

# THE CATO CORPORATION

## CODE OF ETHICS FOR THE PRINCIPAL EXECUTIVE OFFICER, PRINCIPAL FINANCIAL OFFICER AND PRINCIPAL ACCOUNTING OFFICER

(AS REQUIRED BY SECTION 406 OF THE SARBANES-OXLEY ACT)  
AS AMENDED ON FEBRUARY 25, 2010

The Cato Corporation (the "Company") has a Code of Business Conduct and Ethics applicable to all directors and associates of the Company. The (i) Chief Executive Officer, (ii) Chief Financial Officer, and (iii) Controller ("Covered Officers") are covered by the provisions set forth therein. In addition to the Code of Business Conduct and Ethics, the Covered Officers are subject to the following additional specific policies:

1. The Covered Officers shall conduct the Company's business in an honest and ethical manner, which includes the ethical handling of actual or apparent conflicts of interest between personal and professional relationships. A Covered Officer shall promptly bring to the attention of the Chief Executive Officer and the Audit Committee of the Board of Directors any information he may have concerning any violation of the Company's Code of Business Conduct and Ethics or this Code of Ethics, including any actual or apparent conflicts of interest between personal and professional relationships.
2. The Covered Officers will promote full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the Company with the Securities and Exchange Commission and in other public communications made by the Company. Accordingly, it is the responsibility of the Covered Officers to promptly bring to the attention of the Company's Chief Executive Officer and Audit Committee any material information as to which he or she may become aware that affects the disclosures made by the Company in its public filings and communications or is otherwise necessary to assist the Chief Executive Officer and Audit Committee in fulfilling their responsibilities.
3. A Covered Officer shall promptly bring to the attention of the Chief Executive Officer and Audit Committee any information he or she may have concerning (a) significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarize and report financial data or (b) any fraud, whether or not material, that involves management or associates who have a significant role in the Company's financial reporting, disclosures or internal controls.
4. The Covered Officers are required to comply with all applicable laws, rules and regulations governing the conduct of the Company's business. A Covered Officer shall promptly bring to the attention of the Chief Executive Officer and the Audit Committee any information he or she may have concerning evidence of a material violation of the securities or other laws, rules or regulations applicable to the Company and the operation of its business by the company or any agent thereof.
5. No Covered Officer shall take, or knowingly allow any associate to take, any action to fraudulently influence, coerce, manipulate or mislead the Company's independent public auditing firm for the purpose of rendering the Company's financial statements materially misleading. If any Covered Officer becomes aware of any such circumstance, he or she will report it immediately to the Chief Executive Officer and Audit Committee.

6. In the event of violations of the Code of Business Conduct and Ethics by any of the Company's Executive Officers or of this Code of Ethics by the Covered Officers, the Board of Directors shall determine, or designate appropriate persons to determine appropriate actions to be taken. Such actions shall be reasonably designed to deter wrongdoing and to promote accountability for adherence to the Code of Business Conduct and Ethics and to this Code of Ethics. In determining what action is appropriate in a particular case, the Board of Directors or such designee shall take into account all relevant information, including the nature and severity of the violation, whether the violation was a single occurrence or repeated occurrences, whether the violation appears to have been intentional or inadvertent, whether the individual in question had been advised prior to the violation as to the proper course of action and whether or not the individual in question had committed other violations in the past. Disciplinary action, up to and including termination of employment may result from failure to comply with this Code of Ethics or the Code of Business Conduct and Ethics.
  
7. Any waiver of this Code of Ethics may be made only by the Board of Directors or by a committee of the Board of Directors and will be disclosed as required by the New York Stock Exchange listing requirements and applicable laws, rules, and regulations.

Any associate who becomes aware of any suspected or known violation of this Code of Ethics should promptly report such concerns in the manner described in the Company's Code of Business Conduct and Ethics.

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_