FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

OMB APPRO	DVAL					
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* SEVERSON HOWARD A							2. Issuer Name and Ticker or Trading Symbol CATO CORP [CTR]									5. Relationship of Reporting Person(s) to Issuer (Check all applicable)					
<u>SEVERSUN HUWAKD A</u>																Director			10% Ov	/ner	
-		- -											Officer ((give title		Other (s	pecify				
(Last) (First) (Middle)							3. Date of Earliest Transaction (Month/Day/Year)												below)	.	
P.O. BOX 34216						06/23/2006									EVP-REAL EST/STORE DEV						
1.0. DO	11 54210																				
		- 4.	4. If Amendment, Date of Original Filed (Month/Day/Year)										6. Individual or Joint/Group Filing (Check Applicable								
(Street)																Line)					
CHARLOTTE NC 282344216																X Form filed by One Reporting Person					
					-											Form filed by More than One Reporting					
(City) (State) (Zip)																Person					
(0.0)			(=.p)																		
		Ta	ble I - No	n-Deri	ivativ	/e Se	curi	ties A	cqı	uired, I	Dis	posed	of, or Ber	nefic	ially	Owned					
1. Title of Security (Instr. 3) 2. Transac							ction 2A. Deemed				3. 4. Sec			rities Acquired (A) or			nt of			7. Nature of	
Date					ate //onth/Day/Year)		Execution Date, if any		e,	r, Transaction Code (Instr.		Dispose	Disposed Of (D) (Instr. 3, 4			l and 5) Securitie Beneficia				Indirect Beneficial	
				(MOIIII)	(Month/Day/Year)		(Month/Day/Year)		ar)							Owned F			nstr. 4)	Ownership	
													mount (A) or (D)		Reporte Transac				- 1	(Instr. 4)	
										Code V		Amount			e	(Instr. 3 a					
CLASS A	A COMMC	23/200	2006				М		5,00	0 A	\$8	.1867	5,0	000		D					
CLASS A COMMON STOCK 06/23/							2006			S		5,000 D		\$2	24.75	0			D		
			Table II -	Deriv	ative	Sec	uriti	ലെ മറ	ani	red D	ien	nsed of	f, or Bene	ficia	llv C	wned			,		
			Table II -										ible secu			wiica					
1. Title of	2.	3. Transaction	3A. Deeme	1	4.		I E N	umber	6 0	ate Exer	nicah	le and	7. Title and	Λmou	ınt	B. Price of	9. Numbe	r of	10.	11. Nature	
Derivative	Conversion	Date	Execution [Date,	Transa		n of		Expiration Date			of Securities		Derivati		derivative		Ownership	p of Indirect		
Security (Instr. 3)	or Exercise Price of	(Month/Day/Year)	if any (Month/Day		Code (Instr 8)		str. Derivative Securities		(Mo	onth/Day/`	Year)		Underlying Derivative S	200uri		Security (Instr. 5)	Securities Beneficially		Form: Direct (D)	Beneficial Ownership	
(111511. 3)	Derivative		(WOIIIII/Day	Tical)	0)		Acquired						(Instr. 3 and 4)		(111311.3)		Owned		or Indirect	(Instr. 4)	
	Security						(A) or Disposed of (D)									Following Reported		(I) (Instr. 4)	1		
																Transaction(:					
						(Instr. 3, 4 and 5)										(Instr. 4)					
				F			and 5)							_	_						
														Amo	ount					1	
														Nun	nber						
				- 1.	Code	l _v	(A)	(D)	Dat	e ercisable		xpiration ate	Title	of Sha	res						
Cr1			 	-		L	1	- /			+		 	1	-					 	
Stock Option					(1)					(1)			CLASS A	١.,		+0					
(Right to	tht to \$6.19 06/25/2006		M ⁽¹⁾			5,000	11/0	01/2000 ⁽¹⁾	' [¹¹	1/01/2009	COMMON STOCK	5,0	000	\$ <mark>0</mark>	15,000	[,]	D				
H11371																					

Explanation of Responses:

1. This option will vest in 5 equal annual increments beginning 11/01/2000.

Remarks:

By: STUART L. USELTON, POWER OF ATTORNEY

06/23/2006

** Signature of Reporting Person

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

- * If the form is filed by more than one reporting person, see Instruction 4 (b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.