



## Bassett Reports Fiscal Year 2025 Third Quarter Results

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BASSETT, Va., Oct. 08, 2025 (GLOBE NEWSWIRE) -- Bassett Furniture Industries, Inc. (Nasdaq: BSET) reported today its results of operations for its third quarter ended August 30, 2025.

*Q3 Consolidated Business Highlights: [FY 25 vs. FY 24, unless otherwise specified]*

- Revenues increased 5.9% from the prior year quarter. Excluding sales from Noa Home Inc., which closed in late 2024, consolidated revenues increased 7.3%.
- Operating income was \$0.6 million, or 0.7% of sales as compared to a loss of \$(6.4) million for the prior year quarter, which included a \$1.2 million loss on a logistical services contract which the Company abandoned, and various costs associated with a cyber incident that suspended all financial systems and manufacturing for 7 days.
- Gross margin at 56.2% represented a 320-basis point improvement over the prior year primarily due to improved margins in the wholesale business and the fact that the prior year quarter included approximately \$0.6 million of manufacturing wages paid during the above-mentioned cyber shutdown.
- Selling, general and administrative expenses were 55.4% of sales, 420 basis points lower than the prior year, reflecting benefits from the prior year restructuring plan and ongoing cost containment activities, greater leverage of fixed costs from higher sales levels, as well as the costs associated with the cyber incident in the prior year period.
- Diluted earnings per share of \$0.09, compared to a loss of \$(0.52) in the prior year.

*Fiscal 2025 Third Quarter Overview  
(Dollars in millions)*

|                                  | Sales   |         |               |          | Operating Income (Loss) |            |          |            |
|----------------------------------|---------|---------|---------------|----------|-------------------------|------------|----------|------------|
|                                  | 3rd Qtr |         | Dollar Change | % Change | 3rd Qtr                 |            | 3rd Qtr  | % of Sales |
|                                  | 2025    | 2024    |               |          | 2025                    | % of Sales | 2024     | % of Sales |
| Consolidated <sup>(1)</sup>      | \$ 80.1 | \$ 75.6 | \$ 4.5        | 5.9%     | \$ 0.6                  | 0.7%       | \$ (6.4) | -8.4%      |
| Wholesale                        | \$ 50.8 | \$ 47.8 | \$ 3.0        | 6.2%     | \$ 8.1                  | 15.9%      | \$ 4.4   | 9.2%       |
| Retail                           | \$ 51.9 | \$ 47.3 | \$ 4.6        | 9.8%     | \$ (0.3)                | -0.6%      | \$ (2.8) | -5.9%      |
| Corporate & Other <sup>(2)</sup> | \$ -    | \$ 1.0  | \$ (1.0)      | -100.0%  | \$ (7.5)                | N/A        | \$ (7.0) | N/A        |

(1) Our consolidated results for the quarter include certain intercompany eliminations. See Table 4, "Segment Information" below for an illustration of the effects of these items on our consolidated sales and operating income.

(2) Corporate and Other includes the operations of Noa Home Inc. (fiscal 2024 only) along with the shared Corporate costs that are benefiting both the Wholesale and Retail segments.

"We're pleased to report increases in revenue, operating income and gross margin this quarter, despite a continued challenging environment for home furnishings sales," said Robert H. Spilman, Jr., Bassett Chairman and Chief Executive Officer. "We remain nimble in managing Bassett's business by introducing new products that are resonating with the consumer, becoming more aggressive in marketing and e-commerce, and adjusting to the difficult circumstances affecting components in the supply chain. Our US manufacturing base positions us well to serve wholesale and retail customers with custom furniture and design services."

### Conference Call and Webcast

The Company will hold a conference call to discuss its quarterly results on October 9, 2025, at 9:00 am ET. The public is invited to listen to the conference call by webcast, accessible through the Company's investor relations website, <https://investors.bassettfurniture.com/>. Participants can also listen to the conference call via <https://edge.media-server.com/mmc/p/n628wkij>. A replay and transcript of the conference call will be available on demand on the investor relations site.

About Bassett Furniture Industries, Inc.

Bassett Furniture Industries, Inc. (NASDAQ: BSET) is a leading provider of high-quality home furnishings with a wide range of distribution types. Bassett sales approximately 60% of its products through its network of 86 company- and licensee-owned stores which feature the latest on-trend furniture styles, the Company's capabilities in custom furniture design and manufacturing, free in-home design visits, and coordinated decorating accessories in a professional and friendly environment. Bassett also has a significant traditional wholesale business with more than 1,000 open market accounts. Most of the open market sales are through Bassett Design Centers and Bassett Custom Studios which function as a store within a multi-line store featuring the Company's custom furniture capabilities. The wholesale business, including the Lane Venture outdoor brand, also services general furniture stores and a growing number of interior design firms. Bassett products are also directly available to consumers at [www.bassettfurniture.com](http://www.bassettfurniture.com). (BSET-E)

#### Forward-Looking Statements

Certain of the statements in this release, particularly those preceded by, followed by or including the words "believes," "plans," "expects," "anticipates," "intends," "should," "estimates," or similar expressions, or those relating to or anticipating financial results or changes in operations for periods beyond the end of the third fiscal quarter of 2025, constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended. For those statements, Bassett claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. In many cases, Bassett cannot predict what factors would cause actual results to differ materially from those indicated in the forward-looking statements. Expectations included in the forward-looking statements are based on preliminary information, as well as certain assumptions which management believes to be reasonable at this time. The following important factors affect Bassett and could cause actual results to differ materially from those indicated in the forward looking statements: the effects of national and global economic or other conditions and future events on the retail demand for home furnishings and the ability of Bassett's customers and consumers to obtain credit; the success of marketing, logistics, retail and other initiatives; and the economic, competitive, governmental and other factors identified in Bassett's filings with the Securities and Exchange Commission. Any forward-looking statement that Bassett makes speaks only as of the date of such statement, and Bassett undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise. Comparisons of results for current and any prior periods are not intended to express any future trends or indication of future performance, unless expressed as such, and should only be viewed as historical data.

**Table 1**  
BASSETT FURNITURE INDUSTRIES, INC. AND SUBSIDIARIES  
Condensed Consolidated Statements of Operations - unaudited  
(In thousands, except for per share data)

|  | Quarter Ended   |                      |                 |                      | Nine Months Ended* |                      |                 |                      |
|--|-----------------|----------------------|-----------------|----------------------|--------------------|----------------------|-----------------|----------------------|
|  | August 30, 2025 |                      | August 31, 2024 |                      | August 30, 2025    |                      | August 31, 2024 |                      |
|  | Amount          | Percent of Net Sales | Amount          | Percent of Net Sales | Amount             | Percent of Net Sales | Amount          | Percent of Net Sales |
| Net sales of furniture and accessories       | \$ 80,103       | 100.0%               | \$ 75,619       | 100.0%               | \$ 246,613         | 100.0%               | \$ 245,583      | 100.0%               |
| Cost of furniture and accessories sold       | 35,109          | 43.8%                | 35,526          | 47.0%                | 107,880            | 43.7%                | 113,863         | 46.4%                |
| Gross profit                                 | 44,994          | 56.2%                | 40,093          | 53.0%                | 138,733            | 56.3%                | 131,720         | 53.6%                |
| Selling, general and administrative expenses | 44,401          | 55.4%                | 45,210          | 59.8%                | 133,188            | 54.0%                | 142,141         | 57.9%                |
| Loss on contract abandonment                 | -               | 0.0%                 | 1,240           | 1.6%                 | -                  | 0.0%                 | 1,240           | 0.5%                 |
| Asset impairment charges                     | -               | 0.0%                 | -               | 0.0%                 | -                  | 0.0%                 | 5,515           | 2.2%                 |
| Income (loss) from operations                | 593             | 0.7%                 | (6,357)         | -8.4%                | 5,545              | 2.2%                 | (17,176)        | -7.0%                |
| Interest income                              | 472             | 0.6%                 | 692             | 0.9%                 | 1,552              | 0.6%                 | 2,075           | 0.8%                 |
| Other income (loss), net                     | 30              | 0.0%                 | (109)           | -0.1%                | (851)              | -0.3%                | (489)           | -0.2%                |
| Income (loss) before income taxes            | 1,095           | 1.4%                 | (5,774)         | -7.6%                | 6,246              | 2.5%                 | (15,590)        | -6.3%                |
| Income tax expense (benefit)                 | 294             | 0.4%                 | (1,269)         | -1.7%                | 1,673              | 0.7%                 | (2,691)         | -1.1%                |
| Net income (loss)                            | 801             | 1.0%                 | (4,505)         | -6.0%                | 4,573              | 1.9%                 | (12,899)        | -5.3%                |
| Basic and diluted earnings (loss) per share  | \$ 0.09         |                      | \$ (0.52)       |                      | \$ 0.53            |                      | \$ (1.48)       |                      |

\*39 weeks in fiscal 2025 versus 40 weeks in fiscal 2024.

**Table 2**  
BASSETT FURNITURE INDUSTRIES, INC. AND SUBSIDIARIES  
Condensed Consolidated Balance Sheets  
(In thousands)

|                       | (Unaudited)     |                   |
|-----------------------|-----------------|-------------------|
|                       | August 30, 2025 | November 30, 2024 |
| <b>Assets</b>         |                 |                   |
| <b>Current assets</b> |                 |                   |

|   |           |                       |           |                       |
|---|-----------|-----------------------|-----------|-----------------------|
| Cash and cash equivalents                         | \$        | 34,413                | \$        | 39,551                |
| Short-term investments                            |           | 20,221                |           | 20,360                |
| Accounts receivable, net                          |           | 13,135                |           | 13,181                |
| Inventories, net                                  |           | 61,459                |           | 54,965                |
| Recoverable income taxes                          |           | 4,255                 |           | 4,240                 |
| Other current assets                              |           | 7,537                 |           | 9,242                 |
| Total current assets                              |           | <u>141,020</u>        |           | <u>141,539</u>        |
| Property and equipment, net                       |           | 74,665                |           | 77,047                |
| <b>Other long-term assets</b>                     |           |                       |           |                       |
| Deferred income taxes, net                        |           | 5,560                 |           | 6,867                 |
| Goodwill  |           | 7,217                 |           | 7,217                 |
| Intangible assets                                 |           | 6,924                 |           | 6,968                 |
| Right of use assets under operating leases        |           | 80,587                |           | 93,624                |
| Other   |           | 8,268                 |           | 7,908                 |
| Total long-term assets                            |           | <u>108,556</u>        |           | <u>122,584</u>        |
| <b>Total assets</b>                               | <b>\$</b> | <b><u>324,241</u></b> | <b>\$</b> | <b><u>341,170</u></b> |
| <b>Liabilities and Stockholders' Equity</b>       |           |                       |           |                       |
| <b>Current liabilities</b>                        |           |                       |           |                       |
| Accounts payable                                  | \$        | 14,425                | \$        | 13,303                |
| Accrued compensation and benefits                 |           | 8,497                 |           | 6,898                 |
| Customer deposits                                 |           | 23,149                |           | 25,742                |
| Current portion of operating lease obligations    |           | 19,548                |           | 18,050                |
| Other accrued expenses                            |           | 7,656                 |           | 9,410                 |
| Total current liabilities                         |           | <u>73,275</u>         |           | <u>73,403</u>         |
| <b>Long-term liabilities</b>                      |           |                       |           |                       |
| Post employment benefit obligations               |           | 11,087                |           | 10,882                |
| Long-term portion of operating lease obligations  |           | 73,198                |           | 88,395                |
| Other long-term liabilities                       |           | 963                   |           | 1,163                 |
| Total long-term liabilities                       |           | <u>85,248</u>         |           | <u>100,440</u>        |
| <b>Stockholders' equity</b>                       |           |                       |           |                       |
| Common stock                                      |           | 43,378                |           | 43,681                |
| Retained earnings                                 |           | 121,583               |           | 122,847               |
| Additional paid-in-capital                        |           | -                     |           | 6                     |
| Accumulated other comprehensive income            |           | 757                   |           | 793                   |
| Total stockholders' equity                        |           | <u>165,718</u>        |           | <u>167,327</u>        |
| <b>Total liabilities and stockholders' equity</b> | <b>\$</b> | <b><u>324,241</u></b> | <b>\$</b> | <b><u>341,170</u></b> |

**Table 3**  
**BASSETT FURNITURE INDUSTRIES, INC. AND SUBSIDIARIES**  
Consolidated Statements of Cash Flows - unaudited  
(In thousands)

|  | Nine Months Ended* |                 |
|--|--------------------|-----------------|
|  | August 30, 2025    | August 31, 2024 |
| <b>Operating activities:</b>   |                    |                 |
| Net income (loss)  | \$ 4,573           | \$ (12,899)     |
| Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities: |                    |                 |
| Depreciation and amortization  | 6,626              | 7,613           |
| Asset impairment charges   | -                  | 5,515           |
| Inventory valuation charges  | 1,726              | 4,954           |
| Deferred income taxes  | 1,307              | (2,765)         |
| Other, net   | 841                | 937             |
| Changes in operating assets and liabilities:   |                    |                 |
| Accounts receivable  | 46                 | 762             |
| Inventories  | (8,220)            | 1,890           |
| Other current and long-term assets   | 1,690              | (1,213)         |
| Right of use assets under operating leases   | 12,768             | 13,029          |

|   |                  |                  |
|---|------------------|------------------|
| Customer deposits   | (2,593)          | 912              |
| Accounts payable and other liabilities                              | 393              | (5,364)          |
| Obligations under operating leases                                  | (13,431)         | (15,694)         |
| <b>Net cash provided by (used in) operating activities</b>          | <b>5,726</b>     | <b>(2,323)</b>   |
| <b>Investing activities:</b>  |                  |                  |
| Purchases of property and equipment                                 | (3,737)          | (4,720)          |
| Other   | (408)            | (909)            |
| <b>Net cash used in investing activities</b>                        | <b>(4,145)</b>   | <b>(5,629)</b>   |
| <b>Financing activities:</b>  |                  |                  |
| Cash dividends  | (5,210)          | (4,909)          |
| Other issuance of common stock                                      | 249              | 275              |
| Repurchases of common stock   | (1,522)          | (1,127)          |
| Taxes paid related to net share settlement of equity awards         | (136)            | (161)            |
| Repayments of finance lease obligations                             | (100)            | (210)            |
| <b>Net cash used in financing activities</b>                        | <b>(6,719)</b>   | <b>(6,132)</b>   |
| <b>Effect of exchange rate changes on cash and cash equivalents</b> | <b>-</b>         | <b>6</b>         |
| <b>Change in cash and cash equivalents</b>                          | <b>(5,138)</b>   | <b>(14,078)</b>  |
| <b>Cash and cash equivalents - beginning of period</b>              | <b>39,551</b>    | <b>52,407</b>    |
| <b>Cash and cash equivalents - end of period</b>                    | <b>\$ 34,413</b> | <b>\$ 38,329</b> |

\*39 weeks in fiscal 2025 versus 40 weeks in fiscal 2024.

**Table 4**  
**BASSETT FURNITURE INDUSTRIES, INC. AND SUBSIDIARIES**  
Segment Information - unaudited  
(In thousands)

|   | Quarter Ended    |                   | Nine Months Ended* |                    |
|---|------------------|-------------------|--------------------|--------------------|
|   | August 30, 2025  | August 31, 2024   | August 30, 2025    | August 31, 2024    |
| <b>Sales Revenue</b>                                |                  |                   |                    |                    |
| Wholesale sales of furniture and accessories        | \$ 50,787        | \$ 47,828         | \$ 157,943         | \$ 155,138         |
| Less: Sales to retail segment                       | (22,575)         | (20,453)          | (70,747)           | (64,967)           |
| Wholesale sales to external customers               | 28,212           | 27,375            | 87,196             | 90,171             |
| Retail sales of furniture and accessories           | 51,891           | 47,256            | 159,417            | 151,478            |
| Corporate & Other - Noa Home <sup>(1)</sup>         | -                | 988               | -                  | 3,934              |
| Consolidated net sales of furniture and accessories | <u>\$ 80,103</u> | <u>\$ 75,619</u>  | <u>\$ 246,613</u>  | <u>\$ 245,583</u>  |
| <b>Income (Loss) before Income Taxes</b>            |                  |                   |                    |                    |
| Income (Loss) from Operations                       |                  |                   |                    |                    |
| Wholesale   | \$ 8,055         | \$ 4,440          | \$ 25,030          | \$ 16,886          |
| Retail  | (333)            | (2,840)           | 101                | (6,674)            |
| Net expenses - Corporate and other <sup>(1)</sup>   | (7,419)          | (6,963)           | (20,166)           | (21,500)           |
| Inter-company elimination                           | 290              | 246               | 580                | 867                |
| Loss on contract abandonment                        | -                | (1,240)           | -                  | (1,240)            |
| Asset impairment charges                            | -                | -                 | -                  | (5,515)            |
| Consolidated income (loss) from operations          | <u>593</u>       | <u>(6,357)</u>    | <u>5,545</u>       | <u>(17,176)</u>    |
| Interest income                                     | 472              | 692               | 1,552              | 2,075              |
| Other loss, net                                     | 30               | (109)             | (851)              | (489)              |
| Consolidated income (loss) before income taxes      | <u>\$ 1,095</u>  | <u>\$ (5,774)</u> | <u>\$ 6,246</u>    | <u>\$ (15,590)</u> |

\*39 weeks in fiscal 2025 versus 40 weeks in fiscal 2024.

<sup>(1)</sup> Corporate and Other includes the operations of Noa Home Inc. (fiscal 2024 only) along with the shared Corporate costs that are benefiting both the Wholesale and Retail segments.

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Source: Bassett Furniture Industries, Incorporated