

FORM 4

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

OMB APPROVAL	
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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

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

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

(Print or Type Responses)

1. Name and Address of Reporting Person* KATHWARI M FAROOQ		2. Issuer Name and Ticker or Trading Symbol ETHAN ALLEN INTERIORS INC [ETH]		5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) Chairman, President, CEO	
(Last) (First) (Middle) ETHAN ALLEN INTERIORS INC., ETHAN ALLEN DRIVE		3. Date of Earliest Transaction (Month/Day/Year) 02/02/2007			
(Street) DANBURY, CT 06811		4. If Amendment, Date Original Filed(Month/Day/Year)		6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person	
(City) (State) (Zip)		Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned			

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock								2,023,792 ⁽¹⁾	D	
Common Stock								255,749	I	Kathwari 2005 Grantor Retained Annuity Trust (GRAT)
Common Stock								138,186 ⁽²⁾	I	Irfan Kathwari Trust
Common Stock								15,364	I	Held by Spouse
Common Stock	02/02/2007		M		500,000	A	\$ 21.17	2,523,792	D	
Common Stock	02/02/2007		D		369,601 ⁽³⁾	D	\$ 21.17	2,154,191	D	

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

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V		Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Common Stock	\$ 21.17	02/02/2007		M	V	500,000	09/17/2001	09/17/2007	Common Stock	500,000	\$ 38.83	0	D	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other

KATHWARI M FAROOQ ETHAN ALLEN INTERIORS INC. ETHAN ALLEN DRIVE DANBURY, CT 06811	X	X	Chairman, President, CEO	
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Signatures

M.Farooq Kathwari		02/06/2007
<small>**Signature of Reporting Person</small>		<small>Date</small>

Explanation of Responses:

- * 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).
- (1) Includes receipt of shares from GRAT; gift of 15,000 shares to Foundation; gift of 500 shares to Farah Kathwari; gift of 500 shares to Omar Kathwari; and 10,500 shares of restricted stock.
- (2) Receipt of 15,000 gifted shares from Direct holdings.
- (3) Such shares paid to Company by Reporting Person; 272,556 as exercise price and 97,045 paid with respect to tax obligations.

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

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