

ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

( ) Check box if no longer subject to Section 16.  
 Form 4 or Form 5 obligations may continue. See Instructions 1(b).  
 ( ) Form 3 Holdings Reported

(X) Form 4 Transactions Reported

1. Name and Address of Reporting Person

FULTON, PAUL  
 BASSETT FURNITURE INDUSTRIES, INC  
 P O BOX 626  
 MAIN STREET  
 BASSETT, VA 24055  
 USA

2. Issuer Name and Ticker or Trading Symbol

BASSETT FURNITURE INDUSTRIES, INC  
 BSET

3. IRS or Social Security Number of Reporting Person (Voluntary)

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4. Statement for Month/Year

JANUARY 12, 1998

5. If Amendment, Date of Original (Month/Year)

6. Relationship of Reporting Person(s) to Issuer (Check all applicable)

(X) Director ( ) 10% Owner (X) Officer (give title below) ( ) Other  
 (specify below)

CHAIRMAN OF THE BOARD & CHIEF EXECUTIVE OFFICER

7. Individual or Joint/Group Reporting (Check Applicable Line)

( ) Form filed by One Reporting Person  
 ( ) Form filed by More than One Reporting Person

Table I -- Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security	2. Transaction Date	3. Code	4. Securities Acquired (A) or Disposed of (D) Amount	5. Amount of Securities Beneficially Owned at End of Year A/ D Price	6. Director or Indirect (I)	7. Nature of Indirect Beneficial Ownership
COMMON STOCK				4785	D	

Table II -- Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Derivative Security	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date	4. Code	5. Number of Derivative Securities Acquired (A) or Disposed of (D) Amount	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities Title and Number of Shares	8. Price of Derivative Security	9. Number of Derivative Securities Beneficially Owned at End of Year	10. Director or Indirect (I)	11. Nature of Indirect Beneficial Ownership
**OPTION (RIGHT TO BUY)	22.625	5-06-97*		250,000	A *** 5-06-2007	COMMON ***		250,000	D	

Explanation of Responses:

\*AMENDED AND RESTATED OM 11-07-97; AMENDING AGREEMENT DATED 7-07-97  
 \*\*GRANTED UNDER THE 1993 LONG TERM INCENTIVE PLAN WHICH IS A RULE 16b-3 PLAN.  
 \*\*\*125,000 SHARES A LEAST 6 MONTHS AFTER 5-06-97 AND WHEN THE PRICE OF THE STOCK EQUALS OR EXCEEDS \$29.00 PER SHARE.  
 \*\*\*\*125,000 SHARES VESTED WITH SALE RESTRICTION UNTIL 5-06-2002 OR EARLIER, WHEN PRICE OF THE STOCK EQUALS OR EXCEEDS \$37.00 PER SHARE FOR 10 CONSECUTIVE DAYS.