

## NEWS RELEASE

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CONTACT: DOUGLAS I. PAYNE  
Executive Vice President –  
Finance and Administration  
(276) 627-2157  
e-mail:dpayne@stanleyfurniture.com

ROBIN W. CAMPBELL  
Manager-Advertising and Marketing  
Services  
(276) 627-2245  
e-mail:rcampbell@stanleyfurniture.com

### **STANLEY FURNITURE INCREASES QUARTERLY CASH DIVIDEND 25%**

STANLEYTOWN, VA, January 29, 2007/PRNewswire/ – Stanley Furniture Company, Inc. (Nasdaq-NGS:**STLY**) announced today that its Board of Directors has approved a 25% increase in its quarterly cash dividend to \$.10 per share payable on March 5, 2007 to shareholders of record on February 16, 2007.

Established in 1924, Stanley Furniture Company, Inc. is a leading manufacturer of wood furniture targeted at the upper-medium price range of the residential market. Manufacturing facilities are located in Stanleytown and Martinsville, Va. and Robbinsville and Lexington, N.C. Its common stock is traded on the Nasdaq stock market under the symbol **STLY**.

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