FORM 10-Q/A

Quarterly report pursuant to sections 13 or 15(d) [amend]

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INTERFACE INC

CIK:**715787**| IRS No.: **581451243** | State of Incorp.:**GA** | Fiscal Year End: **1231**
Type: **10-Q/A** | Act: **34** | File No.: **000-12016** | Film No.: **94514141**
SIC: **2273** Carpets & rugs

Business Address
ORCHARD HILL RD
P O BOX 1503
LAGRANGE GA 30241
4043196471

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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q/A

/X/ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR QUARTERLY PERIOD ENDED JULY 4, 1993

COMMISSION FILE NUMBER 0-12016

INTERFACE, INC.

(Exact name of registrant as specified in its charter)

GEORGIA	58-1451243
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

ORCHARD HILL ROAD, P.O. BOX 1503, LAGRANGE, GEORGIA 30241

(Address of principal executive offices and zip code)

(706) 882-1891

(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

Shares outstanding of each of the registrant's classes of common stock at August 10, 1993:

Class	Number of Shares
Class A Common Stock, $.10 par value per share	14,090,513
Class B Common Stock, $.10 par value per share	3,214,387

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INTERFACE, INC.

Part I, Item 1 of the Registrant's Form 10-Q for the quarter ended July 4, 1993 is deleted in its entirety and the following is inserted in lieu thereof:

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

INTERFACE, INC. AND SUBSIDIARIES
Consolidated Condensed Balance Sheets
(Unaudited)

<TABLE>
<CAPTION>

(In thousands) ASSETS	July 4, 1993	January 3, 1993
<S>	<C>	<C>

CURRENT ASSETS:		
Cash and Cash Equivalents	$ 8,418	$ 10,243
Accounts Receivable	119,299	109,343
Inventories	122,655	101,390
Deferred Tax Asset	1,517	743
Prepaid Expenses	15,617	10,712
TOTAL CURRENT ASSETS	267,506	232,431
PROPERTY AND EQUIPMENT, less accumulated depreciation	143,421	137,605
EXCESS OF COST OVER NET ASSETS ACQUIRED	192,539	133,321
OTHER ASSETS	33,169	30,763
	$636,635	$534,120
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts Payable	52,069	43,530
Accrued Expenses	41,462	38,642
Current Maturities of Long-Term Debt	11,188	11,425
TOTAL CURRENT LIABILITIES	104,719	93,597
LONG-TERM DEBT, less current maturities	200,301	131,563
CONVERTIBLE SUBORDINATED DEBENTURES	103,925	103,925
DEFERRED INCOME TAXES	22,149	18,686
TOTAL LIABILITIES	431,094	347,771
SHAREHOLDERS' EQUITY:		
Preferred Stock	25,000	-
Common Stock:		
Class A	1,757	1,757
Class B	329	329
Additional Paid-In Capital	82,110	82,110
Retained Earnings	120,053	117,174
Foreign Currency Translation Adjustment	(5,962)	2,725
Treasury Stock, 3,600 Class A Shares, at Cost	(17,746)	(17,746)
TOTAL SHAREHOLDERS' EQUITY	205,541	186,349
	$636,635	$534,120

</TABLE>

See accompanying notes to consolidated condensed financial statements.

INTERFACE, INC. AND SUBSIDIARIES
Consolidated Condensed Statements of Income
(Unaudited)

(In thousands except per share amounts)

<TABLE>
<CAPTION>

	Three Months Ended		Six Months Ended	
	July 4, 1993	July 5, 1992	July 4, 1993	July 5, 1992
<S>	<C>	<C>	<C>	<C>
Net Sales	$150,045	$149,299	$283,713	$303,789
Cost of Sales	102,602	100,423	195,035	204,711
Gross Profit on Sales	47,443	48,876	88,678	99,078
Selling, General and Administrative Expense	36,726	37,289	69,258	75,132
Operating Income	10,717	11,587	19,420	23,946
Other (Expense) Income - Net	(6,412)	(6,097)	(11,722)	(12,310)
Income before Taxes on Income	4,305	5,490	7,698	11,636

Taxes on Income	1,508	2,082	2,697	4,449
Net Income	2,797	3,408	5,001	7,187
Less: Preferred Dividends	53	0	53	0
Net Income Available to Common Shareholders	$2,744	$3,408	$4,948	$7,187
Earnings Per Share				
Primary	$0.16	$0.20	$0.29	$0.42
Fully Diluted<F1>*	$0.16	$0.20	$0.29	$0.42
Dividends Per Share of Common Stock	$0.06	$0.06	$0.12	$0.12
Weighted Average Common Shares Outstanding				
Primary	17,265	17,251	17,265	17,241
Fully Diluted	23,410	23,396	23,410	23,386

<FN>

<F1>* For the three month and six month periods ended July 4, 1993 and July 5, 1992, respectively, earnings per share on a fully diluted basis were antidilutive.

</TABLE>

See accompanying notes to consolidated condensed financial statements.

INTERFACE, INC. AND SUBSIDIARIES
Consolidated Condensed Statements of Cash Flows
(Unaudited)

<TABLE>
<CAPTION>

	Six Months Ended	
(In thousands)	July 4, 1993	July 5, 1992
<S>	<C>	<C>
Operating Activities:		
Net Income	$ 5,001	$ 7,187
Adjustment to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	11,993	11,328
Deferred income taxes	(27)	46
Cash provided by (used for):		
Accounts receivable	4,519	2,412
Inventories	(2,504)	1,120
Prepaid and other	(4,097)	(2,222)
Accounts payable and accrued expenses	(6,324)	(3,443)
	8,561	16,428
Investing Activities:		
Capital expenditures	(6,805)	(8,471)
Acquisitions of businesses	(40,324)	0
Other	(1,236)	(1,583)
	(48,365)	(10,054)
Financing Activities:		
Net borrowing of long-term debt	15,144	(2,970)
Issuance of preferred stock	25,000	0
Issuance of common stock	0	344
Dividends paid	(2,072)	(2,070)
Other	0	(1,276)

	38,072	(5,972)
Net cash provided by operating, investing and financing activities	(1,732)	402
Effect of exchange rate changes on cash	(93)	98
Cash and cash equivalents:		
Net increase (decrease) during the period	(1,825)	500
Balance at beginning of period	10,243	10,376
Balance at end of period	$ 8,418	$10,876

</TABLE>

See accompanying notes to consolidated condensed financial statements.

INTERFACE, INC. AND SUBSIDIARIES
Notes to Consolidated Condensed Financial Statements

NOTE 1 - CONDENSED FOOTNOTES

As contemplated by the Securities and Exchange Commission instructions to Form 10-Q, the following footnotes have been condensed and, therefore, do not contain all disclosures required in connection with annual financial statements. Reference should be made to the notes to the Company's year-end financial statements contained in its Annual Report to Shareholders for the fiscal year ended January 3, 1993, as filed with the Securities and Exchange Commission.

NOTE 2 - FISCAL YEAR END

The Company's fiscal year ends on the Sunday nearest December 31. The fiscal year ended January 3, 1993 was comprised of 53 weeks. The fiscal year ending January 2, 1994 will be comprised of 52 weeks; therefore, the first quarter of fiscal 1993 was comprised of 13 weeks as compared to 14 weeks in fiscal 1992.

NOTE 3 - INVENTORIES

Inventories are summarized as follows:

<TABLE>
<CAPTION>

<S>	July 4, 1993 <C>	January 3, 1993 <C>
Finished Goods	$ 67,784	$ 55,527
Work-in-Process	20,838	21,882
Raw Materials	34,033	23,981
	$122,655	$101,390

</TABLE>

NOTE 4 - BUSINESS ACQUISITIONS

The Company, through a series of stock purchases in June 1993, acquired 100% of the outstanding capital stock of Bentley Mills, Inc. ("Bentley"), a U.S. company engaged in the manufacturing and distribution of broadloom carpet, for the aggregate consideration of $34.0 million, which is comprised of $9.0 million in cash and $25.0 million of Series A Cumulative Convertible Preferred Stock. As part of the overall transaction, the Company also repaid Bentley's existing bank debt. The Company accounted for this transaction as a purchase. At the acquisition date, the fair value of the net liabilities of Bentley exceeded the fair

INTERFACE, INC. AND SUBSIDIARIES
Notes to Consolidated Condensed Financial Statements

NOTE 4 - BUSINESS ACQUISITIONS (Continued)

value of its net assets by approximately $23.1 million. Accordingly, the excess of the purchase price ($34.0 million) over the fair value of net assets acquired was approximately $57.1 million and is being amortized over 40 years. The results of operations of Bentley have been included within the consolidated financial statements since June 1, 1993.

The following table summarizes the pro forma results of operations of the Company as though the Bentley acquisition had occurred at the beginning of each of the six month periods presented:

(In Thousands, except Earnings Per Share)
<TABLE>
<CAPTION>

	Six Month Period Ended	
	June 4, 1993	June 28, 1992
<S>	<C>	<C>
Net Sales	$341,729	$356,310
Net Income	6,837	6,733
Earnings Per Share		
Primary	.34	.46
Fully Diluted<F1>*	.34	.46

<FN>
<F1>* For the six month periods ended July 4, 1993 and June 28, 1992, respectively, earnings per share on a fully diluted basis were antidilutive.
</TABLE>

On February 18, 1993, the Company acquired (through its fabrics subsidiary) the fabric division assets of Stevens Linen Associates, Inc., based in Dudley, Massachusetts, for $4.9 million. In addition, on January 14, 1993, the Company acquired (through certain of its U.S. and French subsidiaries), for $1.3 million, the patents, know-how and production equipment of Servoplan, S.A., a French company, relating to the low-profile access flooring system developed by Servoplan.

NOTE 5 - CAPITAL STOCK

The Company issued a new Series A Cumulative Convertible Preferred Stock in conjunction with the Bentley transaction. The Preferred Stock is entitled to a 7% annual cumulative cash dividend that is payable quarterly. Shares of Series A Preferred Stock are non-voting, except as required by law or in limited circumstances to protect their preferential rights, but are convertible into shares of the Company's Class A Common Stock at a rate of one share for each $14.7875 of face value and accrued but unpaid dividends.

NOTE 6 - EARNINGS PER SHARE AND DIVIDENDS

Earnings per share are computed on the basis of the weighted average number of shares of common stock outstanding during each period. Primary earnings per share are computed by dividing net income by the weighted average number of common shares outstanding during each period. Fully diluted earnings per share are computed on the same basis as primary earnings per share, except that the 8% Convertible Subordinated Debentures issued in September 1988 are assumed to be converted to common stock and the interest thereon, net of income tax effect, is added back to net income.

For the purpose of computing earnings per share and dividends paid, the Company is treating as treasury stock (and, therefore, not outstanding) 3,600,000 shares of Class A Common Stock owned by Interface Europe, Ltd., a wholly-owned subsidiary in the United Kingdom.

INTERFACE, INC. AND SUBSIDIARIES
Notes to Consolidated Condensed Financial Statements

The financial information included in this report has been prepared by the Company, without audit, and should not be relied upon to the same extent as audited financial statements. In the opinion of management, the financial information included in this report contains all adjustments (all of which are normal and recurring) necessary for a fair presentation of the results for the interim period. Nevertheless, the results shown are for an interim period and are not necessarily indicative of results to be expected for the year.

Part I, Item 2 of the Registrant's Form 10-Q for the quarter ended July 4, 1993 is deleted in its entirety and the following is inserted in lieu thereof.

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

RESULTS OF OPERATIONS. For the three month and six month periods ended July 4, 1993, the Company's net sales increased $.7 million (.5%) and decreased $18.7 million (6.2%), respectively, compared to the same periods in 1992. The decrease for the six month period was primarily attributable to (i) the strengthening of the U.S. dollar against certain key European currencies, (ii) slow sales in the U.S., Japan and Continental Europe carpet tile markets, accentuated by a continued recessionary climate, and (iii) competitive price pressures, particularly in the U.S. carpet tile operations. These decreases in sales were somewhat offset by sales generated by Bentley Mills, Inc., which was acquired during June 1993, coupled with increased sales volume in the Company's carpet tile operations in the Asia-Pacific, particularly Southeast Asia, and the interior fabrics operations.

Cost of sales increased as a percentage of sales for the three and six months ended July 4, 1993, compared with the same periods in 1992. The increase was due primarily to (i) increased costs associated with the Company's Netherlands manufacturing facility, which experienced unfavorable foreign currency exchange rates in certain of its export markets, particularly the United Kingdom, Spain, Italy and Sweden, (ii) reduced efficiencies in the Company's carpet tile manufacturing operations as a result of a decline in unit volumes, and (iii) competitive price pressures in the U.S..

Selling, general and administrative expenses as a percentage of sales decreased for the three and six months ended July 4, 1993, compared to the same periods in 1992, primarily as a result of continued cost control measures which were implemented in 1991 and 1992 throughout the Company, particularly in Europe.

For the three month and six month periods ended July 4, 1993, the Company's other expense increased $.3 million and decreased $.6 million, respectively, compared to the same periods in 1992. The decrease for the six month period was primarily due to a reduction in outstanding bank debt, prior to the acquisition of Bentley, coupled with a decline in overall interest rates. The decrease in other expense associated with a decline in interest rates and bank reduction was offset, in the three month period ended July 4, 1993, by an increase interest expense on bank debt incurred in conjunction with the acquisition of Bentley in June 1993.

Due, by and large, to the aforementioned factors, the Company's net income decreased 19.5% and 31.2%, respectively, for the three months and six months ended July 4, 1993, compared to the same periods in 1992.

LIQUIDITY AND CAPITAL RESOURCES. The primary uses of cash for the six month period ended July 4, 1993 have been: (i) $34.1 million associated with the acquisition of Bentley Mills, (ii) $6.8 million for additions to property and equipment in the Company's manufacturing facilities, (iii) $4.9 million for a business acquisition in the Company's interior fabrics division, (iv) $1.3 million for investment in patents, and (v) $2.1 million for dividends paid. These uses of cash were funded, in part, by $25.0 million in newly issued preferred stock, $8.6 million in operating activities and $15.1 million from long-term financing.

The Company, as of July 4, 1993, recognized an $8.3 million decrease in foreign currency translation adjustments compared to that of January 3, 1993, primarily due to the movement of the U.S. dollar against two key functional currencies, the British pound sterling and the Dutch guilder. This adjustment to shareholders' equity was converted by the guidelines of the Financial Accounting Standards Board (FASB) 52.

The Company has amended and restated its existing revolving credit and term loan facilities in conjunction with the purchase of Bentley Mills. The amendment, among other things, increased the outstanding term loan by $55.0 million and reduced the revolving credit facility by approximately $25.0 million.

Management believes that the cash provided by operations and available under long-term loan commitments will provide adequate funds for current commitments and other requirements in the foreseeable future.

Bentley Mills' City of Industry, California plant is located in the San Gabriel Valley, which has been generally designated as a Superfund site. Neither the Environmental Protection Agency nor the potentially responsible party ("PRP") group has asserted that Bentley is a PRP in connection with such Superfund site.

SIGNATURE

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.

INTERFACE, INC.

Date: February 28, 1994

By: /s/ Daniel T. Hendrix

Daniel T. Hendrix
Vice President
(Principal Financial Officer)