

Common shares outstanding at July 31, 2016: 12,306,956
Par Value: \$0.05 per share

INDEX TO FORM 10-Q
For the period ended July 31, 2016

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Item 1: Financial Statements

CULP, INC.
 CONSOLIDATED STATEMENTS OF NET INCOME
 FOR THE THREE MONTHS ENDED JULY 31, 2016
 AND AUGUST 2, 2015
 UNAUDITED
 (Amounts in Thousands, Except for Per Share Data)

	THREE MONTHS ENDED	
	July 31, 2016	August 2, 2015
Net sales	\$80,682	80,185
Cost of sales	62,263	63,983
Gross profit	18,419	16,202
Selling, general and administrative expenses	9,746	8,741
Income from operations	8,673	7,461
Interest expense	-	24
Interest income	(25)	(66)
Other expense	152	95
Income before income taxes	8,546	7,408
Income taxes	3,233	2,707
Net income	\$5,313	4,701
Net income per share, basic	\$0.43	0.38
Net income per share, diluted	0.43	0.38
Average shares outstanding, basic	12,286	12,277
Average shares outstanding, diluted	12,463	12,456

See accompanying notes to the consolidated financial statements.

I -1

CULP, INC.
 CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
 FOR THE THREE MONTHS ENDED JULY 31, 2016 AND AUGUST 2, 2015
 UNAUDITED

	THREE MONTHS ENDED	
	July 31, 2, 2016	August 2, 2015
Net income	\$5,313	4,701
Other comprehensive income (loss)		
Unrealized holding gains (losses) on investments	84	(89)
Reclassification adjustment for realized loss included in net income	12	-
Total other comprehensive income (loss)	96	(89)
Comprehensive income	5,409	4,612

See accompanying notes to the consolidated financial statements.

CULP, INC.
CONSOLIDATED
BALANCE
SHEETS
JULY 31, 2016,
AUGUST 2, 2015
AND MAY 1,
2016
UNAUDITED
(Amounts in
Thousands)

	July 31, 2016	August 2, 2015	* May 1, 2016
Current assets:			
Cash and cash equivalents	\$45,549	25,933	37,787
Short-term investments	2,434	6,336	4,359
Accounts receivable, net	22,690	25,707	23,481
Inventories	48,131	46,544	46,531
Income taxes receivable	-	142	155
Other current assets	2,294	3,502	2,477
Total current assets	121,098	108,164	114,790
Property, plant and equipment, net	41,745	37,480	39,973
Goodwill	11,462	11,462	11,462
Deferred income taxes	1,942	4,406	2,319
Long-term investments	4,611	2,893	4,025
Other assets	2,502	2,475	2,573
Total assets	\$183,360	166,880	175,142

Current liabilities:

Current maturities of long-term debt \$-

26,708

2,200

28,233

-

The Pershing Square Persons have entered into a joint filing agreement, dated as of December 5, 2011, a copy of which is attached here to as Exhibit 99.1.

Item 3. Source and Amount of Funds or Other Consideration

Item 3 of the Original Schedule 13D is hereby amended and restated in its entirety as follows:

Pershing Square advises a number of client accounts, including the accounts of Pershing Square, L.P., Pershing Square II, L.P. and Pershing Square International, Ltd., a Cayman Islands exempted company (including its wholly-owned subsidiary PSRH, Inc., a Cayman Islands corporation) (collectively, the Pershing Square Funds), which purchased 3,561,943 Common Shares for total consideration of \$148,100,867 (including brokerage commissions) and 492,450 notional shares underlying the Swaps. The source of funds for such transactions was derived from the capital of the Pershing Square Funds. The Marcato Funds purchased 551,881 Common Shares for total consideration of \$20,730,015 (including brokerage commissions) and 365,714 notional shares underlying the Swaps. The source of funds for such transactions was derived from the capital of the Marcato Funds.

Table of Contents**Item 5. Interest in Securities of the Issuer.**

Items 5(a) and (b) of the Original Schedule 13D are hereby amended and restated in their entirety as follows:

(a), (b) Based upon the Form 10-Q, 41,694,559 Common Shares were outstanding as of September 30, 2011. Based on the foregoing, (i) the Pershing Shares (as defined below) represented approximately 8.5% of the Common Shares and (ii) the Marcato Shares (as defined below) represented approximately 1.3% of the Common Shares, in each case, issued and outstanding as of such date. Effective as of December 2, 2011, the Marcato Persons ceased to be deemed beneficial owners of more than five percent of the Common Shares and henceforward will cease to be reporting persons under this Schedule 13D.

Pershing Square, as the investment adviser to the Pershing Square Funds, may be deemed to have the shared power to vote or direct the vote of (and the shared power to dispose or direct the disposition of) 3,561,943 Common Shares (the Pershing Shares). As the general partner of Pershing Square, PS Management may be deemed to have the shared power to vote or to direct the vote of (and the shared power to dispose of or direct the disposition of) the Pershing Shares. As the general partner of Pershing Square, L.P. and Pershing Square II, L.P., Pershing Square GP may be deemed to have the shared power to vote or to direct the vote of (and the shared power to dispose or direct the disposition of) the 1,127,030 Common Shares held for the benefit of Pershing Square, L.P. and Pershing Square II, L.P. By virtue of William A. Ackman's position as the managing member of each of PS Management and Pershing Square GP, William A. Ackman may be deemed to have the shared power to vote or direct the vote of (and the shared power to dispose or direct the disposition of) the Pershing Shares and, therefore, William A. Ackman may be deemed to be the beneficial owner of the Pershing Shares for purposes of this Schedule 13D.

Marcato Fund I may be deemed to have the shared power to vote or direct the vote of (and the shared power to dispose or direct the disposition of) 139,179 Common Shares. Marcato Fund II may be deemed to have the shared power to vote or direct the vote of (and the shared power to dispose or direct the disposition of) 56,099 Common Shares. Marcato Master Fund may be deemed to have the shared power to vote or direct the vote of (and the shared power to dispose or direct the disposition of) 356,603 Common Shares. Marcato, as the general partner of Marcato Fund I and Marcato Fund II and the investment manager of Marcato Master Fund, may be deemed to have the shared power to vote or direct the vote of (and the shared power to dispose or direct the disposition of) 551,881 Common Shares (the Marcato Shares). By virtue of Richard T. McGuire's position as the managing member of Marcato, Richard T. McGuire may be deemed to have the shared power to vote or direct the vote of (and the shared power to dispose or direct the disposition of) the Marcato Shares and, therefore, Richard T. McGuire may be deemed to be the beneficial owner of the Marcato Shares for purposes of this Schedule 13D.

The Pershing Square Persons disclaim beneficial ownership of the Marcato Shares, and the Marcato Persons disclaim beneficial ownership of the Pershing Shares.

Item 5(c) of the Original Schedule 13D is hereby amended and restated in its entirety as follows:

(c) Exhibit 99.2 to the Original Schedule 13D and Exhibit 99.2 to this Amendment No. 1, which are both incorporated by reference into this Item 5(c) as if restated in full herein, describe all of the transactions in Common Shares and Swaps that were effected during the past sixty days by the Pershing Square Persons for the benefit of the Pershing Square Funds or the Marcato Persons for the benefit of the Marcato Funds, as applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer

Item 6 of the Original Schedule 13D is hereby amended and supplemented by deleting the second paragraph thereof in its entirety and replacing it with the following:

The Pershing Shares are beneficially owned by the Pershing Square Persons and the Marcato Shares are beneficially owned by the Marcato Persons. Furthermore, (i) the Pershing Square Persons entered into Swaps for the benefit of the Pershing Square Funds (the Pershing Square Swaps), and (ii) the Marcato Persons entered into Swaps for the benefit of the Marcato Funds (the Marcato Swaps). The Pershing Square Swaps constitute economic exposure to approximately 1.2% notional outstanding Common Shares in the aggregate, with initial reference prices ranging from \$45.12 to \$45.41. The Pershing Square Swaps expire on March 28, 2013 (with respect to economic exposure to 279,675 Common Shares) and April 22, 2013 (with respect to economic exposure to 212,775 Common Shares). The Marcato Swaps constitute economic exposure to approximately 0.9% notional outstanding Common Shares in the aggregate, with initial reference prices ranging from \$45.12 to \$49.99. The Marcato Swaps expire on March 28, 2013 (with respect to economic exposure to 195,114 Common Shares), June 6, 2013 (with respect to economic exposure to 75,000 Common Shares), July 5, 2013 (with respect to economic exposure to 62,600 Common Shares) and August 2, 2013 (with respect to economic exposure to 33,000 Common Shares).

Item 6 of the Original Schedule 13D is hereby amended and supplemented by deleting the last sentence of the third paragraph thereof in its entirety and replacing it with the following:

Counterparties for the Swaps include entities related to Morgan Stanley, Société Générale and UBS.

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Item 7. Material to be Filed as Exhibits.

Exhibit 99.1 Joint Filing Agreement, dated as of December 5, 2011, among the Pershing Square Persons.

Exhibit 99.2 Trading Data.

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SIGNATURES

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this Statement is true, complete and correct.

Dated: December 5, 2011

PERSHING SQUARE CAPITAL MANAGEMENT,
L.P.

By: PS Management GP, LLC,
its General Partner

By: /s/ William A. Ackman

Name: William A. Ackman
Title: Managing Member

PS MANAGEMENT, GP, LLC

By: /s/ William A. Ackman

Name: William A. Ackman
Title: Managing Member

PERSHING SQUARE GP, LLC

By: /s/ William A. Ackman

Name: William A. Ackman
Title: Managing Member

/s/ William A. Ackman

Name: William A. Ackman

[Signature Page to Amendment No. 1 to Schedule 13D]

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MARCATO, L.P.

By: Marcato Capital Management LLC,
its General Partner

By: /s/ Richard T. McGuire

Name: Richard T. McGuire
Title: Managing Member

MARCATO II, L.P.

By: Marcato Capital Management LLC,
its General Partner

By: /s/ Richard T. McGuire

Name: Richard T. McGuire
Title: Managing Member

MARCATO INTERNATIONAL MASTER FUND
LTD.

By: /s/ Richard T. McGuire

Name: Richard T. McGuire
Title: Director

MARCATO CAPITAL MANAGEMENT LLC

By: /s/ Richard T. McGuire

Name: Richard T. McGuire
Title: Managing Member

/s/ Richard T. McGuire

Name: Richard T. McGuire

[Signature Page to Amendment No. 1 to Schedule 13D]

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EXHIBIT INDEX

Exhibit 99.1 Joint Filing Agreement, dated as of December 5, 2011, among the Pershing Square Persons.

Exhibit 99.2 Trading Data.