SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

Form 10-Q

(Mark One)

X Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended February 28, 2002 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 number 000-25349.

HOOKER FURNITURE CORPORATION
(Exact name of registrant as specified in its charter)

Virginia	54-0251350
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

440 East Commonwealth Boulevard, Martinsville, VA 24112
(Address of principal executive offices, Zip Code)

(276) 632-0459
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

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 (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES X NO_____

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of March 28, 2002.

Common stock, no par value	7,277,052
(Class of common stock)	(Number of shares)

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

HOOKER FURNITURE CORPORATION
CONSOLIDATED BALANCE SHEETS
(In thousands, including share data)

	(Unaudited) February 28, 2002	November 30, 2001
Assets		
Current assets		
Cash, primarily interest-bearing deposits	$ 15,157	$ 7,926
Trade receivables, less allowances of $662 and $620	31,291	29,430
Inventories	27,639	33,522
Income tax recoverable		1,359
Prepaid expenses and other	2,106	2,368
Total current assets	76,193	74,605
Property, plant, and equipment, net	50,110	49,952
Other assets	6,138	6,138
Total assets	$132,441	$130,695
Liabilities and Shareholders' Equity		
Current liabilities		
Trade accounts payable	$ 3,132	$ 4,088
Accrued salaries, wages, and benefits	4,837	4,789
Other accrued expenses	4,294	3,374
Current maturities of long-term debt	2,771	2,730
Total current liabilities	15,034	14,981
Long-term debt	23,505	24,181
Other long-term liabilities	4,221	4,395
Total liabilities	42,760	43,557
Common stock held by ESOP	9,659	9,397
Shareholders' equity		
Common stock, no par value, 10,000 shares authorized, 7,277 and 7,617 shares issued and outstanding	2,824	2,789
Unearned ESOP shares (1,639 and 1,761 shares)	(20,490)	(20,793)
Retained earnings	99,359	97,432
Accumulated other comprehensive loss	(1,671)	(1,687)
Total shareholders' equity	80,022	77,741
Total liabilities and shareholders' equity	$132,441	$130,695

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

HOOKER FURNITURE CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(In thousands, except per share data)

	Three Months Ended February 28, 2002	Three Months Ended February 28, 2001
Net sales	$60,929	$55,924
Cost of sales	45,528	42,324
Gross profit	15,401	13,600
Selling and administrative expenses	9,849	9,461
Operating income	5,552	4,139
Other income, net	167	305
Interest expense	511	505
Income before taxes	5,208	3,939
Income taxes	1,979	1,496
Net income	$ 3,229	$ 2,443
Earnings per share:		
Basic and diluted	$ 0.57	$ 0.42
Weighted average shares outstanding	5,621	5,857

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

HOOKER FURNITURE CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(In thousands)

	Three Months Ended February 28, 2002	Three Months Ended February 28, 2001
Cash flows from operating activities:		
Cash received from customers	$59,199	$58,867
Cash paid to suppliers and employees	(47,853)	(53,466)
Income taxes paid, net	(7)	(1,065)
Interest paid, net	(445)	(417)
Net cash provided by operating activities	10,894	3,919
Cash flows from investing activities:		
Purchase of property, plant, and equipment, net of disposals	(1,978)	(2,615)
Net cash absorbed by investing activities	(1,978)	(2,615)
Cash flows from financing activities:		
Proceeds from long-term debt		2,500
Payments on long-term debt	(635)	(2,477)
Cash dividends paid	(563)	(549)
Purchase and retirement of common stock	(487)	
Net cash absorbed by financing activities	(1,685)	(526)
Net increase in cash	7,231	778
Cash at beginning of year	7,926	1,243
Cash at end of period	$15,157	$ 2,021
Reconciliation of net income to net cash provided by operating activities:		
Net income	$ 3,229	$ 2,443
Depreciation and amortization	1,816	1,730
Non-cash ESOP cost	348	329
Loss on disposal of property	4	
Changes in assets and liabilities:		
Trade receivables	(1,861)	2,661
Inventories	5,883	3,779
Prepaid expenses and other assets	1,621	(145)
Trade accounts payable	(956)	(3,657)
Other accrued expenses	994	(3,145)
Other long-term liabilities	(184)	(76)
Net cash provided by operating activities	$10,894	$ 3,919

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

HOOKER FURNITURE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Dollar amounts in tables, in thousands unless otherwise indicated)

1. Preparation of Interim Financial Statements

The consolidated financial statements of Hooker Furniture Corporation (referred to as "Hooker" or the "Company") have been prepared in accordance with the rules and regulations of the Securities and Exchange Commission ("SEC"). In the opinion of management, these statements include all adjustments necessary for a fair presentation of the results of all interim periods reported herein. All such adjustments are of a normal recurring nature. Certain information and footnote disclosures prepared in accordance with generally accepted accounting principles are condensed or omitted pursuant to SEC rules and regulations. However, management believes that the disclosures made are adequate for a fair presentation of results of operations and financial position. Operating results for the interim periods reported herein may not be indicative of the results expected for the year. These financial statements should be read in conjunction with the financial statements and accompanying notes included in the Company's Annual Report on Form 10K for the fiscal year ended November 30, 2001.

2. Inventories

	(Unaudited) February 28, 2002	November 30, 2001
Finished furniture	$28,905	$33,481
Furniture in process	2,045	1,712
Materials and supplies	8,320	9,685
Inventories at FIFO	39,270	44,878
Reduction to LIFO basis	11,631	11,356
Inventories	$27,639	$33,522

3. Property, Plant, and Equipment

	(Unaudited) February 28, 2002	November 30, 2001
Buildings	$ 44,524	$ 44,314
Machinery and equipment	46,811	46,231
Furniture and fixtures	18,307	17,404
Other	3,590	3,291
Total depreciable property at cost	113,232	111,240
Accumulated depreciation	64,408	62,574
Total depreciable property, net	48,824	48,666
Land	1,286	1,286
Property, plant, and equipment, net	$ 50,110	$ 49,952

4. Long-Term Debt

	(Unaudited) February 28, 2002	November 30, 2001
Term loan	$19,876	$20,511
Industrial revenue bonds	6,400	6,400
Total debt outstanding	26,276	26,911
Less current maturities	2,771	2,730
Long-term debt	$23,505	$24,181

5. Assets Held For Sale

The Company owns an 189,000 square foot warehouse facility located in Martinsville, Virginia that is idle and presently held for sale or lease. This facility has a carrying value of $1.7 million, stated at the lower of carrying value, or fair value net of estimated selling expenses, and is classified in the balance sheets as "other assets."

6. Common Stock

During the first quarter of 2002, the Company redeemed 27,000 shares from terminating ESOP participants at a total cost of $487,000, or $17.95 per share as required by the terms of the ESOP plan. Approximately 13,000 of the shares redeemed were from ESOP participants who terminated in connection with the Martinsville downsizing, which occurred in August 2001.

7. Other Comprehensive Income

	(Unaudited) Three Months Ended February 28, 2002
Portion of interest rate swaps' fair value reclassified to interest expense	$331
Loss on interest rate swaps	306
Other comprehensive income before tax	25
Income tax expense	9
Other comprehensive income, net of tax	$ 16

The amount reclassified to interest expense includes $25,000 related to the ineffective portion of the interest rate swap agreements.

Item 2. Management's Discussion and Analysis

Results of Operations

Net sales of $60.9 million for the first quarter ended February 28, 2002, increased 8.9% from $55.9 million in the first quarter of 2001. Increased unit volume in imported product lines and home office furniture was partially offset by lower unit volume in bedroom furniture, entertainment centers, and wall systems. Average selling prices were lower during the 2002 period due to the mix of products shipped (primarily higher imported furniture shipments). The improvement in net sales reflected improved business conditions at retail and higher incoming order rates experienced since October 2001.

Gross profit margin increased to 25.3% in the 2002 first quarter, compared to 24.3% in the 2001 period. Most of this improvement can be attributed to a decrease in the delivered cost of imported furniture as a percentage of sales volume. Also, the Company shipped more "higher margin" goods (principally imported products) as a percentage of total volume. In addition, raw material costs, principally lumber and wood products, decreased as a percentage of sales volume during the 2002 period. These positive factors were partially offset by an increase in overhead costs, primarily medical benefits, as a percentage of sales volume. The Company's six manufacturing facilities have been working normal 40-hour-per-week schedules since September 10, 2001. During the later part of the first quarter 2002, the Company began working selected overtime in some plants.

Selling and administrative expenses increased $388,000 to $9.8 million for the 2002 first quarter from $9.5 million in the comparable 2001 period. The increase in expenses was due principally to higher selling expenses to support increased sales (principally sales commissions) and higher depreciation expense related to new technology placed in service during the past twelve months. These increases in expenses were partially offset by lower costs related to the Company's showroom. During the 2001 period, the Company incurred additional expenses related to the addition of 14,000 square feet to its High Point, NC showroom space. Selling and administrative expenses as a percentage of net sales decreased to 16.1% in the 2002 quarter from 16.9% in the 2001 period as a result of higher net sales in the 2002 period.

As a result of the above, operating income increased to $5.6 million, or 9.1% of net sales, in the 2002 first quarter, from $4.1 million, or 7.4% of net sales, in the comparable 2001 period.

Other income for the 2002 first quarter declined to $167,000 from $305,000 in the prior year quarter due to lower rental income. During the first quarter of 2001, the Company received rental income for land and a building that was sold on May 31, 2001 and for a warehouse facility under a lease agreement that terminated in August 2001. The warehouse facility, which is presently held for sale or lease, has a carrying value of $1.7 million stated at the lower of carrying value, or fair value net of estimated selling expenses.

The Company's effective tax rate approximated 38.0% in each of the 2002 and 2001 quarters.

Net income increased 32.2% to $3.2 million for first quarter 2002, compared to $2.4 million, in the comparable 2001 period. Earnings per share increased 35.7% to $.57 for the 2002 first quarter from $.42 in the year earlier period.

Financial Condition, Liquidity, and Capital Resources

As of February 28, 2002, assets totaled $132.4 million, increasing from $130.7 million at November 30, 2001. Shareholders' equity at February 28, 2002, was $80.0 million, compared to $77.7 million at November 30, 2001. The Company's long-term debt, including current maturities, was $26.3 million at February 28, 2002, declining from $26.9 million at November 30, 2001. Working capital increased to $61.2 million as of February 28, 2002, from $59.6 million at the end of fiscal 2001, reflecting a $7.2 million increase in cash and a $1.9 million increase in trade receivables, partially offset by declines of $5.9 million in inventories and $1.6 million in other assets.

During the first quarter ended February 28, 2002, cash generated from operations ($10.9 million) funded an increase in available cash ($7.2 million), capital expenditures ($2.0 million), repayment of long-term debt ($635,000), dividend payments ($563,000), and the purchase and retirement of common stock ($487,000). During the comparable 2001 period, cash generated from operations ($3.9 million) funded capital expenditures ($2.6 million), an increase in available cash ($778,000), and dividend payments ($549,000).

Cash generated from operations of $10.9 million during the 2002 period increased $7.0 million from $3.9 million in the comparable 2001 period. The increase is due to lower payments to suppliers and employees, lower tax payments, and higher cash received from customers. Payments to suppliers and employees decreased $5.6 million, principally a reflection of higher current liabilities and lower inventory levels partially offset by higher cost of goods sold. Cash received from customers increased $332,000 as a result of higher sales, partially offset by higher trade receivables. Tax payments decreased $1.1 million due the timing of amounts due in each respective period.

Investing activities consumed $2.0 million during the 2002 period compared to $2.6 million in the comparable 2001 period. Expenditures in each year were incurred principally for plant, equipment, and other assets to maintain and enhance the Company's facilities and business operating systems.

The Company used cash of $1.7 million for financing activities in the 2002 period compared to $526,000 in the 2001 period. During the 2002 quarter, the Company repaid $635,000 of long-term debt, paid dividends of $563,000, and redeemed 27,000 shares of common stock from terminating ESOP participants at a total cost of $487,000, or $17.95 per share, as required by the terms of the ESOP plan. During the 2001 period, the Company paid dividends of $549,000.

In 2001, the Company's Board of Directors authorized the repurchase of up to an aggregate of $5.2 million of the Company's common stock. Repurchases may be made from time to time in the open market, or in privately negotiated transactions, at prevailing market prices that the Company deems appropriate. Through February 28, 2002, the Company has repurchased 286,000 shares at a total cost of $2.4 million or an average of $8.47 per share. Based on the market value of the common stock as of March 28, 2002, the remaining $2.8 million of the authorization would allow the Company to repurchase approximately 2.7% of the 7.3 million shares outstanding, or 4.0% of the Company's outstanding shares excluding the 2.3 million shares held by the ESOP.

On February 28, 2002, the Company had $9.6 million available under its revolving line of credit and $12.9 million available under additional lines of credit to fund working capital needs. The Company believes it has the financial resources (including available cash, cash flow from operations, and lines of credit) needed to meet business requirements for the foreseeable future including capital expenditures, working capital, purchases under the stock repurchase program, and dividends on the Company's common stock. Cash flow from operations is highly dependent on order rates and the Company's operating performance.

Forward-Looking Statements

Certain statements made in this report are not based on historical facts, but are forward-looking statements. These statements can be identified by the use of forward-looking terminology such as "believes," "expects," "may," "will," "should," or "anticipates," or the negative thereof, or other variations thereon, or comparable terminology, or by discussions of strategy. These statements reflect the Company's reasonable judgment with respect to future events and are subject to risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. Those risks and uncertainties include the cyclical nature of the furniture industry, domestic and international competition in the furniture industry, general economic or business conditions, both domestically and internationally, fluctuations in the price of lumber, which is the most significant raw material used by the Company, supply disruptions or delays affecting imported products, adverse political acts or developments in the international markets from which the Company imports products, fluctuations in foreign currency exchange rates affecting the price of the Company's imported products, and capital costs.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The Company is exposed to market risk from changes in interest rates and foreign currency exchange rates, which could impact its results of operations and financial condition. The Company manages its exposure to these risks through its normal operating and financing activities and through the use of interest rate swap agreements with respect to interest rates.

The Company's obligations under its lines of credit, industrial revenue bonds, and term loan bear interest at variable rates. The Company has entered into interest rate swap agreements that, in effect, fix the rate of interest on the industrial revenue bonds at 4.7% through 2006 and on the term loan at 7.4% through 2010. There were no other material derivative instrument transactions during any of the periods presented. As of February 28, 2002, $6.4 million was outstanding under the Company's industrial revenue bonds and $19.9 million was outstanding under the term loan. No balance was outstanding under the Company's lines of credit as of February 28, 2002. A 10% fluctuation in market interest rates would not have a material impact on the Company's results of operations or financial condition.

For imported products, the Company generally negotiates firm pricing with its foreign suppliers, for periods typically of up to one year. The Company accepts the exposure to exchange rate movements beyond these negotiated periods without using derivative financial instruments to manage this risk. Since the Company transacts its purchases of import products in U.S. Dollars, a decline in the relative value of the U.S. Dollar could increase the cost of the products the Company imports. As a result, a weakening U.S. Dollar exchange rate could adversely impact sales volume and profit margins during such periods.

HOOKER FURNITURE CORPORATION

PART II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

None.

(b) Reports on Form 8-K

None.

SIGNATURE

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.

HOOKER FURNITURE CORPORATION

Date: April 10, 2002

By: /s/ R. Gary Armbrister

R. Gary Armbrister
Chief Accounting Officer
(Principal Accounting Officer)