

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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

FOR THE QUARTERLY PERIOD ENDED FEBRUARY 28, 1995

OR

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

For the transition period from _____ to _____

Commission File No. 0-209

BASSETT FURNITURE INDUSTRIES, INCORPORATED
(Exact name of Registrant as specified in its charter)

Virginia

54-0135270

(State or other jurisdiction
of incorporation or organization)

(I.R.S. Employer
Identification No.)

Bassett, Virginia 24055

(Address of principal executive offices)
(Zip Code)

(703) 629-6000
(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 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to such filing requirements for the past 90 days. Yes X No .

At February 28, 1995, 14,086,815 shares of common stock of the Registrant were outstanding.

PART I - FINANCIAL INFORMATION
 BASSETT FURNITURE INDUSTRIES, INCORPORATED AND SUBSIDIARIES
 CONDENSED CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS - UNAUDITED

	THREE MONTHS ENDED FEBRUARY 28,	
	1995	1994
	-----	-----
Net sales	\$123,550,551	\$121,664,291
Costs and expenses		
Cost of sales	102,928,562	101,827,454
Selling, general and administrative	16,016,344	15,470,419
	-----	-----
	118,944,906	117,297,873
	-----	-----
Income from operations	4,605,645	4,366,418
Other income, net	2,313,201	2,326,995
	-----	-----
Income before income taxes and cumulative effect of a change in accounting principle	6,918,846	6,693,413
Income taxes	2,022,500	1,963,000
	-----	-----
Income before cumulative effect of a change in accounting principle	4,896,346	4,730,413
Cumulative effect of a change in accounting principle	-0-	(510,200)
	-----	-----
NET INCOME	4,896,346	4,220,213
Retained earnings - beginning of period	221,949,817	216,211,676
	-----	-----
Cash dividends	226,846,163 (2,817,363)	220,431,889 (2,889,640)
	-----	-----
Retained earnings - end of period	\$224,028,800	\$217,542,249
	=====	=====
EARNINGS PER SHARE:		
Income before cumulative effect of a change in accounting principle	\$.35	\$.33
Cumulative effect of a change in accounting principle	-0-	(.04)
	-----	-----
NET INCOME PER SHARE	\$.35	\$.29
	=====	=====
DIVIDENDS PER SHARE	\$.20	\$.20
	=====	=====

 The accompanying notes are an integral part of the condensed financial statements.

PART I - FINANCIAL INFORMATION - CONTINUED
 BASSETT FURNITURE INDUSTRIES, INCORPORATED AND SUBSIDIARIES
 CONDENSED CONSOLIDATED BALANCE SHEET - UNAUDITED

ASSETS	FEBRUARY 28, 1995	NOVEMBER 30, 1994
Current Assets		
Cash and cash equivalents	\$ 40,686,641	\$ 42,314,957
Trade accounts receivable, less allowances for doubtful accounts and discounts	70,640,492	71,936,750
Inventories:		
Finished goods	45,777,938	45,243,596
Work in process	15,428,111	15,588,696
Raw materials and supplies	45,884,911	44,588,519
	-----	-----
Less LIFO adjustment	107,090,960	105,420,811
	25,711,000	25,346,000
	-----	-----
Prepaid expenses	81,379,960	80,074,811
Prepaid income taxes	1,176,603	2,206,736
Deferred income taxes	-0-	274,675
	1,848,000	1,823,000
	-----	-----
Property, Plant and Equipment	195,731,696	198,630,929
Cost	210,266,134	207,227,241
Less allowances for depreciation	155,070,620	152,673,335
	-----	-----
Other Assets	55,195,514	54,553,906
Investment in securities	48,311,595	43,638,983
Investment in affiliated companies	35,829,484	35,080,525
Other	8,082,555	8,593,887
	-----	-----
	92,223,634	87,313,395
	-----	-----
	\$343,150,844	\$340,498,230
	=====	=====
 LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	\$ 26,694,413	\$ 29,786,395
Accrued compensation	4,645,688	5,215,159
Income taxes	1,781,513	-0-
	-----	-----
	33,121,614	35,001,554
Deferrals		
Deferred liabilities	9,683,855	9,529,784
Deferred income taxes	1,632,500	774,000
	-----	-----
	11,316,355	10,303,784
Stockholders' Equity		
Common stock	70,434,075	70,434,075
Retained earnings	224,028,800	221,949,817
Unrealized holding gains, net of tax	4,250,000	2,809,000
	-----	-----
	298,712,875	295,192,892
	-----	-----
	\$343,150,844	\$340,498,230
	=====	=====

The accompanying notes are an integral part of the condensed financial statements.

PART I - FINANCIAL INFORMATION - CONTINUED
 BASSETT FURNITURE INDUSTRIES, INCORPORATED AND SUBSIDIARIES
 CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS - UNAUDITED

	THREE MONTHS ENDED FEBRUARY 28,	
	1995	1994
	-----	-----
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$5,874,788	\$5,209,879
INVESTING ACTIVITIES		
Changes (net) in investment securities	(2,378,258)	(1,718,687)
Purchases of property, plant and equipment	(3,038,893)	(2,451,953)
Proceeds from sale of property, plant and equipment	40,000	6,500
Dividend from affiliated company	272,376	272,376
Other	419,034	277,856
	-----	-----
	(4,685,741)	(3,613,908)
FINANCING ACTIVITIES		
Cash dividends	(2,817,363)	(2,889,640)
	-----	-----
CHANGE IN CASH AND CASH EQUIVALENTS	(1,628,316)	(1,293,669)
CASH AND CASH EQUIVALENTS - beginning of period	42,314,957	52,957,556
	-----	-----
CASH AND CASH EQUIVALENTS - end of period	\$40,686,641	\$51,663,887
	=====	=====

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

- A. Per share amounts are based on 14,086,815 and 14,448,201 weighted average number of shares outstanding at February 28, 1995 and 1994, respectively.
- B. Effective December 1, 1993, the Company adopted the provisions of FASB Statement No. 109 and reported the cumulative effect of the change in the method of accounting for income taxes in the financial statements for 1994 in the amount of \$510,200. The principal cause of this adjustment was due to the basis difference of an acquisition made in prior years which was accounted for as a purchase transaction.
- C. Effective December 1, 1993, the Company adopted the provisions of FASB Statement No. 115 "Accounting for Certain Investments in Debt and Equity Securities" and initially reported the effects thereof in the 1994 financial statements. Under Statement No. 115 the Company classifies its investment in securities as available-for-sale, which is reported at fair value. Unrealized holding gains and losses (net of tax effect) are reported as a separate component of stockholders' equity. The fair value and cost of the investment in securities was \$48.3 million and \$41.5 million at February 28, 1995, respectively.

PART I - FINANCIAL INFORMATION - CONTINUED
 BASSETT FURNITURE INDUSTRIES, INCORPORATED AND SUBSIDIARIES

BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS:

Major components of net income expressed as a percentage of net sales are reflected below:

	Three Months Ended February 28	
	1995	1994
	-----	-----
Cost of sales	83.31%	83.70%
SG&A expenses	12.96	12.71
Income from operations	3.73	3.59
Other income, net	1.87	1.91
Income before income taxes	5.60	5.50
Income taxes	1.64	1.61
Accounting change	-0-	.42
Net income	3.96	3.47

NET SALES

Net sales increased less than 2% in the first quarter from 1994 to 1995. There were no significant changes in any Division between the two periods.

COSTS AND EXPENSES

Cost of sales as a percentage of net sales improved from 83.70% in 1994 to 83.31% in 1995. There were no significant changes in any Division between the two periods.

Selling, general and administrative expenses as a percentage of net sales increased to 12.96% in 1995 from 12.71% in 1994. There were no significant changes in any Division between the two periods.

OTHER INCOME, NET

Major sources of other income are reflected below (in thousands):

	Three Months Ended February 28	
	1995	1994
	-----	-----
Equity in unremitted income of affiliated cos.	\$1,021	\$953
Interest (tax exempt)	550	417
Dividends	543	543
Other	199	414
	-----	-----
	\$2,313	\$2,327
	=====	=====

INCOME TAXES

The effective income tax rate remained approximately the same in the two periods: 29.23% in 1995 and 29.33% in 1994.

LIQUIDITY AND CAPITAL RESOURCES:

The current ratio was 5.9 to 1 at February 28, 1995, 5.7 to 1 at November 30, 1994 and 5.8 to 1 at February 28, 1994. Working capital has remained relatively unchanged in the past year: \$168 million (February 28, 1994); \$169 million (May 31, 1994); \$163 million (August 31, 1994); \$164 million (November 30, 1994); and \$163 million (February 28, 1995). Cash provided by operations increased to \$5.9 million in the 1995 first quarter from \$5.2 million in 1994. Cash provided by operating activities is expected to be adequate for normal future cash requirements. There were no significant commitments for capital expenditures at February 28, 1995. Capital expenditures that will be made in the future for normal requirements are anticipated to be made from funds generated by operating activities.

PART II - OTHER INFORMATION
BASSETT FURNITURE INDUSTRIES, INCORPORATED AND SUBSIDIARIES

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

- a. Exhibits
 - (27) Financial Data Schedule

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.

BASSETT FURNITURE INDUSTRIES, INCORPORATED

/s/ ROBERT H. SPILMAN

Robert H. Spilman, Chairman of the Board and Chief Executive Officer

Date: 4-4-95

/s/ PHILIP E. BOOKER

Philip E. Booker, Vice President, Controller (Chief Accounting Officer)

Date: 4-4-95

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q
QUARTERLY REPORT

For the quarter ended
February 28, 1995

Commission File Number
0-209

BASSETT FURNITURE INDUSTRIES, INCORPORATED
EXHIBIT INDEX

Exhibit No. -----	Exhibit Description -----	Page No. -----
27	Financial Data Schedule	page - 8

1,000

3-MOS
NOV-30-1995
DEC-01-1994
FEB-28-1995
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70,640
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195,732
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4,896
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