	100.0%	100.0 %

NINE MONTHS ENDED (UNAUDITED)

Product Category/Business Unit	Amounts February 1, 1998	Amounts January 26, 1997	% Over (Under)	Percent of Total Sales 1998	Percent of Total Sales 1997
Upholstery Fabrics					
Culp Textures	$ 67,206	65,191	3.1 %	19.7 %	22.2 %
Rossville/Chromatex	60,843	58,840	3.4 %	17.8 %	20.1 %
	128,049	124,031	3.2 %	37.6 %	42.3 %
Velvets/ Prints	126,345	115,487	9.4 %	37.1 %	39.4 %
Phillips	21,961	0	100.0 %	6.4 %	0.0 %
	276,355	239,518	15.4 %	81.1 %	81.7 %
Mattress Ticking					
Culp Home Fashions	63,765	53,683	18.8 %	18.7 %	18.3 %
Yarn					
Artee	761	0	100.0 %	0.2 %	0.0 %
*	$ 340,881	293,201	16.3 %	100.0%	100.0 %

*U.S. sales were $ 79,873 and $70,931 for the current quarter of fiscal 1998 and fiscal 1997, respectively; and $242,123 and $220,791 for the year to date of fiscal 1998 and fiscal 1997, respectively. The percentage increase in U.S. sales was 13% for the current quarter and an increase of 10% for the year to date.

CULP, INC.
INTERNATIONAL SALES BY GEOGRAPHIC AREA
FOR THREE MONTHS AND NINE MONTHS ENDED FEBRUARY 1, 1998 AND JANUARY 26, 1997

(Amounts in thousands)

THREE MONTHS ENDED (UNAUDITED)

Geographic Area		Amounts: February 1, 1998	Amounts: January 26, 1997	% Over (Under)	Percent of Total Sales: 1998	Percent of Total Sales: 1997
North America (Excluding USA)	$	7,562	6,482	16.7 %	19.6 %	24.4 %
Europe		11,581	7,213	60.6 %	30.0 %	27.2 %
Middle East		9,326	4,580	103.6%	24.2 %	17.3 %
Far East & Asia		7,957	6,862	16.0 %	20.6 %	25.9 %
South America		1,230	855	43.9 %	3.2 %	3.2 %
All other areas		928	545	70.3 %	2.4 %	2.1 %
	$	38,584	26,537	45.4 %	100.0 %	100.0 %

NINE MONTHS ENDED (UNAUDITED)

Geographic Area		Amounts: February 1, 1998	Amounts: January 26, 1997	% Over (Under)	Percent of Total Sales: 1998	Percent of Total Sales: 1997
North America (Excluding USA)	$	22,574	20,555	9.8 %	22.9 %	28.4 %
Europe		22,811	17,573	29.8 %	23.1 %	24.3 %
Middle East		23,452	13,736	70.7 %	23.7 %	19.0 %
Far East & Asia		23,951	15,893	50.7 %	24.3 %	21.9 %
South America		3,487	2,464	41.5 %	3.5 %	3.4 %
All other areas		2,483	2,189	13.4 %	2.5 %	3.0 %
	$	98,758	72,410	36.4 %	100.0 %	100.0 %

International sales, and the percentage of total sales, for each of the last six years follows:fiscal 1992-$ 34,094 (18%); fiscal 1993-$ 40,729 (20%); fiscal 1994-$ 44,038 (18%); fiscal 1995-$ 57,971 (19%);fiscal 1996-$ 77,397 (22%); and fiscal 1997-$ 101,571 (25%). International sales for the current quarter represented 33% and 27% for 1998 and 1997, respectively. Year-to-date international sales represented 29% and 25% of total sales for 1998 and 1997, respectively.

Certain amounts for fiscal year 1997 have been reclassified to conform with the fiscal year 1998 presentation. Additionally, certain amounts were reclassified from the fiscal year 1998 second quarter presentation.

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

Overview

For the three months ended February 1, 1998, net sales rose 22% to $118.5 million compared with $97.5 million in the year-earlier period. Net income for the quarter totaled $4.0 million, or $0.32 per share, compared with $3.0 million, or $0.27 per share, for the third quarter of fiscal 1997. The largest components of the increase in sales were incremental sales of $11.2 million from the acquisition of assets related to Phillips Mills, increased sales to customers outside the United States and higher shipments of mattress ticking. Excluding the contribution from acquired operations, sales of upholstery fabrics to U.S.-based manufacturers were down 3% for the quarter from a year ago. This portion of the Company's business has been generally soft throughout fiscal 1998. Sales to customers outside the United States rose 45% for the quarter, extending the pattern of growth in this category. International sales are continuing to account for an increasing percentage of the Company's total sales. Demand for the Company's products is dependent on the various factors which affect consumer purchases of upholstered furniture and bedding, including housing starts and sales of existing homes, the level of consumer confidence, prevailing interest rates for home mortgages and the availability of consumer credit. Net income for the quarter and nine-month period was favorably impacted by a lower effective tax rate which resulted from higher than expected tax benefits (in the current period as well as prior periods) related to the Company's foreign sales corporation ("FSC"), and higher estimated income in Canada which has a lower effective tax rate.

Three Months and Nine Months Ended February 1, 1998 Compared With Three Months and Nine Months Ended January 26, 1997

Net Sales. Net sales for the third quarter increased by $21.0 million, or 22%, compared with the year-earlier period. Net sales for the nine months increased by $47.7 million, or 16%, compared to the same period of last year. The Company's sales of upholstery fabrics increased $17.7 million, or 22% in the third quarter compared with the prior year. Upholstery fabric sales increased $36.8 million, or 15%, for the nine month period. The principal factor contributing to the increased sales was the contribution of $11.2 million for the quarter and $22.0 million for the nine months from the assets purchased from Phillips Mills effective August 4, 1997. Sales from the Velvets/Prints business unit, which manufactures and markets fabrics especially popular in markets outside the United States, were up 9% from the prior year for the quarter and nine month period. Sales from the Culp Textures and Rossville/Chromatex business units were up modestly for the quarter and nine months. Sales from the Culp Home Fashions unit, which principally consists of mattress ticking, rose 14% from last year's third quarter and 19% from the first nine months of last year. Culp's sales of upholstery fabrics for furniture to U.S.-based accounts have not generally been as strong thus far in fiscal 1998 as a year ago. The Company believes the financial difficulties of several significant furniture retailers, including the summer 1997 bankruptcies of Levitz and Montgomery Wards, significantly contributed to the slower rate of growth. Overall sales to U.S.-based residential furniture accounts, including the contribution from acquired operations, were up 13% for the third quarter and 10% for the nine month period. International sales, consisting primarily of upholstery fabrics, increased to $38.6 million for the quarter, up 45% from a year ago and increased to $98.8 million for the nine months, up 36% from a year ago. International shipments accounted for 33% of the Company's sales for the third quarter, up from 27% a year ago.

Gross Profit and Cost of Sales. Gross profit for the third quarter increased by $3.8 million and amounted to 17.6% of net sales, unchanged from a year ago. For the first nine months, gross profit increased by $8.2 million, and as a percentage of sales decreased slightly to 17.7%. The Company's profitability is benefiting significantly from results in the Culp Home Fashions business unit (mattress ticking) and the incremental contribution from the acquisition of Phillips Mills. These factors have partially been offset in fiscal 1998 by the impact on profitability and gross margins of lower sales from certain business units to residential furniture accounts in the United States and expansion projects that have not reached targeted levels of productivity. These trends are expected to continue in the fourth quarter.

Selling, general and administrative expenses. Selling, general and administrative expenses for the third quarter increased slightly as a percentage of net sales to 11.1% compared with 11.0% a year ago. This category of expenses decreased as a percentage of net sales for the nine month period from 11.4% a year ago to 11.1%. The increase in absolute dollars for the three and nine month periods is principally due to incremental S,G&A expenses for Phillips, higher sales commissions related to international sales and significant investments in additional design resources, which were offset by lower accruals for incentive-based compensation programs.

Interest Expense. Net interest expense for the third quarter of $2.1 million was up from $1.2 million a year ago due. Net interest expense for the nine months was $5.0 million, up from $3.5 million last year. The increase for the quarter is due to higher average borrowings which resulted from the Company' s acquisition of Phillips Mills which was effective on August 4, 1997, and from capital expenditure and working capital investments that were made during the first nine months.

Other Expense. Other expense increased $71,000 for the third quarter compared with a year ago, principally due to incremental amortization of goodwill associated with the acquisition of Phillips Mills.

Income Taxes. The effective tax rate for the third quarter was 22.2% and for the nine months was 31.0% compared with 37.5% in the year-earlier period. The lower rate was due principally to increased tax benefits related to the Company's foreign sales corporation. The reduced tax rate also reflected a higher proportion of earnings from the Company's Canadian subsidiary that is taxed at a lower effective rate. The Company is estimating the effective tax rate for the full fiscal year at 31.0% which is down from 36% for fiscal 1997.

Earnings Per Share. Basic and diluted earnings per share for the third quarter of fiscal 1998 totaled $0.32 and $0.31, respectively, compared with $0.27 and $0.26, respectively, a year ago. The weighted average number of outstanding shares (assuming dilution) increased 11.4% from a year ago, principally due to the Company's secondary offering completed in February 1997.

Liquidity and Capital Resources

Liquidity. Cash and cash investments were $348,000 at February 1, 1998 compared with $830,000 at the end of fiscal 1997. Funded debt (long-term debt, including current maturities, less restricted investments) increased to $141.2 million at the close of the third quarter, up from $80.6 million as of January 26, 1997 and $65.6 million at the end of fiscal 1997. The increase in funded debt from April 27, 1997 resulted from the Phillips and Wetumpka acquisitions ($37.2 million), capital expenditures ($28.2 million), an operating cash flow deficit ($6.6 million), and a decrease in accounts payable related to capital expenditures ($2.8 million). As a percentage of total capital (funded debt plus total shareholders' equity), the Company's borrowings amounted to 53.7% at February 1, 1998 compared with 47.4% as of January 26, 1997 and 37.2% at the end of fiscal 1997. The Company's working capital as of February 1, 1998 was $104.0 million compared with $69.8 million at the close of fiscal 1997.

The Company typically generates the majority of its cash from operating activities during the second fiscal half. Cash of $6.6 million was used to fund operating activities, principally increases in inventories and accounts receivable, offset by net income, depreciation and increases in accounts payable during the first nine months. Capital expenditures during the first nine months totaled $28.2 million. Financing activities provided $65.0 million in cash to fund operating activities, capital expenditures and acquisitions.

Financing Arrangements. As of February 1, 1998, the Company had outstanding balances of $105 million under its $125 million syndicated five-year, unsecured, revolving credit facility. The Company also has a total of $34 million in outstanding industrial revenue bonds ("IRBs") which have been used to finance capital expenditures. The IRBs are collateralized by restricted investments of $4 million as of February 1, 1998 and letters of credit for the outstanding balance of the IRBs and certain interest payments due thereunder.

The Company's loan agreements require, among other things, that the Company maintain certain financial ratios. As of February 1, 1998, the Company was in compliance with the required financial covenants.

As of February 1, 1998, the Company had three interest rate swap agreements in effect to reduce its exposure to floating interest rates on a $25 million notional amount. The effect of these contracts is to "fix" the interest rate payable on $25 million of the Company's bank borrowings at a weighted average rate of 7.1%. The Company also enters into foreign exchange forward contracts to hedge against currency fluctuations with respect to firm commitments to purchase machinery, equipment and certain raw materials when those commitments are denominated in foreign currencies.

During the fourth quarter of fiscal 1998, the Company expects to close on a private placement of $75,000,000 of senior, unsecured notes, which are expected to have a fixed coupon rate of 6.76% and an average term of 10 years. Additionally, the principal financial covenants include a funded debt to total capital ratio of 60% and a minimum shareholders' equity level. The proceeds will be used to repay borrowings under the Company's bank credit facility.

Capital Expenditures. The Company has invested considerable additional capital over the past several years to increase capacity to support higher sales, gain manufacturing efficiencies and increase vertical integration to lower product costs and control the supply of raw materials more securely. The Company anticipates capital spending to total approximately $39 million in fiscal 1998. 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 for the foreseeable future.

Phillips Mills Acquisition

On August 5, 1997, Culp completed the acquisition of the business and certain assets relating to the upholstery fabric businesses operating as Phillips Weaving Mills, Phillips Velvet Mills, Phillips Printing and Phillips Mills. These operating units were purchased from Phillips Industries, Inc., a privately owned corporation based in High Point, North Carolina. Based on the terms of the definitive asset purchase agreement, the transaction is being valued for accounting and reporting purposes at approximately $37 million (including cash, retirement of debt and a non-compete agreement) under generally accepted accounting principles. Terms of the purchase also include an option for 100,000 shares of Culp's common stock and additional compensation contingent upon attaining specified sales objectives. (See Form 8-K, dated April 30, 1997, which provides additional information related to the acquisition.)

Funds for the cash portion of the transaction were provided from the Company's revolving credit facility.

Wetumpka Acquisition

On December 27, 1997, the Company completed the acquisition of the business and certain assets relating to the Wetumpka spun yarn operation of Dan River, Inc. for cash $1.5 million. The acquisition will be accounted for as a purchase, and the results of Wetumpka will therefore be included in Culp's results from the closing date. (See press release, dated December 17, 1997, which provides additional information about the acquisition.)

Acquisition of Artee Industries

On February 2, 1998, Culp acquired the business and substantially all the assets relating to the yarn manufacturing business operating as Artee Industries, Incorporated. The transaction at closing is estimated at $18 million (including issuance of 284,211 shares of Culp common stock, $2.0 million cash, a $1.6 million note and assumption of certain liabilities) Terms of the purchase also include additional compensation of up to $7.6 million (60% in Culp common stock and 40% in cash) contingent upon the profitability of Artee during Culp's fiscal year ending May 2, 1999. The acquisition will be accounted for as a purchase, and the results of Artee will therefore be included in Culp's results from the closing date. (See Form 8-K, dated October 15, 1997, which provides additional information related to the acquisition.)

Inflation

The Company's costs of raw materials have generally been relatively stable or slightly down thus far in fiscal 1998. Other operating expenses, such as labor, utilities and manufacturing supplies, have increased slightly. Competitive conditions have not allowed the Company to offset the impact of these increases through higher prices, thereby putting pressure on profit margins. The net impact on margins will continue to be influenced by raw material prices, other operating costs and competitive conditions.

Seasonality

The Company's business is slightly seasonal, with increased sales during the Company's second and fourth fiscal quarters. This seasonality results from one-week closings of the Company's manufacturing facilities, and the facilities of most of its customers in the United States, during the first and third quarters for the holiday weeks including July 4th and Christmas.

Forward-Looking Information

The Company's report on Form 10-Q may contain statements that could be deemed forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, which statements are inherently subject to risks and uncertainties. Forward-looking statements are statements that include projections, expectations or beliefs about future events or results or otherwise are not statements of historical fact. Such statements are often characterized by qualifying words such as "expect", "believe", "estimate", "plan" and "project" and their derivatives. Factors that could influence the matters discussed in such statements include the level of housing starts and sales of existing homes, consumer confidence and trends in disposable income. Decreases in these economic indicators could have a negative effect on the Company's business and prospects. Likewise, increases in interest rates, particularly home mortgage rates, and increases in consumer debt or the general rate of inflation, could adversely affect the Company. In addition, because of the increasing percentage of the Company's sales that is derived from shipments to customers outside the United States, the value of the U.S. dollar relative to other currencies can affect the competitiveness of the Company's products in international markets.

Part II - OTHER INFORMATION

Item 1. Legal Proceedings
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There are no legal proceedings that are required to be disclosed under this item.

Item 2. Change in Securities
- ----------------------------
In December 1997, the Company sold 284,211 shares of its common stock, par value $0.05 per share, to eight shareholders of Artee Industries, Incorporated ("Artee") in exchange for all of the assets of Artee. The shares were sold in reliance upon the exemption from registration provided under Section 4(2) of the Securities Act of 1933 and Regulation D promulgated thereunder. The resale of such securities was subsequently registered on a registration statement on Form S-3, Registration Statement No. 333-42651.

Item 3. Default Upon Senior Securities
- --------------------------------------
None

Item 4 - Submission of Matters to a Vote of Security Holders
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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. Management contracts, compensatory plans, and arrangements are marked with an asterisk (*).

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.

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 was filed as Exhibit 10(n) to the Company's Form 10-K for the year ended April 29, 1989, and is 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, was filed as exhibit 10(o) to the Company's Form 10-K for the year ended April 29, 1990, and is incorporated herein by reference.

10(c) Loan Agreement dated January, 1990 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, 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, was 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, 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 Employee'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 28, 1996, 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 28, 1996, 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 principal 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, and is incorporated herein by reference.

10(bb) Loan Agreement between the Alamance County Industrial Facilities and Pollution Control Financing Authority, North Carolina and the Company, dated December 1, 1996, relating to Tax Exempt Adjustable Mode Industrial Development Revenue Bonds, (Culp, Inc. Project Series 1996) in the aggregate amount of $6,000,000 was filed as Exhibit 10(cc) to the Company's Form 10-Q for the quarter ended January 26, 1997, and is incorporated herein by reference.

10(cc) Loan Agreement between Luzerne County, Pennsylvania and the Company, dated as of December 1, 1996, relating to Tax-Exempt Adjustable Mode Industrial Development Revenue Bonds (Culp, Inc. Project) Series 1996 in the aggregate principal amount of $3,500,000 was filed as Exhibit 10(dd) to the Company's Form 10-Q for the quarter ended January 26, 1997, and is incorporated herein by reference.

10(dd) Second Amendment to Lease Agreement between Chromatex

Properties, Inc. and the Company, dated April 17, 1997 was filed as Exhibit 10(dd) to the Company's Form 10-K for the year ended April 27, 1997, and is incorporated herein by reference.

10(ee) Lease Agreement between Joseph E. Proctor (doing business as JEPCO) and the Company, dated April 21, 1997 was filed as Exhibit 10(ee) to the Company's Form 10-K for the year ended April 27, 1997, and is incorporated herein by reference.

10(ff) $125,000,000 Revolving Loan Facility dated April 23, 1997 by and among the Company and Wachovia Bank of Georgia, N.A., as agent, and First Union National Bank of North Carolina, as documentation agent was filed as Exhibit 10(ff) to the Company's Form 10-K for the year ended April 27, 1997, and is incorporated herein by reference.

10(gg) Revolving Line of Credit for $4,000,000 dated April 23, 1997 by and between the Company and Wachovia Bank of North Carolina, N.A. was filed as Exhibit 10(gg) to the Company's Form 10-K for the year ended April 27, 1997, and is incorporated herein by reference.

10(hh) Reimbursement and Security Agreement between Culp, Inc. and Wachovia Bank of North Carolina, N.A., dated as of April 1, 1997, relating to $3,337,000 Principal Amount, Chesterfield County, South Carolina Industrial Revenue Bonds (Culp, Inc. Project) Series 1988 was filed as Exhibit 10(hh) to the Company's Form 10-K for the year ended April 27, 1997, and is incorporated herein by reference.

Additionally, there are Reimbursement and Security Agreements between Culp, Inc. and Wachovia Bank of North Carolina, N.A., dated as of April 1, 1997 in the following amounts and with the following facilities:

$7,900,000 Principal Amount, Alamance County Industrial Facilities and Pollution Control Financing Authority Industrial Revenue Refunding Bonds (Culp, Inc. Project) Series A and B.

$4,500,000 Principal Amount, Guilford County Industrial Facilities and Pollution Control Financing Authority Industrial Development Revenue Bonds (Culp, Inc. Project) Series 1989.

$6,580,000 Principal Amount, Anderson County South Carolina Industrial Revenue Bonds (Culp, Inc. Project) Series 1993.

$6,000,000 Principal Amount, Chesterfield County, South Carolina Tax-Exempt Adjustable Mode Industrial Development Revenue Bonds (Culp, Inc. Project) Series 1996.

$6,000,000 Principal Amount, The Alamance County Industrial Facilities and Pollution Control Financing Authority Tax-exempt Adjustable Mode Industrial Development Revenue Bonds (Culp, Inc. Project) Series 1996.

$3,500,000 Principal Amount, Luzerne County Industrial Development Authority Tax-Exempt Adjustable Mode Industrial Development Revenue Bonds (Culp, Inc. Project) Series 1996.

10(ii) Loan Agreement and Reimbursement and Security Agreement dated
July 1, 1997 with the Robeson County Industrial Facilities and Pollution Control Financing Authority relating to the issuance of Tax-Exempt Adjustable Mode Industrial Development Revenue Bonds (Culp, Inc. Project), Series 1997 in the aggregate principal amount of $8,500,000 was filed as Exhibit 10(ii) to the Company's Form 10-Q for the quarter ended August 3, 1997, and is incorporated herein by reference.

10(jj) Asset Purchase Agreement dated as of August 4, 1997 by and between Culp, Inc., Phillips Weaving Mills, Inc., Phillips Printing Mills, Inc., Phillips Velvet Mills, Inc., Phillips Mills, Inc., Phillips Property Company, LLC, Phillips Industries, Inc. and S. Davis Phillips was filed as Exhibit (10jj) to the Company's Form 10-Q for the quarter ended November 2, 1997, and is incorporated herein by reference.

10(kk) Asset Purchase Agreement dated as of October 14, 1997 among Culp, Inc., Artee Industries, Incorporated, Robert T. Davis, Robert L. Davis, Trustee u/a dated 8/25/94, Robert L. Davis, Louis W. Davis, Kelly D. England, J. Marshall Bradley, Frankie S. Bradley and Mickey R. Bradley was filed as Exhibit 10(kk) to the Company's Form 10-Q for the quarter ended November 2, 1997, 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 November 12, 1997, 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 infor- mation for the second quarter ended November 2, 1997.

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: March 18, 1998 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: March 18, 1998 By s/s Stephen T. Hancock
Stephen T. Hancock
General Accounting Manager
(Chief Accounting Officer)

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APR-28-1997
FEB-01-1998
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