

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

**Pursuant to Section 13 OR 15(d) of  
The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) **June 10, 2008**

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**Hooker Furniture Corporation**

(Exact name of registrant as specified in its charter)

**Virginia**  
(State or other jurisdiction  
of incorporation)

**000-25349**  
(Commission File Number)

**54-0251350**  
(IRS Employer Identification No.)

**440 East Commonwealth Boulevard, Martinsville, VA**  
(Address of principal executive offices)

**24112**  
(Zip Code)

Registrant's telephone number, including area code: **(276) 632-0459 Ext. 3106**

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(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)  
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)  
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))  
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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**Item 2.02. Results of Operations and Financial Condition.**

On June 10, 2008 the Registrant issued a press release, a copy of which is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

**Item 9.01. Financial Statements and Exhibits.**

Exhibit 99.1. Press release dated June 10, 2008

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**Hooker Furniture Corporation**

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(Registrant)

**June 10, 2008**

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(Date)

/s/ **R. GARY ARMBRISTER**

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R. Gary Armbrister  
*Chief Accounting Officer*

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## **Exhibit Index**

99.1 Press release dated June 10, 2008

## Hooker Furniture Reports Sales, Earnings Declines for Fiscal 2009 First Quarter

MARTINSVILLE, Va., June 10, 2008 (PRIME NEWSWIRE) -- Hooker Furniture Corporation (Nasdaq:HOFT) today reported net sales of \$71.0 million and net income of \$2.6 million, or \$0.23 per share, for the quarter ended May 4, 2008.

Fiscal 2009 first quarter net sales of \$71.0 million decreased \$6.3 million, or 8.1%, compared to the fiscal 2008 first quarter net sales of \$77.3 million.

2009 first quarter net income of \$2.6 million decreased \$1.7 million, or 39.2%, compared to the 2008 quarter net income of \$4.3 million. Earnings per share of \$0.23 decreased \$0.10, or 30.3%, when compared to the 2008 quarter earnings per share of \$0.33. Operating income for the 2009 first quarter decreased to \$4.0 million, or 5.6% of net sales, compared to operating income of \$6.2 million, or 8.0% of net sales, in the 2008 quarter. The primary contributors to the decrease in net income, earnings per share and operating income were:

- \* A decline in net sales by \$6.3 million, or 8.1%, and,
- \* a \$1.3 million, or 8.4% increase in selling and administrative costs to \$17.3 million, or 24.4% of net sales, compared to \$16.0 million, or 20.7% of net sales in the fiscal 2008 first quarter, principally due to the additional selling and administrative costs for Sam Moore, which was acquired at the close of the fiscal 2008 first quarter; partially offset by
- \* lower selling costs related to the Company's wood and Bradington-Young upholstery operations; and
- \* an improvement in gross profit margin to 30.0% compared with 28.6% in the prior year quarter, principally as a result of significantly lower net sales of heavily discounted, discontinued, domestically produced wood furniture compared to the fiscal 2008 first quarter.

"We're disappointed that this quarter's profitability performance is below what we've historically and recently achieved at Hooker Furniture," said Paul B. Toms Jr., chairman, chief executive officer and president. "These results are driven almost totally by the continuing and significant decline year-over-year in sales in this difficult retail environment. We still believe we have the right business model, and that all the operational initiatives we're working on are the right ones. We demonstrated during our recently completed 2008 fiscal year that our business model should enable us to produce strong operating margins. However, before that can happen, sales have to improve, so we are looking at ways to try and stimulate demand for our products. Also we need to further reduce our operating costs and we are looking for meaningful opportunities to accomplish that without sacrificing service, quality and initiatives that support growth when the economy finally rebounds."

Net sales decreased, versus the 2008 comparable quarter, across all product lines including wood, metal and leather upholstered furniture, partially offset by \$6.9 million in net sales from Sam Moore Furniture's upholstery operation, which was acquired by Hooker on April 28, 2007.

Product mix drove the Company's improvement in gross profit margin to 30% of net sales in the fiscal 2009 first quarter compared with 28.6% in the prior year quarter. "We're pleased with the gross margin performance in the first quarter," said Toms. "We're seeing less of an impact from sales of the remaining lower margin domestically-produced wood furniture inventory each month. However, our gross margin improvement is somewhat offset by our domestic manufacturing upholstery operations running reduced work schedules due to lower demand," Toms said. "We expect their performance will improve when demand increases."

Hooker continues to report improvements in its inventory and cash positions. At the end of the 2009 first quarter, inventories of \$42.3 million (excluding \$3.8 million in inventory related to Sam Moore), decreased 8.8% from \$46.4 million at February 3, 2008. The Company's cash position increased 16.9% from \$33.1 million at the end of the 2008 fiscal year to \$38.7 million at the end of the fiscal 2009 first quarter.

During the first three months of fiscal 2009, the Company generated \$8.8 million in cash flow from operations. The Company used this cash flow during the 2009 three-month period to fund: 1) an increase of cash and cash equivalents (\$5.6 million); 2) dividends (\$1.2 million); 3) common stock repurchases (\$856,000); 4) a scheduled debt repayment (\$655,000); and 5) capital expenditures (\$473,000).

### Business Outlook

"We expect retail conditions to be sluggish for the rest of the year," Toms said. "We are implementing measures to defer, reduce, or eliminate certain spending plans in response to lower sales volume, continuing to progress in managing our supply chain, warehousing and distribution operations, adjusting our inventory levels to current business conditions and evaluating the Company's domestic upholstery manufacturing work schedules and facilities for optimal capacity utilization and operational efficiencies. Our biggest opportunities presently are to work with our retailers to stimulate demand and look for additional ways to

reduce costs without compromising product quality or service. We don't want to overreact in our cost cutting, because we believe the economic downturn is temporary. We continue to make investments in our business that will pay dividends when demand improves."

#### Announcements

During its meeting in April 2008, the Board of Directors approved an additional \$10 million for the repurchase of the Company's common stock. "Along with the \$40 million in stock repurchases authorized in fiscal 2008, this additional authorization continues to demonstrate the Board's confidence in the Company's strategy, growth opportunities and financial strength, and provides a means to enhance shareholder value," Toms said.

Also at today's meeting, the Company's Board of Directors declared a quarterly cash dividend of \$0.10 per share, payable on August 29, 2008 to shareholders of record August 15, 2008.

#### Conference Call Details

Hooker Furniture will present results for its fiscal 2008 third quarter via teleconference and live internet web cast on Wednesday morning, June 11, 2008 at 9:00 a.m. Eastern Daylight Time. The dial-in number for domestic callers is 877-419-6600, and 719-325-4933 is the number for international callers.

Ranked among the nation's top 10 largest publicly traded furniture sources based on 2007 shipments to U.S. retailers, Hooker Furniture Corporation is an 84-year old residential wood, metal and upholstered furniture resource. Major wood furniture product categories include home entertainment, home office, accent, dining, bedroom and bath furniture under the Hooker Furniture brand and youth bedroom furniture sold under the Opus Designs brand. Hooker's residential upholstered seating companies include Cherryville, N.C.-based Bradington-Young LLC, a specialist in upscale motion and stationary leather furniture, and Bedford, Va.-based Sam Moore Furniture LLC, a specialist in upscale occasional chairs with an emphasis on cover-to-frame customization. Please visit our websites at [www.hookerfurniture.com](http://www.hookerfurniture.com), [www.bradington-young.com](http://www.bradington-young.com), [www.sammoore.com](http://www.sammoore.com) and [www.opusdesigns.com](http://www.opusdesigns.com).

The Hooker Furniture Corporation logo is available at <http://www.primenewswire.com/newsroom/prs/?pkgid=4305>

Statements made in this release, other than those concerning historical financial information, may be considered forward-looking statements. These statements are subject to risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements, including but not limited to: general economic or business conditions, both domestically and internationally; price competition in the furniture industry; adverse political acts or developments in, or affecting, the international markets from which the Company imports products, including duties or tariffs imposed on products imported by the Company; changes in domestic and international monetary policies and fluctuations in foreign currency exchange rates affecting the price of the Company's imported products; the cyclical nature of the furniture industry; risks associated with the cost of imported goods, including fluctuation in the prices of purchased finished goods and transportation and warehousing costs; supply, transportation and distribution disruptions, particularly those affecting imported products; risks associated with domestic manufacturing operations, including fluctuations in capacity utilization and the prices of key raw materials, transportation and warehousing costs, domestic labor costs and environmental compliance and remediation costs; the Company's ability to successfully implement its business plan to increase Sam Moore Furniture's and Opus Design's sales and improve their financial performance; achieving and managing growth and change, and the risks associated with acquisitions, restructurings, strategic alliances and international operations; higher than expected costs associated with product quality and safety, including regulatory compliance costs related to the sale of consumer products and costs related to defective products; risks associated with distribution through retailers, such as non-binding dealership arrangements; capital requirements and costs; competition from non-traditional outlets, such as catalogs, internet and home improvement centers; and changes in consumer preferences, including increased demand for lower quality, lower priced furniture due to declines in consumer confidence and/or discretionary income available for furniture purchases. Any forward looking statement that the Company makes speaks only as of the date of that statement, and the Company undertakes no obligation to update any forward-looking statements whether as a result of new information, future events, or otherwise.

Table I  
HOOKER FURNITURE CORPORATION AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS  
(In thousands, except per share data)  
(Unaudited)

	Thirteen Weeks Ended	
	May 4, 2008	April 29, 2007 (a)
	-----	-----
Net sales	\$ 71,027	\$ 77,294
Cost of sales	49,735	55,216
	-----	-----
Gross profit	21,292	22,078

Selling and administrative expenses	17,342	16,001
Restructuring credit		(129)
	-----	-----
Operating income	3,950	6,206
Other income, net	187	533
	-----	-----
Income before income taxes	4,137	6,739
Income taxes	1,532	2,453
	-----	-----
Net income	\$ 2,605	\$ 4,286
	=====	=====
Earnings per share:		
Basic	\$ 0.23	\$ 0.33
	=====	=====
Diluted	\$ 0.23	\$ 0.33
	=====	=====
Weighted average shares outstanding:		
Basic	11,533	13,172
	=====	=====
Diluted	11,539	13,173
	=====	=====
Cash dividends declared per share	\$ 0.10	\$ 0.10
	=====	=====

- (a) During the fiscal 2008 first quarter, the Company recorded a restructuring credit principally for reversal of previously accrued healthcare benefits for terminated employees at the former Pleasant Garden, N.C. facility that were not paid (\$129,000).

Table II  
HOOKER FURNITURE CORPORATION AND SUBSIDIARIES  
CONDENSED CONSOLIDATED BALANCE SHEETS  
(In thousands, including share data)  
(Unaudited)

	May 4, 2008	February 3, 2008
	-----	-----
Assets		
Current assets		
Cash and cash equivalents	\$ 38,654	\$ 33,076
Trade accounts receivable, less allowance for doubtful accounts of \$1,607 and \$1,750 on each date	34,549	38,229
Inventories	46,155	50,560
Prepaid expenses and other current assets	3,363	3,552
	-----	-----
Total current assets	122,721	125,417
Property, plant and equipment, net	25,257	25,353
Goodwill	3,778	3,774
Intangible assets	5,884	5,892
Cash surrender value of life insurance policies	12,703	12,173
Other assets	2,467	2,623
	-----	-----
Total assets	\$ 172,810	\$ 175,232
	=====	=====
Liabilities and Shareholders' Equity		
Current liabilities		
Trade accounts payable	\$ 12,493	\$ 13,025
Accrued salaries, wages and benefits	2,713	3,838
Other accrued expenses	2,347	3,553
Current maturities of long-term debt	2,744	2,694
	-----	-----
Total current liabilities	20,297	23,110
Long-term debt, excluding current maturities	4,513	5,218

Deferred compensation	5,824	5,369
Other long-term liabilities	709	709
	-----	-----
Total liabilities	31,343	34,406
Shareholders' equity		
Common stock, no par value, 20,000 shares authorized, 11,518 and 11,561 shares issued and outstanding on each date	18,133	18,182
Retained earnings	123,495	122,835
Accumulated other comprehensive loss	(161)	(191)
	-----	-----
Total shareholders' equity	141,467	140,826
	-----	-----
Total liabilities and shareholders' equity	\$ 172,810	\$ 175,232
	=====	=====

Table III  
HOOKER FURNITURE CORPORATION AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
(In thousands)  
(Unaudited)

	Thirteen Weeks Ended May 4, 2008	April 29, 2007
	-----	-----
Cash flows from operating activities		
Cash received from customers	\$ 74,776	\$ 79,493
Cash paid to suppliers and employees	(64,158)	(56,173)
Income taxes paid, net	(2,061)	(4,098)
Interest received, net	161	387
	-----	-----
Net cash provided by operating activities	8,718	19,609
	-----	-----
Cash flows from investing activities		
Acquisitions, net of cash acquired		(10,168)
Purchase of property, plant and equipment	(473)	(730)
Proceeds from the sale of property and equipment		88
	-----	-----
Net cash used in investing activities	(473)	(10,810)
	-----	-----
Cash flows from financing activities		
Purchases and retirement of common stock	(856)	(7,261)
Cash dividends paid	(1,156)	(1,327)
Payments on long-term debt	(655)	(609)
	-----	-----
Net cash used in financing activities	(2,667)	(9,197)
	-----	-----
Net increase (decrease) in cash and cash equivalents	5,578	(398)
Cash and cash equivalents at beginning of period	33,076	47,085
	-----	-----
Cash and cash equivalents at end of period	\$ 38,654	\$ 46,687
	=====	=====
Reconciliation of net income to net cash provided by operating activities		
Net income	\$ 2,605	\$ 4,286
Depreciation and amortization	574	705
Non-cash restricted stock awards and performance grants	148	11
Restructuring credit		(129)
Loss on disposal of property		9
Provision for doubtful accounts	96	349
Deferred income tax expense	187	777
Changes in assets and liabilities,		

net of effect from acquisition:

Trade accounts receivable	3,584	1,868
Inventories	4,405	12,991
Prepaid expenses and other assets	(391)	(343)
Trade accounts payable	(532)	996
Accrued salaries, wages and benefits	(1,125)	(653)
Accrued income taxes	(716)	(2,421)
Other accrued expenses	(442)	992
Other long-term liabilities	325	171
	-----	-----
Net cash provided by operating activities	\$ 8,718	\$ 19,609
	=====	=====

CONTACT: Hooker Furniture Corporation  
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and President  
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