

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q/A
Amendment No. 1

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended April 28, 2012

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 1-31340

THE CATO CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

56-0484485

(State or other jurisdiction of incorporation or
organization)

(I.R.S. Employer Identification No.)

8100 Denmark Road, Charlotte, North Carolina 28273-5975

(Address of principal executive offices)
(Zip Code)

(704) 554-8510

(Registrant's telephone number, including area code)

Not Applicable

(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 ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐
(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

As of June 6, 2012, there were 27,534,595 shares of Class A common stock and 1,743,525 shares of Class B common stock outstanding.

Explanatory Note

The Cato Corporation (the “Company”) is filing this Amendment No. 1 (this “Amendment”) to its Quarterly Report on Form 10-Q for the period ended April 28, 2012, filed with the Securities and Exchange Commission on June 6, 2012 (the “Original Report”), solely for the purposes of (i) correcting the inadvertent omission of certain information in the following sentence on the cover page of the Original Report: “As of June 6, 2012, there were 27,534,595 shares of Class A common stock and 1,743,525 shares of Class B common stock outstanding”; and (ii) correcting inadvertent errors that resulted in the substitution of various software codes for various data items intended to be included in the subsection titled “Results of Operations—Comparison of First Quarter of 2012 with 2011” in Part I, Item 2, “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” in the Original Report. These errors did not affect the Company’s Unaudited Condensed Consolidated Financial Statements or other Items included in the Original Report. This Amendment amends and restates in their entirety the cover page and Item 2 of Part I of the Original Report.

No other amendments, modifications, updates or changes are being made to the Original Report other than as described above. This Amendment speaks as of the date of the filing of the Original Report. The Company has not taken into account any other events occurring after the filing of the Original Report which might have affected any disclosures in the Original Report, nor has the Company amended, modified, updated or otherwise changed any disclosures to reflect any subsequent events.

THE CATO CORPORATION
ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS

FORWARD-LOOKING INFORMATION:

The following information should be read along with the unaudited Condensed Consolidated Financial Statements, including the accompanying Notes appearing in this report. Any of the following are "forward-looking" statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended: (1) statements in this Form 10-Q that reflect projections or expectations of our future financial or economic performance; (2) statements that are not historical information; (3) statements of our beliefs, intentions, plans and objectives for future operations, including those contained in "Management's Discussion and Analysis of Financial Condition and Results of Operations"; (4) statements relating to our operations or activities for fiscal 2012 and beyond, including, but not limited to, statements regarding expected amounts of capital expenditures and store openings (including the launch of the new Versona Accessories store concept), relocations, remodels and closures; and (5) statements relating to our future contingencies. When possible, we have attempted to identify forward-looking statements by using words such as "expects," "anticipates," "approximates," "believes," "estimates," "hopes," "intends," "may," "plans," "should" and variations of such words and similar expressions. We can give no assurance that actual results or events will not differ materially from those expressed or implied in any such forward-looking statements. Forward-looking statements included in this report are based on information available to us as of the filing date of this report, but subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those contemplated by the forward-looking statements. Such factors include, but are not limited to, the following: general economic conditions, including, but not limited to, the continuation or worsening of (i) the current adverse or recessionary conditions affecting the U.S. and global economies and consumer spending and (ii) the adverse conditions in the U.S. and global credit markets and sovereign debt markets; uncertainties regarding the impact of any governmental responses to the foregoing adverse conditions; competitive factors and pricing pressures; our ability to predict fashion trends; consumer apparel and accessory buying patterns; adverse weather conditions; inventory risks due to shifts in market demand; and other factors discussed under "Risk Factors" in Part I, Item 1A of our annual report on Form 10-K for the fiscal year ended January 28, 2012 ("fiscal 2011"), as amended or supplemented, and in other reports we file with or furnish to the Securities and Exchange Commission ("SEC") from time to time. We do not undertake, and expressly decline, any obligation to update any such forward-looking information contained in this report, whether as a result of new information, future events, or otherwise.

THE CATO CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

CRITICAL ACCOUNTING POLICIES:

The Company's accounting policies are more fully described in Note 1 to the Consolidated Financial Statements included in the Company's Annual Report on Form 10-K for the fiscal year ended January 28, 2012. As disclosed in Note 1 of Notes to Consolidated Financial Statements, the preparation of the Company's financial statements in conformity with generally accepted accounting principles in the United States ("GAAP") requires management to make estimates and assumptions about future events that affect the amounts reported in the financial statements and accompanying notes. Future events and their effects cannot be determined with absolute certainty. Therefore, the determination of estimates requires the exercise of judgment. Actual results inevitably will differ from those estimates, and such differences may be material to the financial statements. The most significant accounting estimates inherent in the preparation of the Company's financial statements include the allowance for doubtful accounts receivable, reserves related to self-insurance health insurance, workers' compensation, general and auto insurance liabilities, litigation, calculation of potential asset impairment, inventory shrinkage and uncertain tax positions.

The Company's critical accounting policies and estimates are discussed with the Audit Committee.

THE CATO CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

RESULTS OF OPERATIONS:

The following table sets forth, for the periods indicated, certain items in the Company's unaudited Condensed Consolidated Statements of Income as a percentage of total retail sales:

	Three Months Ended	
	April 28, 2012	April 30, 2011
Total retail sales	100.0%	100.0%
Other income	0.9	1.0
Total revenues	100.9	101.0
Cost of goods sold	57.9	58.5
Selling, general and administrative	22.5	23.4
Depreciation	2.1	2.0
Interest and other income	(0.3)	(0.4)
Income before income taxes	18.8	17.5
Net income	11.6	11.3

THE CATO CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

RESULTS OF OPERATIONS – (CONTINUED):

Comparison of First Quarter of 2012 with 2011

Total retail sales for the first quarter were \$272.8 million compared to last year's first quarter sales of \$270.9 million, a 0.7% increase. Same-store sales decreased 2.0% in the first quarter of fiscal 2012 due to the continuing difficult economic environment. Total revenues, comprised of retail sales and other income (principally, finance charges and late fees on customer accounts receivable and layaway fees), were \$275.3 million for the first quarter ended April 28, 2012, compared to \$273.7 million for the first quarter ended April 30, 2011. The Company operated 1,293 stores at April 28, 2012 compared to 1,282 stores at the end of last year's first quarter. For the first three months of fiscal 2012 the Company opened eight new stores, relocated two stores and closed three stores. The Company currently expects to open approximately 40 stores, relocate 15 stores and close approximately 11 stores in fiscal 2012.

Credit revenue of \$1.8 million represented 0.7% of total revenues in the first quarter of fiscal 2012, compared to 2011 credit revenue of \$2.0 million or 0.7% of total revenues. Credit revenue decreased for the most recent comparable period due to lower finance charge income and lower late fee income from sales under the Company's proprietary credit card. Credit revenue is comprised of interest earned on the Company's private label credit card portfolio and related fee income. Related expenses include principally bad debt expense, payroll, postage and other administrative expenses and totaled \$1.2 million in the first quarter of 2012, compared to last year's first quarter expenses of \$1.3 million. The decrease was primarily due to lower bad debt and payroll expenses compared to the first quarter of 2011.

Other income in total, as included in total revenues, was \$2.6 million for the first quarter of fiscal 2012, compared to \$2.7 million for the prior year's comparable first quarter. The slight overall decrease resulted primarily from lower finance, late fee and layaway charges.

Cost of goods sold was \$157.8 million, or 57.9% of retail sales for the first quarter of fiscal 2012, compared to \$158.4 million, or 58.5% of retail sales in the first quarter of fiscal 2011. The overall decrease in cost of goods sold as a percent of retail sales for the first quarter of 2012 resulted primarily from lower freight costs and an increase in vendor allowances. Cost of goods sold includes merchandise costs (net of discounts and allowances), buying costs, distribution costs, occupancy costs, freight and inventory shrinkage. Net merchandise costs and in-bound freight are capitalized as inventory costs. Buying and distribution costs include payroll, payroll-related costs and operating expenses for the buying departments and distribution center. Occupancy expenses include rent, real estate taxes, insurance, common area maintenance, utilities and maintenance for stores and distribution facilities. Total gross margin dollars (retail sales less cost of goods sold exclusive of depreciation) increased by 2.2% to \$115.0 million for the first quarter of fiscal 2012 compared to \$112.5 million in the first quarter of fiscal 2011. Gross margin as presented may not be comparable to those of other entities.

THE CATO CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

RESULTS OF OPERATIONS – (CONTINUED):

Selling, general and administrative expenses (“SG&A”) primarily include corporate and store payroll, related payroll taxes and benefits, insurance, supplies, advertising, bank and credit card processing fees and bad debts. SG&A expenses were \$61.4 million, or 22.5% of retail sales for the first quarter of fiscal 2012, compared to \$63.3 million, or 23.4% of retail sales in the first quarter of fiscal 2011. SG&A expenses as a percentage of retail sales decreased 90 basis points for the first quarter of fiscal 2012 as compared to the prior year. The decrease was primarily attributable to lower incentive-based compensation expenses, partially offset by higher group health insurance costs.

Depreciation expense was \$5.8 million, or 2.1% of retail sales for the first quarter of fiscal 2012, compared to \$5.4 million, or 2.0% of retail sales for the first quarter of fiscal 2011. The slight increase in depreciation expense was due to store development and information technology investments.

Interest and other income was \$0.9 million, or 0.3% of retail sales for the first quarter of fiscal 2012, compared to \$1.0 million, or 0.4% of retail sales for the first quarter of fiscal 2011. The slight decrease was due to higher sales tax vendor income, as well as, label income in the first fiscal quarter of 2011.

Income tax expense was \$19.6 million or 7.2% of retail sales for the first quarter of fiscal 2012, compared to \$17.0 million, or 6.3% of retail sales for the first quarter of fiscal 2011. The first quarter increase resulted from higher pre-tax income and a higher effective tax rate. The effective income tax rate for the first quarter of fiscal 2012 was 38.2% compared to 35.7% for the first quarter of 2011. The current year quarter was impacted by the elimination of the benefit of the Work Opportunity Tax Credit which has not been renewed for 2012 by Congress as of April 28, 2012.

LIQUIDITY, CAPITAL RESOURCES AND MARKET RISK:

The Company has consistently maintained a strong liquidity position. Cash provided by operating activities during the first three months of fiscal 2012 was \$58.0 million as compared to \$43.0 million in the first three months of fiscal 2011. These amounts enable the Company to fund its regular operating needs, capital expenditure program, cash dividend payments, and share repurchases. In addition, the Company maintains a \$35.0 million unsecured revolving credit facility for short-term financing of seasonal cash needs. There were no outstanding borrowings on this facility at April 28, 2012.

Cash provided by operating activities for the first three months of fiscal 2012 was primarily generated by earnings adjusted for depreciation and changes in working capital. The increase of \$15.0 million for the first three months of fiscal 2012 as compared to the first three months of fiscal 2011 was primarily due to an increase in net income, a reduction in inventories partially offset by a decrease in accounts payable and accrued expenses.

The Company believes that its cash, cash equivalents and short-term investments, together with cash flows from operations and borrowings available under its revolving credit agreement will be adequate to fund the Company's regular operating requirements, expected capital expenditures, dividends and share repurchases for fiscal 2012 and for the foreseeable future.

THE CATO CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

LIQUIDITY, CAPITAL RESOURCES AND MARKET RISK (CONTINUED):

At April 28, 2012, the Company had working capital of \$296.1 million compared to \$275.8 million at April 30, 2011. Additionally, the Company had \$1.5 million invested in privately managed investment funds and other miscellaneous equities and a single auction rate security of \$3.5 million at April 28, 2012, which are included in Other assets on the Condensed Consolidated Balance Sheets.

At April 28, 2012 and January 28, 2012, the Company had an unsecured revolving credit agreement, which provides for borrowings of up to \$35.0 million. The revolving credit agreement is committed until August 2013. The credit agreement contains various financial covenants and limitations, including the maintenance of specific financial ratios with which the Company was in compliance as of April 28, 2012 and January 28, 2012. There were no borrowings outstanding under the credit facility during the first quarter ended April 28, 2012 and January 28, 2012.

At April 28, 2012, January 28, 2012 and April 30, 2011, the Company had approximately \$3.0 million, \$2.3 million and \$2.9 million, respectively, of outstanding irrevocable letters of credit relating to purchase commitments.

Expenditures for property and equipment totaled \$9.4 million in the first quarter of fiscal 2012, compared to \$4.4 million in last year's first quarter. The expenditures for the first three months of 2012 were primarily for the development of eight new stores, additional investments in new technology and the general office expansion. For the full fiscal 2012 year, the Company expects to invest approximately \$57.0 million for capital expenditures. This includes expenditures to open 40 new stores and relocate 15 stores, upgrades to merchandise systems and home office and distribution center expansion.

Net cash used in investing activities totaled \$15.7 million in the first quarter of fiscal 2012 compared to \$2.7 million used in the comparable period of 2011. The increase was due primarily to the increase in purchases of short-term investments.

On May 24, 2012, the Board of Directors increased the quarterly dividend by 9% from \$0.23 per share to \$0.25 per share.

As of April 28, 2012, the Company had 1,989,105 shares remaining in open authorizations under its share repurchase program.

The Company does not use derivative financial instruments.

THE CATO CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

LIQUIDITY, CAPITAL RESOURCES AND MARKET RISK (CONTINUED):

The Company's investment portfolio was primarily invested in tax exempt variable rate demand notes ("VRDN"), corporate bonds, and governmental debt securities held in managed funds with underlying ratings of A or better at both April 28, 2012 and January 28, 2012. The underlying securities have contractual maturities which generally range from 35 days to 29 years. Although the Company's investments in VRDN's have underlying securities with contractual maturities longer than one year, the VRDN's themselves have interest rate resets of 7 days and are considered short-term investments. These securities are classified as available-for-sale and are recorded as short-term investments on the accompanying Condensed Consolidated Balance Sheets at estimated fair value, with unrealized gains and losses reported net of taxes in accumulated other comprehensive income.

Additionally, at April 28, 2012, the Company had \$1.0 million of privately managed funds, \$0.5 million of corporate equities and a single auction rate security ("ARS") of \$3.5 million which continues to fail its auction. At January 28, 2012, the Company had \$1.6 million of privately managed funds, \$0.4 million of corporate equities and a single ARS of \$3.5 million. See Note 8 – Fair Value Measurements for further information regarding the failed ARS. All of these assets are recorded within Other assets in the Condensed Consolidated Balance Sheets.

Information regarding new accounting pronouncements is provided in Note 9 to the Company's Condensed Consolidated Financial Statements.

Exhibit No.	Item
3.1*	Registrant's Restated Certificate of Incorporation dated March 6, 1987, incorporated by reference to Exhibit 4.1 to Form S-8 of the Registrant filed February 7, 2000 (SEC File No. 333-96283).
3.2*	Registrant's By Laws incorporated by reference to Exhibit 99.2 to Form 8-K of the Registrant Filed December 10, 2007.
4.1*	Rights Agreement dated December 18, 2003, incorporated by reference to Exhibit 4.1 to Form 8-A12G of the Registrant filed December 22, 2003 and as amended in Form 8-A12B/A filed January 6, 2004.
31.1***	Rule 13a-14(a)/15d-14(a) Certification of Principal Executive Officer.
31.2***	Rule 13a-14(a)/15d-14(a) Certification of Principal Financial Officer.
32.1***	Section 1350 Certification of Principal Executive Officer.
32.2***	Section 1350 Certification of Principal Financial Officer.
101.1**	The following materials from Registrant's Quarterly Report on Form 10-Q for the fiscal quarter ended April 28, 2012, formatted in XBRL: (i) Condensed Consolidated Statements of Income and Comprehensive Income for the Three Months ended April 28, 2012 and April 30, 2011; (ii) Condensed Consolidated Balance Sheets at April 28, 2012; April 30, 2011 and January 28, 2012; (iii) Condensed Consolidated Statements of Cash Flows for the Three Months ended April 28, 2012 and April 30, 2011; and (iv) Notes to Condensed Consolidated Financial Statements tagged as blocks of text.

* *Previously incorporated by reference in our Original Report.

**Previously submitted as an exhibit to our Original Report.

***Submitted electronically herewith.

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Amendment No. 1 to its Quarterly Report on Form 10-Q to be signed on its behalf by the undersigned thereunto duly authorized.

THE CATO CORPORATION

June 8, 2012

Date

/s/ John P. D. Cato

John P. D. Cato
Chairman, President and
Chief Executive Officer

June 8, 2012

Date

/s/ John R. Howe

John R. Howe
Executive Vice President
Chief Financial Officer

**PRINCIPAL EXECUTIVE OFFICER CERTIFICATION PURSUANT TO
SECURITIES EXCHANGE ACT OF 1934 RULE 13a-14(a)/15d-14(a), AS ADOPTED
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, John P. D. Cato, certify that:

1. I have reviewed this report on Form 10-Q of The Cato Corporation (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: June 8, 2012

/s/ John P. D. Cato

John P. D. Cato
Chairman, President and
Chief Executive Officer

**PRINCIPAL FINANCIAL OFFICER CERTIFICATION PURSUANT TO
SECURITIES EXCHANGE ACT OF 1934 RULE 13a-14(a)/15d-14(a), AS ADOPTED
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, John R. Howe, certify that:

1. I have reviewed this report on Form 10-Q of The Cato Corporation (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: June 8, 2012

/s/ John R. Howe

John R. Howe
Executive Vice President
Chief Financial Officer

CERTIFICATION OF PERIODIC REPORT

I, John P. D. Cato, Chairman, President and Chief Executive Officer of The Cato Corporation (the “Company”), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that on the date of this Certification:

1. the Form 10-Q of the Company for the quarter ended April 28, 2012 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: June 8, 2012

/s/ John P. D. Cato

John P. D. Cato
Chairman, President and
Chief Executive Officer

CERTIFICATION OF PERIODIC REPORT

I, John R. Howe, Executive Vice President, Chief Financial Officer of The Cato Corporation (the “Company”), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that on the date of this Certification:

1. the Form 10-Q of the Company for the quarter ended April 28, 2012 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: June 8, 2012

/s/ John R. Howe

John R. Howe
Executive Vice President
Chief Financial Officer
