FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

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

For the quarterly period ended June 27, 1999

( ) 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. 1-7604

CROWN CRAFTS, INC

(Exact name of registrant as specified in its charter)

Georgia	58-0678148
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1600 RiverEdge Parkway, Suite 200, Atlanta, Georgia 30328
(Address of principal executive offices)

(770) 644-6400
(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 (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 [ ]

The number of shares of common Stock, $1.00 par value, of the Registrant outstanding as of August 13, 1999 was 8,608,843.

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CROWN CRAFTS, INC. AND SUBSIDIARIES

PART 1 - FINANCIAL INFORMATION
ITEM 1 - CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEETS
JUNE 27, 1999 (UNAUDITED) AND MARCH 28, 1999

<TABLE>
<CAPTION>

(in thousands)	June 27, 1999	March 28, 1999
<S>	<C>	<C>
ASSETS		
CURRENT ASSETS:		
Cash		

Accounts receivable, net:	$ 1,187	$ 744
Due from factor		
Other	27,943	48,042
	6,063	7,355
Inventories	94,544	87,287
Deferred income taxes	776	776
Income tax recoverable	6,768	4,422
Other current assets	7,587	7,258
Total Current Assets	144,868	155,884
PROPERTY, PLANT AND EQUIPMENT - at cost:		
Land, buildings and improvements	45,222	45,190
Machinery and equipment	96,567	92,689
Furniture and fixtures	2,111	2,100
	143,900	139,979
Less accumulated depreciation	63,610	60,858
Property, Plant and Equipment - net	80,290	79,121
OTHER ASSETS:		
Goodwill	25,301	25,558
Other	4,238	4,288
Total Other Assets	29,539	29,846
TOTAL ASSETS	$ 254,697	$ 264,851

</TABLE>

See notes to interim consolidated financial statements.

CONSOLIDATED BALANCE SHEETS
JUNE 27, 1999 (UNAUDITED) AND MARCH 28, 1999

<TABLE>
<CAPTION>

(dollars in thousands, except par value per share)	June 27, 1999	March 28, 1999
<S>	<C>	<C>
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Notes payable	$ 54,400	$ 56,150
Accounts payable	20,140	25,339
Income taxes payable	4	8
Accrued wages and benefits	5,476	5,017
Accrued royalties	1,019	833
Other accrued liabilities	5,137	5,104
Dividends payable	258	
Current maturities of long-term debt	37,243	7,243
Total Current Liabilities	123,677	99,694
NON-CURRENT LIABILITIES:		
Long-term debt	42,857	72,857
Deferred income taxes	4,776	4,776
Other	745	745

Total Non-Current Liabilities	48,378	78,378
	---------	---------
SHAREHOLDERS' EQUITY:		
Common stock - par value $1.00 per share; 50,000,000 shares authorized; 9,983,305 and 9,983,305 shares issued	9,983	9,983
Additional paid-in capital	46,096	46,096
Retained earnings	46,872	51,009
Less: 1,374,462 and 1,374,462 shares of common stock held in treasury	(20,309)	(20,309)
	---------	---------
Total Shareholders' Equity	82,642	86,779
	---------	---------
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 254,697	$ 264,851
	=========	=========

</TABLE>

See notes to interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF EARNINGS
JUNE 27, 1999 AND JUNE 28, 1998 (UNAUDITED)

<TABLE>
<CAPTION>

(in thousands, except per share data)	June 27, 1999	June 28, 1998
-------------------------------------	------------	------------
<S>	<C>	<C>
NET SALES	$ 65,787	$ 61,708
COST OF PRODUCTS SOLD	56,842	51,654
	-----------	-----------
GROSS PROFIT	8,945	10,054
MARKETING AND ADMINISTRATIVE EXPENSES	12,063	12,260
	-----------	-----------
LOSS FROM OPERATIONS	(3,118)	(2,206)
OTHER INCOME (EXPENSE):		
Interest expense	(3,002)	(1,888)
Other - net	19	82
	-----------	-----------
LOSS BEFORE INCOME TAXES	(6,101)	(4,012)
INCOME TAX CREDITS	(2,274)	(1,690)
	-----------	-----------
NET LOSS	$ (3,827)	$ (2,322)
	===========	===========
LOSS PER SHARE - BASIC	$ (0.44)	$ (0.27)
LOSS PER SHARE - DILUTED	$ (0.44)	$ (0.27)
AVERAGE SHARES OUTSTANDING		
BASIC	8,608,843	8,545,282
	===========	===========
DILUTED	8,608,843	8,545,282
	===========	===========

DIVIDENDS DECLARED PER SHARE	$ 0.03	$ 0.03

</TABLE>

See notes to interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED JUNE 27, 1999 AND
JUNE 28, 1998
(UNAUDITED)

<TABLE>
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(dollars in thousands)	June 27, 1999	June 28, 1998
<S>	<C>	<C>
OPERATING ACTIVITIES:		
Net loss	$ (3,827)	$ (2,322)
Adjustments to reconcile net earnings to net cash provided by (used for) operating activities;		
Depreciation and amortization of property, plant and equipment	2,848	2,659
Amortization of goodwill	258	303
Loss on sale of property, plant and equipment	24	26
Changes in assets and liabilities:		
Accounts receivable	19,044	11,941
Inventories	(7,257)	(17,178)
Other current assets	(329)	(6,014)
Other assets	50	363
Accounts payable	(5,199)	69
Income taxes payable	(4)	(21)
Accrued liabilities	679	(205)
Net cash provided by (used for) operating activities	6,287	(10,379)
INVESTING ACTIVITIES:		
Capital expenditures	(4,120)	(3,991)
Proceeds from sale of property, plant and equipment	79	3
Other	(53)	
Net cash used for investing activities	(4,094)	(3,988)
FINANCING ACTIVITIES:		
Increase (decrease) in notes payable	(1,750)	13,070
Exercise of stock options		2,054
Cash dividends		(258)
Net cash (used for) provided by financing activities	(1,750)	14,866
NET INCREASE IN CASH	443	499
CASH, beginning of period	744	809
CASH, end of period	$ 1,187	$ 1,308
SUPPLEMENTAL CASH FLOW INFORMATION:		
Income taxes paid	$ 74	$ 37
Interest paid net of amounts capitalized	$ 2,409	$ 1,827

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</TABLE>

See notes to interim consolidated financial statements.

FORM 10-Q

CROWN CRAFTS, INC. AND SUBSIDIARIES

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. The accompanying unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles applicable to interim financial information and the rules and regulations of the Securities and Exchange Commission. Accordingly, they do not include all of the information and disclosures required by generally accepted accounting principles for complete financial statements. In the opinion of management, such interim consolidated financial statements contain all adjustments necessary to present fairly the Company's financial position as of June 27, 1999 and the results of its operations and its cash flows for the periods ended June 27, 1999 and June 28, 1998. Such adjustments include normal recurring accruals and a pro rata portion of certain estimated annual expenses. Operating results for the three-month period ended June 27, 1999, are not necessarily indicative of the results that may be expected for the year ending April 2, 2000. For further information, refer to the consolidated financial statements and footnotes thereto included in the annual report of Form 10-K for the year ended March 28, 1999 of Crown Crafts, Inc. (the "Company").

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Recently Issued Accounting Standards: In 1998, FASB issued Statement No. 133, "Accounting for Derivative Financial Instruments and Hedging Activities" (SFAS No. 133"). This statement requires that all derivatives be recognized I the statement of financial position as either assets or liabilities and measured at fair value. In addition, all hedging relationships must be designated, reassessed and documented pursuant to the provisions of SFAS No. 133. SFAS No. 133 is effective for fiscal years beginning after June 15, 1999. In June 1999, FASB issued Statement No. 137, "Accounting for Derivative Instruments and Hedging Activities - Deferral of the Effective Date of FASB Statement No. 133," which amends the effective date of SFAS No. 133 to June 15, 2000. The effect on the financial statements upon adoption of SFAS No. 133 has not been determined.

2. In 1999, the Company adopted SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information." The Company's principal segments include adult home furnishing and juvenile products, consisting of bedroom products (adult comforters and accessories), throws and decorative home accessories (primarily jacquard-woven throws in cotton, acrylic, rayon or chenille), and juvenile products (primarily Pillow Buddies). The second principal segment is infant products, consisting of infant bedding, bibs, and infant soft goods. The Company tracks revenues and operating profit information for these two business segments.

Financial information attributable to the Company's business segments for the quarters ended June 27, 1999 and June 28, 1998, was as follows (in thousands):

<TABLE>
<CAPTION>
Three Months Ended

Revenues:	June 27, 1999	June 28, 1998
Adult home furnishing and juvenile products	$ 44,076	$ 40,922
Infant products	21,711	20,786
Total	$ 65,787	$ 61,708

</TABLE>

<TABLE>
<CAPTION>

Operating income (loss):	Three Months Ended June 27, 1999	June 28, 1998
Adult home furnishing and juvenile products	$ (5,185)	$ (3,138)
Infant products	2,067	932
Total	$ (3,118)	$ (2,206)

</TABLE>

Net sales by individual product groups within these business segments were as follows (in thousands):

<TABLE>
<CAPTION>

	Three Months Ended June 27, 1999	June 28, 1998
Bedroom products	$ 33,761	$ 28,270
Throws and decorative home accessories	8,565	10,768
Infant and juvenile products	23,391	22,512
Other	70	158
Total net sales	$ 65,787	$ 61,708

</TABLE>

3. Interest costs of $69,000 and $26,000, respectively, were capitalized during the quarters ended June 27, 1999, and June 28, 1998.

4. Major classes of inventory were as follows (in thousands):

<TABLE>
<CAPTION>

	June 27, 1999	March 28, 1999
Raw materials	$ 33,761	$ 34,300
Work in process	5,387	4,738
Finished goods	54,701	48,249
	$ 94,544	$ 87,287

</TABLE>

5. At June 27, 1999, the Company was not in compliance with certain financial covenants pertaining to its revolving credit facilities and its 6.92% unsecured notes. Each of the lenders waived compliance with these financial covenants for the quarter ended June 27, 1999. On August 11, 1999, the Company concluded a restructuring of its notes payable, revolving credit facilities and unsecured notes. The agreements extended the maturity of the $30 million revolving credit facilities to April 3, 2000 and reduced the additional revolving credit facility to $15 million and extended its maturity to March 31, 2000. In addition, the agreements amended financial and other covenants based on the Company's projections. The agreements required the Company to grant security interests in substantially all of its assets and adjusted the interest rate on its commercial bank facilities to each bank's Base Rate plus 1% or the London Interbank Offered Rate (LIBOR) plus 2.75% and adjusted the interest rate on its 6.92% notes to 10.42%. The agreements provide for the Company to finance its seasonal working capital need by taking advances against its factored receivables of up to $30 million.

ITEM 2 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

YEAR 2000 ISSUE

In the latter portion of the 1990s, an issue affecting most companies has emerged regarding the ability of computer applications and systems to properly interpret dates later than December 31, 1999. This issue arises because, until recently, many computer applications were written using only the two right-most digits to define the applicable year. Accordingly, when the need arises to enter a date after December 31, 1999, it is unclear how any particular application will interpret the digits 00. The so-called "Year 2000 Problem" might cause programs that perform arithmetic operations, comparisons or date sorts to generate erroneous results when the program is required to process dates from both centuries, and this might result in incorrect data, system failure and other business disruptions, including, among other things, a temporary inability to procure materials, process transactions, send invoices and service customers.

With assistance from consultants and vendors, the Company has undertaken a comprehensive review of the "Year 2000 compliance" of the Company's various computer systems. Because the Company has recently concluded a general upgrade of its computer infrastructure, and because the Company is in the process of implementing an ERP project affecting many significant business modules, many of the Company's computer systems have been designed and deployed with "Year 2000 compliance" as a specific requirement.

The costs incurred by the Company in assessing "Year 2000 compliance" and performing remedial or conversion work indicated by such assessments have been expensed as incurred. The Company estimates that the total amount of such costs incurred through June 27, 1999 to be approximately $150,000. This amount includes the costs of the services of outside vendors and consultants specifically to address "Year 2000 compliance." This amount does not include any imputed amounts for the time and effort of the Company's own employees or for computer services, equipment and software purchased principally for reasons other than "Year 2000 compliance." For example, the systems installed as part of the Company's recent general computer infrastructure upgrade and the ERP systems being deployed later this year are certified by the vendors to be Year 2000 compliant, but the Company has not attempted to allocate some portion of the costs of those entire systems to "Year 2000 compliance." The Company does not believe that the total costs of "Year 2000 compliance" will materially adversely affect the Company's business operations, consolidated results of operations, liquidity or capital resources.

The Company's business activities that rely on computer applications include principally the following: word processing, communications and network operations, accounting and finance, manufacturing, distribution and order entry. With the completion in 1998 of the Company's computer infrastructure upgrade, the Company's word processing, communications and network operations operate based on Microsoft products including Windows NT, Windows 95 and Microsoft Office, all of which are certified by the vendor to be Year 2000 compliant. The Company's principal accounting and finance software package is Infinium, which also is certified by the vendor to be Year 2000 compliant. The Company deployed in July 1999, ERP software applications supporting the Company's accounting, finance and order entry functions, and its Georgia manufacturing and distribution operations. SAP America, Inc. is the vendor of these software products and certifies that they are Year 2000 compliant. The Company's two main distribution facilities in Calhoun, Georgia, and Roxboro, North Carolina, have "warehouse management system" software packages, each of which has been certified by its vendor to be Year 2000 compliant. Order entry is one of the business functions that will be performed by the ERP software when it is deployed in 1999. Additionally, the Company has "electronic data interchange" ("EDI") links with several of its major customers, and each of these has been designed and deployed to be Year 2000 compliant.

In fiscal years 1998 and 1999 the Company has invested substantial sums of money and devoted substantial time and resources to the upgrade of its computer systems and applications, including Year 2000 compliance. Nevertheless, there may be isolated computers or microprocessors that are not Year 2000 compliant. However, based on the Company's on-going diligent review, the Company does not believe that any of these will materially adversely affect the Company's business operations, consolidated results of operations, liquidity or capital resources.

In addition, the Company has developed and is implementing a plan for reviewing the Year 2000 compliance of each of its significant vendors, suppliers, financial service organizations, service providers and customers to confirm that the Company's operations will not be materially adversely affected by the failure of any such third party to have Year 2000 compliant computer systems. Where appropriate, the Company intends to request assurances from such third parties that they are addressing the Year 2000 issue and that the products and services procured or used by the Company will function properly or will be available without interruption in the Year 2000. Detailed questionnaires regarding Year 2000 readiness were submitted to such third parties during the summer of 1998, and the responses to these questionnaires have been evaluated. Nevertheless, it will be impossible to assess fully the potential consequences if service interruptions occur from suppliers or in infrastructure areas such as utilities, communications, transportation, banking and government.

As a result, the Company also is developing a business continuity plan to minimize the impact of such external events. The Company's "Year 2000 compliance" efforts are ongoing and its overall plan, as well as its development of a business continuity plan, will continue to evolve as new information becomes available.

While its efforts to address Year 2000 issues will involve additional costs and the time and effort of a number of employees, the Company believes, based on currently available information, that it will be able to manage properly its total Year 2000 exposure. There can be no assurance, however, that it will be successful in its effort or that the computer systems of other companies on which the Company will rely will be timely modified, or that a failure to modify such systems by another company or modifications that are incompatible with its systems would not have a material adverse effect on the Company's business operations, consolidated results of operations, liquidity and capital resources.

Even though the software systems being installed by the Company have been certified to be Year 2000 compliant, the software vendors may issue software patches to address additional Year 2000 issues that may manifest themselves later that are not covered in the current versions of the software.

At this time, the Company believes that the most likely worst-case scenario would result from disruptions experienced by third parties such as suppliers, utilities, and banking institutions. Such disruptions could have a material adverse effect on the Company's operations, liquidity and financial condition.

RESULTS OF OPERATIONS

THREE MONTHS ENDED JUNE 27, 1999 COMPARED TO THE THREE MONTHS ENDED JUNE 28, 1998

Net sales increased $4.1 million or 6.6% to $65.8 million in the current year quarter compared to $61.7 million in the prior year quarter. The increase was attributable to an increase of $5.5 million or 19.4% of bedroom products, off-set by a $2.2 million decline in throws and decorative home accessories. Sales of infant and juvenile products increased modestly quarter-to-quarter, from $22.5 million to $23.4 million. The increase in bedroom products resulted from the addition of the Calvin Klein Home product line and from an increase in the sales of woven bedcoverings. The decrease in the sales of throws and decorative home accessories is directly related to the increase in woven bedcoverings, as manufacturing capacity for woven products was shifted to this product line. In addition, in March, 1999, the Company sold Textile, Inc., a weaving facility in Ronda, North Carolina, as a planned reduction in capacity for the throws and decorative home accessories product group.

For the quarter ended June 27, 1999, gross profit as a percentage of net sales decreased to 13.6% from 16.3% for the quarter ended June 28, 1998. There were principally two reasons for the decline in gross profits. First was the continuing sale of close-out inventory, for which the Company had established reserves in the fourth quarter of its fiscal year ended March 28, 1999. During the quarter ended June 27, 1999, sales of such inventory totaled approximately $6 million which had the effect of reducing the gross profit percentage by approximately 1.4%. The second reason for the decline in the gross profit percentage relates to the under-absorption of overhead costs at the Company's Roxboro, North Carolina manufacturing facilities, as the Company continues its transition to the Calvin Klein Home line of products and adjusts its capacity for the anticipated level of manufacturing and distribution activity.

Marketing and administrative expenses decreased by $197,000 in the current year quarter compared to the same quarter in the prior fiscal year and were 18.3% of net sales versus 19.9%. The primary reason for the decrease was the fewer number of stores in the Company's retail division compared to the same period last year.

Interest expense for the quarter increased by $1.1 million because of higher levels of borrowings and higher effective interest rates.

The effective income tax rate at 37.3%, returned to normal levels in the quarter compared to the prior year quarter. In the quarter ended June 28, 1998, the effective tax rate at 42.1% was affected by non-deductible expenses associated with acquisitions and by higher effective state income tax rates.

FINANCIAL POSITION, LIQUIDITY AND CAPITAL RESOURCES

At June 27, 1999, the Company maintained uncommitted lines of credit totaling $40 million with two commercial banks at floating interest rates, against which a total of $29.4 million of borrowings at an interest rate of 8.25% and $2.4 million of letters of credit were outstanding. The Company also maintained unsecured committed revolving credit facilities totaling $30 million with two commercial banks at interest rates based on each bank's Base Rate plus 0.5%. At June 27, 1999, borrowings of $30 million were outstanding under these facilities at an interest rate of 8.25%. The Company pays facility fees on the unused portions of these committed credit lines. These credit facilities expired on June 30, 1999 and subsequently were extended by a renegotiation of their terms in August, 1999. Among other covenants, these revolving credit facilities contain a requirement that the Company maintain minimum levels of shareholders' equity. At June 27, 1999, the Company was not in compliance with the required level of shareholders' equity which could restrict the future payment of cash dividends. Other covenants of these revolving credit facilities require the Company to maintain certain financial ratios and place restriction on the amounts the Company may expend on acquisitions and purchases of treasury stock.

In July 1998, the Company obtained an additional $25 million unsecured committed revolving credit facility from one of its commercial banks. The facility had an initial expiration date of August 25, 1998, but has been extended by a renegotiation of its terms in August, 1999. This credit facility carried an interest rate of the bank's Base Rate plus 0.5%. At June 27, 1999, the Company had borrowings of $25 million under this facility.

The Company's 6.92% unsecured notes in the amount of $50,000,000 are placed with an insurance company and are due in annual installments of $7,142,857 from October 1999 through October 2005. The 6.92% notes and the unsecured revolving credit facilities contain similar restrictive covenants requiring the Company to maintain certain ratios of earnings to fixed charges and of total debt to total capitalization. In addition, the bank revolving credit facilities contain certain covenants requiring the Company to maintain minimum levels of shareholders' equity and certain ratios of total debt to cash flow. The bank facilities also place restrictions on the amounts the Company may expend on acquisitions and purchases of treasury stock. At June 27, 1999, the Company was not in compliance with certain provisions of its unsecured revolving credit facilities and its 6.92% unsecured notes. Each lender has waived compliance with these provisions of its agreement for the quarter ended June 27, 1999.

On July 16, 1999, the Company reached agreement in principle with its two commercial banks and with the holders of its 6.92% unsecured notes to restructure certain provisions of its borrowing arrangements. Among other things, the agreement in principle extends the maturity of the $30 million revolving credit facilities to April 3, 2000, and of the additional revolving credit facility, in the reduced amount of $15 million, to March 31, 2000, and adjusts financial and other covenants based on the Company's projections. In exchange, the Company has agreed to grant security interests in substantially all of its assets and to adjust the interest rate on its bank facilities to either each bank's Base Rate plus 1% or the London Interbank Offered Rate (LIBOR) plus 2.75% and on the notes placed with an insurance company to 10.42%. The Company closed the facilities represented by the agreement in principle on August 11, 1999.

To reduce its exposure to credit losses and to enhance its cash flow forecasts, the Company factors the majority of its trade accounts receivable. The Company's factor establishes customer credit lines, and accounts for and collects receivable balances. The factor remits payment to the Company on the due dates of the factored invoices. The factor assumes all responsibility for credit losses on sales within approved credit lines, but may deduct from its remittances to the Company the amounts of customer deductions for returns, allowances, disputes and discounts. The Company's factor at any time may terminate or limit its approval of shipments to a particular customer. If such a termination occurs, the Company may either assume the credit risks for shipments after the date of such termination or cease shipments to such customer.

The agreement in principle with its senior lenders, described above, provides for the Company to finance its seasonal working capital needs by taking advances against its factored receivables of up to $30 million.

Total debt outstanding decreased to $134.5 million at June 27, 1999 from $136.3 million at March 28, 1999. This decrease is the result of a $19 million decrease in accounts receivable, off-set by an increase in inventories and a reduction in accounts payable. The increase in inventories reflects a normal seasonal pattern, but is less than in comparable other periods because of the Company's continuing emphasis on inventory reduction through the disposition of close-outs, as discussed above.

FORWARD-LOOKING INFORMATION

This Form 10Q contains forward-looking statements within the meaning of the federal securities law. Such statements are based upon management's current expectations, projections, estimates and assumptions. Words such as "expects," "believes," "anticipates" and variations of such words and similar expressions are intended to identify such forward-looking statements. Forward-looking statements involve known and unknown risks and uncertainties that may cause future results to differ materially from those anticipated. These risks include, among others, general economic conditions, changing competition, the level and pricing of future orders from the Company's customers, the Company's dependence upon third-party suppliers, including some located in foreign countries with unstable political situations, the Company's ability to successfully implement new information technologies, the Company's ability to integrate its acquisitions and new licenses, and the Company's ability to implement improvements in its acquired businesses.

ITEM 3 - QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company is exposed to market risk from changes in interest rates on debt, commodity prices and foreign exchange rates.

The Company's exposure to interest rate risk relates to its floating rate debt, $84,400,000 of which was outstanding at June 27, 1999.

The Company's exposure to commodity price risk primarily relates to changes in the price of cotton, which is a principal raw material in a substantial number of the Company's products. To manage this risk, from time to time the Company enters into commodity future contracts and forward purchase contracts. No such contracts were outstanding at June 27, 1999.

The Company's exposure to foreign exchange rates relates to its Mexican manufacturing subsidiary. During the fiscal year ended March 28, 1999, this subsidiary manufactured products for the Company with a value of approximately $7.2 million. The Company's investment in the subsidiary was approximately $4.3 million at June 27, 1999.

PART II - OTHER INFORMATION

Item 1 - Legal Proceedings

From time to time, the Company is involved in various legal proceedings relating to claims arising in the ordinary course of its business. Neither the Company nor any of its subsidiaries is a party to any such legal proceeding the outcome of which, individually or in the aggregate, is expected to have a material adverse effect on the Company's financial condition or results of operations.

Item 2 - Changes in Securities

None

Item 3 - Defaults Upon Senior Securities

At June 27, 1999, the Company was not in compliance with certain financial covenants pertaining to its revolving credit facilities and its 6.92% unsecured notes. Each of the lenders waived compliance with these financial covenants for the quarter ended June 27, 1999.

Item 4 - Submission of Matters to Vote of Security Holders

None

Item 5 - Other Information

None

Item 6 - Exhibits and Reports on Form 8-K

EXHIBIT NUMBER	DESCRIPTION OF EXHIBITS

27 Financial Data Schedule (for SEC use only)

There were no reports on Form 8-K during the quarter ended June 27, 1999.

FORM 10-Q

CROWN CRAFTS, INC. AND SUBSIDIARIES

JUNE 27, 1999

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.

CROWN CRAFTS, INC.

Date: August 16, 1999 /s/ David S. Fraser

DAVID S. FRASER
(Chief Accounting Officer)

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