UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

FORM 10-Q

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

For the quarterly period ended November 2, 2003

Commission File No. 0-12781

CULP, INC.

(Exact name of registrant as specified in its charter)

NORTH CAROLINA	56-1001967
(State or other jurisdiction of incorporation or other organization)	(I.R.S. Employer Identification No.)

101 S. Main St., High Point, North Carolina	27261-2686
(Address of principal executive offices)	(zip code)

(336) 889-5161
(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 of the Securities Exchange Act of 1934 during the preceding 12 months and (2) has been subject to the filing requirements for at least the past 90 days.

YES X NO

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

YES NO X

Indicate the number of shares outstanding of each issuer's classes of common stock, as of the latest practical date:

Common shares outstanding at November 2, 2003: 11,528,584
Par Value: $.05

INDEX TO FORM 10-Q
For the period ended November 2, 2003

Item 1: Financial Statements

CULP, INC.
CONSOLIDATED STATEMENTS OF INCOME (LOSS)
FOR THE THREE MONTHS AND SIX MONTHS ENDED NOVEMBER 2, 2003 AND OCTOBER 27, 2002
Unaudited
(Amounts in Thousands, Except for Per Share Data)

	THREE MONTHS ENDED				
	Amounts			Percent of Sales	
	November 2, 2003	October 27, 2002	% Over (Under)	November 2, 2003	October 27, 2002
Net sales	$ 82,731	83,740	(1.2)%	100.0 %	100.0 %
Cost of sales	65,993	69,997	(5.7)%	79.8 %	83.6 %
Gross profit	16,738	13,743	21.8 %	20.2 %	16.4 %
Selling, general and administrative expenses	10,296	9,481	8.6 %	12.4 %	11.3 %
Restructuring expense	0	13,360	(100.0)%	0.0 %	16.0 %
Income (loss) from operations	6,442	(9,098)	170.8 %	7.8 %	(10.9)%
Interest expense	1,509	1,676	(10.0)%	1.8 %	2.0 %
Interest income	(121)	(121)	0.0 %	(0.1)%	(0.1)%
Other expense (income), net	62	242	(74.4)%	0.1 %	0.3 %
Income (loss) before income taxes	4,992	(10,895)	145.8 %	6.0 %	(13.0)%
Income taxes *	1,846	(4,305)	142.9 %	37.0 %	39.5 %
Net income (loss)	$ 3,146	(6,590)	147.7 %	3.8 %	(7.9)%
Net income (loss) per share-basic	$0.27	($0.57)	147.4 %		
Net income (loss) per share-diluted	$0.27	($0.57)	147.4 %		
Average shares outstanding-basic	11,524	11,483	0.4 %		
Average shares outstanding-diluted	11,774	11,483	2.5 %		

	SIX MONTHS ENDED				
	Amounts			Percent of Sales	
	November 2, 2003	October 27, 2002	% Over (Under)	November 2, 2003	October 27, 2002
Net sales	$ 156,407	169,748	(7.9)%	100.0 %	100.0%
Cost of sales	128,190	142,151	(9.8)%	82.0 %	83.7%
Gross profit	28,217	27,597	2.2 %	18.0 %	16.3%
Selling, general and administrative expenses	20,807	19,918	4.5 %	13.3 %	11.7%
Restructuring expense	0	13,360	(100.0)%	0.0 %	7.9%
Income (loss) from operations	7,410	(5,681)	230.4 %	4.7 %	(3.3)%
Interest expense	3,006	3,579	(16.0)%	1.9 %	2.1%
Interest income	(243)	(271)	(10.3)%	(0.2) %	(0.2)%
Other expense (income), net	307	453	(32.2)%	0.2 %	0.3%
Income (loss) before income taxes	4,340	(9,442)	146.0 %	2.8 %	(5.6)%
Income taxes *	1,605	(3,767)	142.6 %	37.0 %	39.9%
Income (loss) before cumulative effect of accounting change	2,735	(5,675)	148.2 %	1.7 %	(3.3)%
Cumulative effect of accounting change, net of income taxes	0	(24,151)			
Net income (loss)	$ 2,735	(29,826)			

Basic income (loss) per share:				
Income (loss) before cumulative effect of accounting change	$	0.24	(0.50)	147.8 %
Cumulative effect of accounting change		0.00	(2.11)	(100.0)%
Net income (loss)	$	0.24	(2.61)	109.1 %
Diluted income (loss) per share:				
Income (loss) before cumulative effect of accounting change	$	0.23	(0.50)	147.0 %
Cumulative effect of accounting change		0.00	(2.11)	(100.0)%
Net income (loss)	$	0.23	(2.61)	108.9 %
Average shares outstanding-basic		11,519	11,433	0.8 %
Average shares outstanding-diluted		11,718	11,433	2.5 %

* Percent of sales column for income taxes is calculated as a % of income (loss) before income taxes.

See accompanying notes to consolidated financial statements

CULP, INC.
CONSOLIDATED BALANCE SHEETS
NOVEMBER 2, 2003, OCTOBER 27, 2002 AND APRIL 27, 2003
Unaudited
(Amounts in Thousands)

		Amounts		Increase (Decrease)		
		November 2, 2003	October 27, 2002	Dollars	Percent	* April 27, 2003
Current assets						
Cash and cash equivalents	$	16,623	35,037	(18,414)	(52.6)%	14,355
Short-term investments		15,134	0	15,134	100.0 %	10,043
Accounts receivable		31,342	32,869	(1,527)	(4.6)%	32,259
Inventories		53,848	54,571	(723)	(1.3)%	49,552
Deferred income taxes		12,303	9,447	2,856	30.2 %	12,303
Other current assets		3,211	6,497	(3,286)	(50.6)%	3,204
Total current assets		132,461	138,421	(5,960)	(4.3)%	121,716
Property, plant & equipment, net		81,219	85,049	(3,830)	(4.5)%	84,962
Goodwill		9,240	9,240	0	0.0 %	9,240
Other assets		1,892	2,888	(996)	(34.5)%	2,235
Total assets	$	224,812	235,598	(10,786)	(4.6)%	218,153
Current liabilities						
Current maturities of long-term debt	$	539	462	77	16.7 %	500
Accounts payable		23,928	18,948	4,980	26.3 %	19,874
Accrued expenses		13,522	16,199	(2,677)	(16.5)%	14,071
Accrued restructuring		6,712	10,065	(3,353)	(33.3)%	7,743
Income taxes payable		1,578	0	1,578	100.0 %	349
Total current liabilities		46,279	45,674	605	1.3 %	42,537
Long-term debt		76,077	96,096	(20,019)	(20.8)%	76,000
Deferred income taxes		3,851	3,502	349	10.0 %	3,851
Total liabilities		126,207	145,272	(19,065)	(13.1)%	122,388
Shareholders' equity		98,605	90,326	8,279	9.2 %	95,765
Total liabilities and shareholders' equity	$	224,812	235,598	(10,786)	(4.6)%	218,153
Shares outstanding		11,529	11,483	46	0.4 %	11,515

* Derived from audited financial statements

See accompanying notes to consolidated financial statements

CULP, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED NOVEMBER 2, 2003 AND OCTOBER 27, 2002
Unaudited
(Amounts in Thousands)

	SIX MONTHS ENDED	
	Amounts	
	November 2, 2003	October 27, 2002
Cash flows from operating activities:		
Net income (loss)	$ 2,735	(29,826)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Cumulative effect of accounting change, net of income taxes	0	24,151
Depreciation	6,883	7,139
Amortization of other assets	91	219
Stock-based compensation	105	105
Restructuring expense	0	13,360
Changes in assets and liabilities:		
Accounts receivable	917	10,497
Inventories	(4,296)	3,328
Other current assets	(7)	(2,504)
Other assets	252	(202)
Accounts payable	5,121	(6,894)
Accrued expenses	(549)	2
Accrued restructuring expenses	(1,031)	(1,546)
Income taxes payable	1,229	0
Net cash provided by operating activities	11,450	17,829
Cash flows used in investing activities:		
Capital expenditures	(2,954)	(3,566)
Purchases of short-term investments	(5,147)	0
Net cash used in investing activities	(8,101)	(3,566)
Cash flows used in financing activities:		
Payments on vendor-financed capital expenditures	(1,254)	(247)
Proceeds from issuance of long-term debt	116	0
Principal payments of long-term debt	0	(11,926)
Proceeds from common stock issued	57	954
Net cash used in financing activities	(1,081)	(11,219)
Increase in cash and cash equivalents	2,268	3,044
Cash and cash equivalents at beginning of period	14,355	31,993
Cash and cash equivalents at end of period	$ 16,623	35,037

See accompanying notes to consolidated financial statements

CULP, INC.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(Unaudited)

(Dollars in thousands, except share and per share data)

	Common Stock		Capital Contributed in Excess of Par Value	Unearned Compensation	Retained Earnings	Accumulated Other Comprehensive Income	Total Shareholders' Equity
	Shares	Amount					
Balance, April 28, 2002	11,319,584	$ 566	38,375	(769)	80,886	7	$ 119,065
Net loss					(24,887)		(24,887)
Net loss on cash flow hedges						(7)	(7)
Stock-based compensation				210			210
Common stock issued in connection with stock option plans	195,875	10	1,374				1,384
Balance, April 27, 2003	11,515,459	$ 576	39,749	(559)	55,999	0	$ 95,765
Net income					2,735		2,735
Net loss on short-term investments						(57)	(57)
Stock-based compensation				105			105
Common stock issued in connection with stock option plans	13,125	1	56				57
Balance, November 2, 2003	11,528,584	$ 577	39,805	(454)	58,734	(57)	$ 98,605

See accompanying notes to consolidated financial statements

Culp, Inc.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

1. Basis of Presentation

The accompanying unaudited consolidated financial statements of Culp, Inc. and subsidiary (the "company") include all adjustments, which are, in the opinion of management, necessary for fair presentation of the results of operations and financial position. All of these adjustments are of a normal recurring nature except as disclosed in notes 9 and 13 to the consolidated financial statements, which relate to fiscal 2003. Results of operations for interim periods may not be indicative of future results. The unaudited consolidated financial statements should be read in conjunction with the audited consolidated financial statements, which are included in the company's annual report on Form 10-K filed with the Securities and Exchange Commission on July 28, 2003 for the fiscal year ended April 27, 2003.

The company's six months ended November 2, 2003 and October 27, 2002 represent 27 and 26 week periods, respectively.

2. Stock-Based Compensation

Compensation costs related to employee stock option plans are recognized utilizing the intrinsic value-based method prescribed by APB No. 25, Accounting for Stock Issued to Employees, and related Interpretations. The company has adopted the disclosure requirements of SFAS No. 123, Accounting for Stock- Based Compensation, as amended by SFAS No. 148. Accordingly, compensation cost is recorded over the vesting period of the options based upon the difference in option price and fair market price at the date of grant, if any.

The following table illustrates the effect on net income (loss) and income (loss) per share if the company had applied the fair value recognition provisions of SFAS No. 123, as amended by SFAS No. 148, for the three months ended November 2, 2003 and October 27, 2002.

(dollars in thousands, except per share data)		November 2, 2003	October 27, 2002
Net income (loss), as reported	$	3,146	(6,590)
Add: Total stock-based employee compensation expense included in net income (loss), net of tax		33	17
Deduct: Total stock-based employee compensation expense determined under fair value-based method for all awards, net of tax		(145)	(56)
Pro forma net income (loss)	$	3,034	(6,629)
Income (loss) per share:			
Basic - as reported	$	.27	(.57)
Basic - pro forma		.26	(.58)
Diluted - as reported		.27	(.57)
Diluted - pro forma		.26	(.58)

The following table illustrates the effect on net income (loss) and income (loss) per share if the company had applied the fair value recognition provisions of SFAS No. 123, as amended by SFAS No. 148, for the six months ended November 2, 2003 and October 27, 2002.

(dollars in thousands, except per share data)		November 2, 2003	October 27, 2002
Net income (loss), as reported	$	2,735	(29,826)
Add: Total stock-based employee compensation expense included in net income (loss), net of tax		66	34
Deduct: Total stock-based employee compensation expense determined under fair value-based method for all awards, net of tax		(240)	(113)
Pro forma net income (loss)	$	2,561	(29,905)

Income (loss) per share:		
Basic - as reported	$ .24	(2.61)
Basic - pro forma	.22	(2.62)
Diluted - as reported	.23	(2.61)
Diluted - pro forma	.22	(2.62)

3. Accounts Receivable

A summary of accounts receivable follows:

(dollars in thousands)	November 2, 2003	April 27, 2003
Customers	$ 33,767	$ 34,580
Allowance for doubtful accounts	(1,586)	(1,558)
Reserve for returns and allowances	(839)	(763)
	$ 31,342	$ 32,259

A summary of the activity in the allowance for doubtful accounts follows:

	Six months ended	
(dollars in thousands)	November 2, 2003	October 27, 2002
Beginning balance	$ (1,558)	$ (2,465)
Provision for bad debt expense	(162)	78
Net write-offs	134	226
Ending balance	$ (1,586)	$ (2,161)

4. Inventories

Inventories are carried at the lower of cost or market. Cost is determined for substantially all inventories using the LIFO (last-in, first-out) method.

A summary of inventories follows:

(dollars in thousands)	November 2, 2003	April 27, 2003
Raw materials	$ 22,383	23,269
Work-in-process	4,148	2,917
Finished goods	27,317	23,366
Total inventories valued at FIFO	53,848	49,552
Adjustments of certain inventories to LIFO	0	0
	$ 53,848	$ 49,552

5. Accounts Payable

A summary of accounts payable follows:

(dollars in thousands)	November 2, 2003	April 27, 2003
Accounts payable-trade	$ 19,510	$ 14,389
Accounts payable-capital expenditures	4,418	5,485
	$ 23,928	$ 19,874

6. Accrued Expenses

A summary of accrued expenses follows:

(dollars in thousands)	November 2, 2003	April 27, 2003
Compensation, commissions and related benefits	$ 7,248	$ 9,683
Interest	768	763
Other	5,506	3,625
	$ 13,522	$ 14,071

7. Long-Term Debt

A summary of long-term debt follows:

(dollars in thousands)	November 2, 2003	April 27, 2003
Unsecured term notes	$ 75,000	$ 75,000
Canadian government loan	1,616	1,500
	76,616	76,500
Less current maturities	(539)	(500)
	$ 76,077	$ 76,000

In August 2002, the company entered into an agreement with its principal bank lender that provides for a revolving loan commitment of $15.0 million, including letters of credit up to $2.5 million. Borrowings under the facility generally carry interest at the London Interbank Offered Rate plus an adjustable margin based upon the company's debt/EBITDA ratio, as defined by the agreement. As of November 2, 2003, there were $2.3 million in outstanding letters of credit in support of inventory purchases and no borrowings outstanding under the agreement. The credit facility expires in August 2004.

The unsecured term notes have an average remaining term of 5 years. The principal payments become due from March 2006 to March 2010. Interest is payable semi-annually at a fixed coupon rate of 7.76%.

The company's loan agreements require, among other things, that the company maintain compliance with certain financial ratios. At November 2, 2003, the company was in compliance with these financial covenants.

The principal payment requirements of long-term debt during the next five fiscal years are: 2004 - $539,000; 2005 - $539,000; 2006 - $11,538,000; 2007 - $11,000,000; and 2008 - $31,000,000.

8. Cash Flow Information

Payments for interest and income taxes as follows:

	Six months ended	
(dollars in thousands)	November 2, 2003	October 27, 2002
Interest	$ 3,021	$ 3,750
Income taxes (refunds)	343	(2,173)

The non-cash portion of capital expenditures respresenting vendor financing totaled $243,000 and $1.7 million for the six months ended November 2, 2003 and October 27, 2002, respectively.

9. Restructuring and Asset Impairment Charges

A summary of accrued restructuring follows:

(dollars in thousands)	November 2, 2003	April 27, 2003
Fiscal 2003 CDF	$ 6,139	$ 6,989
Wet Print Flock	513	543
Fiscal 2001 CDF	60	211
	$ 6,712	$ 7,743

Fiscal 2003 CDF Restructuring

In August 2002, management approved a restructuring plan within the Culp Decorative Fabrics division aimed at lowering manufacturing costs, simplifying the dobby fabric upholstery line, increasing asset utilization and enhancing the division-s manufacturing competitiveness. The restructuring plan principally involved (1) consolidation of the division's weaving, finishing, yarn making and distribution operations by closing the facility in Chattanooga, Tennessee and integrating these functions into other plants, (2) a significant reduction in the number of stock keeping units (SKUs) offered in the dobby product line and (3) a net reduction in workforce of approximately 300 positions. During fiscal 2003, the total restructuring and related charges incurred were $15.0 million, of which approximately $4.1 million represented non-cash items, including $2.8 million in impairment of property, plant and equipment and $1.3 million in inventory write-downs. Of the total charge, $12.0 million was recorded in restructuring expense in the 2003 Consolidated Statement of Income (Loss); and $1.3 million, related to inventory write-downs, and $1.7 million, related to equipment moving and relocation expense, were recorded in cost of sales in the 2003 Consolidated Statement of Income (Loss).

As of November 2, 2003, assets classified as held for sale consisted of machinery and equipment with a value of $166,000 and are included in other assets. Management anticipates the successful disposal of these assets.

The following summarizes the activity in the restructuring accrual:

(dollars in thousands)	Employee Termination Benefits	Lease Termination and Other Exit Costs	Total
Accrual established in fiscal 2003	$ 1,972	$ 7,194	$ 9,166
Paid in fiscal 2003	(1,228)	(949)	(2,177)
Balance, April 27, 2003	744	6,245	6,989
Paid in fiscal 2004	(315)	(535)	(850)
Balance, November 2, 2003	$ 429	$ 5,710	$ 6,139

Wet Printed Flock Restructuring

In April 2002, management approved a plan to exit the wet printed flock upholstery fabric business and has been actively seeking to sell the assets related to this product line. The exit plan involved closing a printing facility and flocking operation within the Culp Velvets/Prints division (CVP), reduction in related selling and administrative expenses and termination of 86 employees. The total charge for the exit plan was $9.7 million, of which approximately $8.2 million represented non-cash items, including $7.6 million in impairment of property, plant and equipment and $619,000 in inventory write-downs. Of the total charge, $9.1 million was recorded in restructuring expense in the 2002 Consolidated Statement of Income (Loss), and $619,000, related to inventory write-downs, was recorded in cost of sales in the 2002 Consolidated Statement of Income (Loss). During the fiscal year ended April 28, 2002, sales of the wet printed flock product contributed $17.1 million, or 4.5%, of the company's total sales and resulted in an operating loss of approximately $2.1 million.

During fiscal 2003, an additional restructuring expense of $1.3 million was recorded for the non-cash write-down of assets to reflect the deterioration in market value experienced since April 2002. Due to management's continual evaluation of the restructuring accrual, the reserve was reduced $313,000 to reflect current estimates of future health care claims. Additionally, the reserve was reduced $42,000 to reflect current estimates of future security expenses and other costs.

As of November 2, 2003, assets classified as held for sale, including a building, machinery and equipment of $300,000 are included in other assets. Management is actively marketing these assets and anticipates the successful disposal of these assets.

The following summarizes the activity in the CVP restructuring accrual:

(dollars in thousands)	Employee Termination Benefits	Lease Termination and Other Exit Costs	Total
Accrual established in fiscal 2002	$ 842	$ 610	$ 1,452
Paid in fiscal 2002	(5)	(5)	(10)
Balance, April 28, 2002	837	605	1,442
Adjustments in fiscal 2003	(313)	(42)	(355)
Paid in fiscal 2003	(428)	(116)	(544)
Balance, April 27, 2003	96	447	543
Paid in fiscal 2004	1	(31)	(30)
Balance, November 2, 2003	$ 97	$ 416	$ 513

Fiscal 2001 CDF Restructuring

During fiscal 2001 and continuing into fiscal 2002, the company undertook a restructuring plan in its upholstery fabric segment which involved (1) the consolidation of certain fabric manufacturing capacity within the Culp Decorative Fabrics (CDF) division, (2) closing one of the company's four yarn manufacturing plants within the Culp Yarn division, (3) an extensive reduction in selling, general and administrative expenses including the termination of 110 employees and (4) a comprehensive SKU reduction initiative related to finished goods and raw materials in CDF. The 2001 charge from the restructuring and related costs was $7.4 million, approximately $3.4 million of which represented non-cash items, including $2.5 million in impairment of property, plant and equipment and $874,000 in inventory write-downs. Of the total charge, $5.6 million was recorded in restructuring expense in the 2001 Consolidated Statement of Income (Loss); and $874,000, related to inventory write-downs, and $931,000, related to equipment relocation costs, were recorded in cost of sales in the 2001 Consolidated Statement of Income (Loss). The 2002 charge from restructuring and related expenses was $2.5 million, approximately $160,000 of which represented the non-cash impairment of property, plant and equipment. Of the total charge, $1.3 million was included in restructuring expense in the 2002 Consolidated Statement of Income (Loss), and $1.2 million, related to equipment relocation costs, was recorded in cost of sales in the 2002 Consolidated Statement of Income (Loss).

During fiscal 2003, as a result of management's continual evaluation of the restructuring accrual, the reserve was reduced $275,000 to reflect current estimates of future health care claims and increased $276,000 to reflect current estimates of remaining lease expenses, property taxes, insurance and other exit costs.

As of November 2, 2003, there were no assets classified as held for sale in relation to the CDF restructuring.

The following summarizes the activity in the CDF restructuring accrual:

(dollars in thousands)	Employee Termination Benefits	Lease Termination and Other Exit Costs	Total
Accrual established in fiscal 2001	$ 969	$ 2,116	$ 3,085
Paid in fiscal 2001	(491)	(211)	(702)
Balance, April 29, 2001	478	1,905	2,383
Additions in fiscal 2002	925	218	1,143
Paid in fiscal 2002	(891)	(1,632)	(2,523)
Balance, April 28, 2002	512	491	1,003
Adjustments in fiscal 2003	(275)	276	1
Paid in fiscal 2003	(202)	(591)	(793)
Balance, April 27, 2003	35	176	211
Paid in fiscal 2004	(7)	(144)	(151)
Balance, November 2, 2003	$ 28	$ 32	$ 60

10. Comprehensive Income (Loss)

Comprehensive income (loss) is the total of net income (loss) and other changes in equity, except those resulting from investments by shareholders and distributions to shareholders not reflected in net income (loss).

A summary of total comprehensive income (loss) follows:

	Three months ended	
(dollars in thousands)	November 2, 2003	October 27, 2002
Net income (loss)	$ 3,146	$ (6,590)
Gain (loss) on foreign currency contracts, net of taxes:		
Net changes in fair value	0	(33)
Net loss reclassified into earnings	0	(110)
Gain (loss) in fair value of short-term investments	9	0
Net comprehensive income (loss)	$ 3,155	(6,733)

	Six months ended	
(dollars in thousands)	November 2, 2003	October 27, 2002
Net income (loss)	$ 2,735	$ (29,826)
Gain (loss) on foreign currency contracts, net of taxes:		
Net changes in fair value	0	35
Net loss reclassified into earnings	0	(7)
Gain (loss) in fair value of short-term investments	(57)	0
Net comprehensive income (loss)	$ 2,678	(29,798)

11. Income (Loss) per Share

Basic income (loss) per share is computed using the weighted-average number of shares outstanding during the period. Diluted income per share uses the weighted-average number of shares outstanding during the period plus the dilutive effect of stock options calculated using the treasury stock method. Weighted average shares used in the computation of basic and diluted income (loss) per share follows:

	Three months ended	
(dollars in thousands)	November 2, 2003	October 27, 2002
Weighted average common shares outstanding, basic	11,524	11,483
Effect of dilutive stock options	250	0
Weighted average common shares outstanding, diluted	11,774	11,483

Options to purchase 326,625 shares and 388,375 shares of common stock were not included in the computation of diluted income per share for the three months ended November 2, 2003 and October 27, 2002, respectively, because the exercise price of the options was greater than the average market price of the common shares.

For the three months ended October 27, 2002 options to purchase 271,476 shares were not included in the computation of diluted net loss per share because the company incurred a net loss for the quarter.

	Six months ended	
(dollars in thousands)	November 2, 2003	October 27, 2002
Weighted average common shares outstanding, basic	11,519	11,433
Effect of dilutive stock options	199	0
Weighted average common shares outstanding, diluted	11,718	11,433

Options to purchase 462,412 shares and 357,625 shares of common stock were not included in the computation of diluted income per share for the six months ended November 2, 2003 and October 27, 2002, respectively, because the exercise price of the options was greater than the average market price of the common shares.

For the six months ended October 27, 2002 options to purchase 345,536 shares were not included in the computation of diluted net loss per share because the company incurred a net loss for the quarter.

==

12. Segment Information

The company's operations are classified into two business segments: upholstery fabrics and mattress ticking. The upholstery fabrics segment principally manufactures and sells woven jacquards and dobbies, heat-transfer prints, and woven and tufted velvets primarily to residential and commercial (contract) furniture manufacturers. The mattress ticking segment principally manufactures and sells woven jacquards, heat-transfer prints and pigment prints to bedding manufacturers.

The company internally manages and reports selling, general and administrative expenses, interest expense, interest income, other expense and income taxes on a total company basis. Thus, profit by business segment represents gross profit. In addition, the company internally manages and reports cash and cash equivalents, short-term investments, deferred income taxes, other current assets and other assets on a total company basis. Thus, identifiable assets by business segment represent accounts receivable, inventories, property, plant and equipment and goodwill.

Net sales and gross profit for the company's operating segments follow:

(dollars in thousands)	Three months ended November 2, 2003	Three months ended October 27, 2002
Net sales:		
Upholstery Fabrics	$ 55,943	$ 58,480
Mattress Ticking	26,788	25,260
	$ 82,731	$ 83,740
Gross Profit:		
Upholstery Fabrics	$ 10,409	$ 7,650
Mattress Ticking	6,329	6,093
	$ 16,738	$ 13,743

Net sales and gross profit for the company's operating segments follow:

(dollars in thousands)	Six months ended November 2, 2003	Six months ended October 27, 2002
Net sales:		
Upholstery Fabrics	$ 102,399	$ 118,458
Mattress Ticking	54,008	51,290
	$ 156,407	$ 169,748
Gross Profit:		
Upholstery Fabrics	$ 15,816	$ 15,651
Mattress Ticking	12,401	11,946
	$ 28,217	$ 27,597

Identifiable assets, consisting of accounts receivable, inventories, property, plant and equipment and goodwill, for the company's operating segments follow:

(dollars in thousands)	November 2, 2003	April 27, 2003
Upholstery Fabrics	$ 120,495	$ 124,889
Mattress Ticking	55,154	51,124
	$ 175,649	$ 176,013
Non-identifiable assets		
Cash and cash equivalents	16,623	14,355
Short-term investments	15,134	10,043
Deferred income taxes	12,303	12,303
Other current assets	3,211	3,204
Other assets	1,892	2,235
Total assets	$ 224,812	$ 218,153

13. Cumulative Effect of Accounting Change

The company adopted SFAS No. 142, "Goodwill and Other Intangible Assets" effective April 29, 2002. SFAS No. 142 requires that goodwill no longer be amortized and that goodwill be tested for impairment by comparing each reporting unit's carrying value to its fair value. SFAS No. 142 requires that any goodwill impairment loss recognized as a result of initial application be reported as a change in accounting principle, and that the income per share effects of the accounting change be separately disclosed. For the initial application of SFAS No. 142, an independent business valuation specialist was engaged to assist the company in the determination of the fair market value of the Culp Decorative Fabrics (CDF) division because of the significance of the goodwill associated with the division and due to its operating performance for fiscal 2002 and 2001. The fair value of the CDF division as determined using several different valuation methods, including comparable companies, comparable transactions and discounted cash flow analysis, was determined to be less than its carrying value. Accordingly, the company recorded a goodwill impairment charge of $37.6 million ($24.2 million net of taxes of $13.4 million), or $2.11 per share diluted, related to the goodwill associated with the CDF division during the first quarter of fiscal 2003. After the goodwill impairment charge, the company's goodwill by division is: Culp Decorative Fabrics - $4.4 million, Culp Yarn - $700,000 and Culp Home Fashions - $4.1 million.

Item 2.

Management's Discussion and Analysis of Financial Condition and Results of Operations

Results of Operations

The following analysis of the financial condition and results of operations should be read in conjunction with the Financial Statements and Notes and other exhibits included elsewhere in this report.

Overview

Culp is one of the largest integrated marketers in the world for upholstery fabrics for furniture and mattress fabrics (ticking) for bedding. The company's fabrics are used primarily in the production of residential and contract upholstered furniture and bedding products, including sofas, recliners, chairs, love seats, sectionals, sofa-beds, office seating and mattress sets. Although Culp markets fabrics at most price levels, the company emphasizes fabrics that have broad appeal in the promotional and popular-priced categories of furniture and bedding.

The company's operating segments are upholstery fabrics and mattress ticking, with related divisions organized within those segments. In upholstery fabrics, Culp Decorative Fabrics markets jacquard and dobby woven fabrics for residential and contract furniture. Culp Velvets/Prints markets a broad range of printed and velvet fabrics used primarily for residential and juvenile furniture. Culp Yarn manufactures specialty filling yarn that is primarily used by Culp. In mattress ticking, Culp Home Fashions markets a broad array of fabrics used by bedding manufacturers.

The following tables set forth the company's sales and gross profit by segment/division and international sales by geographic area for the three and six months ended November 2, 2003 and October 27, 2002.

CULP, INC.
SALES / GROSS PROFIT BY SEGMENT/DIVISION
FOR THE THREE AND SIX MONTHS ENDED NOVEMBER 2, 2003 AND OCTOBER 27, 2002

(Amounts in thousands)

		THREE MONTHS ENDED (UNAUDITED)				
		Amounts			Percent of Total Sales	
Segment/Division Sales		November 2, 2003	October 27, 2002	% Over (Under)	November 2, 2003	October 27, 2002
Upholstery Fabrics						
Culp Decorative Fabrics	$	30,821	33,904	(9.1)%	37.3 %	40.5 %
Culp Velvets/Prints		23,484	23,330	0.7 %	28.4 %	27.9 %
Culp Yarn		1,638	1,246	31.5 %	2.0 %	1.5 %
		55,943	58,480	(4.3)%	67.6 %	69.8 %
Mattress Ticking						
Culp Home Fashions		26,788	25,260	6.0 %	32.4 %	30.2 %
	$	82,731	83,740	(1.2)%	100.0 %	100.0 %

Segment Gross Profit					Gross Profit Margin	
Upholstery Fabrics	$	10,409	7,650 (1)	36.1 %	18.6 %	13.1 %
Mattress Ticking		6,329	6,093	3.9 %	23.6 %	24.1 %
Gross profit	$	16,738	13,743	21.8 %	20.2 %	16.4 %

		SIX MONTHS ENDED (UNAUDITED)				
		Amounts			Percent of Total Sales	
Segment/Division Sales		November 2, 2003	October 27, 2002	% Over (Under)	November 2, 2003	October 27, 2002
Upholstery Fabrics						
Culp Decorative Fabrics	$	58,829	68,675	(14.3)%	37.6 %	40.5 %
Culp Velvets/Prints		40,324	46,437	(13.2)%	25.8 %	27.4 %
Culp Yarn		3,246	3,346	(3.0)%	2.1 %	2.0 %
		102,399	118,458	(13.6)%	65.5 %	69.8 %
Mattress Ticking						
Culp Home Fashions		54,008	51,290	5.3 %	34.5 %	30.2 %
	$	156,407	169,748	(7.9)%	100.0 %	100.0 %

Segment Gross Profit					Gross Profit Margin	
Upholstery Fabrics	$	15,816	15,651 (1)	1.1 %	15.4 %	13.2 %
Mattress Ticking		12,401	11,946	3.8 %	23.0 %	23.3 %
Gross profit	$	28,217	27,597	2.2 %	18.0 %	16.3 %

(1) Gross profit includes $1.2 million of restructuring related charges

CULP, INC.
INTERNATIONAL SALES BY GEOGRAPHIC AREA
FOR THE THREE MONTHS AND SIX MONTHS ENDED NOVEMBER 2, 2003 AND OCTOBER 27, 2002

(Amounts in thousands)

		THREE MONTHS ENDED (UNAUDITED)		
		Amounts		
Geographic Area		November 2, 2003	October 27, 2002	% Over (Under)
North America (Excluding USA)	$	7,048	8,424	(16.3)%
Far East & Asia		1,907	1,549	23.1 %
All other areas		445	1,239	(64.1)%
	$	9,400	11,211	(16.2)%
Percent of total sales		11.4%	13.4%	

		SIX MONTHS ENDED (UNAUDITED)		
		Amounts		
Geographic Area		November 2, 2003	October 27, 2002	% Over (Under)
North America (Excluding USA)	$	13,420	15,974	(16.0)%
Far East & Asia		3,301	2,983	10.6 %
All other areas		872	2,676	(67.4)%
	$	17,593	21,634	(18.7)%
Percent of total sales		11.2%	12.7%	

Three and Six Months ended November 2, 2003 compared with Three and Six Months ended October 27, 2002

For the second quarter of fiscal 2004, net sales decreased 1.2% to $82.7 million; and the company reported net income of $3.1 million or $0.27 per share diluted, compared with a net loss of $6.6 million or $0.57 per share diluted in the second quarter of fiscal 2003. For the first six months of fiscal 2004, net sales decreased 7.9% to $156.4 million; and the company reported net income of $2.7 million or $0.23 per share diluted, compared to a loss before the cumulative effect of accounting change of $5.7 million or $.50 per share diluted, for the same period last year. Including the cumulative effect of accounting change, the company reported a net loss for the first six months of fiscal 2003 of $29.8 million, or $2.61 per share. In the first quarter of 2003, the company recorded a non-cash goodwill impairment charge, net of income taxes, of $24.2 million, or $2.11 per share diluted. Additionally, the financial results for the second quarter and first six months of fiscal 2003 included $14.5 million in restructuring and related charges. As reflected in the financial statements for fiscal 2003, restructuring and related charges were recorded as $13.3 million in the line item "restructuring expense" and $1.2 million in "cost of sales," reducing net income by $8.9 million, net of taxes (or $0.77 per share). Year- to-date for fiscal 2004 included 27 weeks versus 26 weeks for the same period of fiscal 2003.

UPHOLSTERY FABRIC SEGMENT

Net Sales -- Upholstery fabric sales for the second quarter of fiscal 2004 decreased 4.3% to $55.9 million when compared to the second quarter of fiscal 2003. The 4.3% decline is a substantial improvement over the 22.5% decrease in the first quarter of fiscal 2004 and the 17.2% decrease in the fourth quarter of fiscal 2003. Year-to-date upholstery fabric sales decreased 13.6% to $102.4 million when compared to the same period last year. Most of this year-over-year decrease occurred in the first quarter and was due primarily to the overall general weakness in consumer demand for furniture. Additional factors that are likely affecting demand for upholstery fabrics thus far in fiscal 2004 are (1) an increase in consumer preference for leather furniture (which has been decreasing in price at retail due to increasing imports), and (2) an increase in imported upholstery fabrics, both in "piece goods" and "cut and sewn kits."

Upholstery fabric yards sold during the second quarter were 13.1 million versus 14.1 million in the second quarter of fiscal 2003, a decline of 7.1%. Average selling price was $4.13 for the second quarter compared with $4.05 in the same quarter of last year, an increase of 2.0%, due to higher selling prices in the Culp Decorative Fabrics (CDF) division.

Gross Profit -- Gross profit for the second quarter of fiscal 2004 was $10.4 million, or 18.6%, versus $7.7 million, or 13.1%, for the same quarter of last year. For the first six months of fiscal 2004, upholstery gross profit was $15.8 million, or 15.4% compared with $15.7 million, or 13.2% in the same period last year. Restructuring related charges of $1.2 million were included in gross profit for the second quarter and first six months of fiscal 2003. The increase in gross profit and margins for the second quarter reflects higher capacity utilization and gains in manufacturing operating efficiencies within the CDF division. Year-to-date fiscal 2004 gross profit performance as compared with the year earlier period was negatively affected by the significant decline in sales of velvet fabrics during the first quarter.

China Operations -- The start up of the company's China operation is generally proceeding in accordance with previously announced plans, although delays of one to two months were experienced in receiving some manufacturing equipment. The equipment has been received, and installation is expected to be completed within two months. During the third quarter, the company expects to begin incoming fabric inspection and testing, and to start shipping fabric to customers. Limited finishing operations are anticipated to begin in the fourth quarter of this fiscal year. As expected, the company is experiencing modest operating losses in its China operation during the start up phase, which is expected to be completed by the end of this fiscal year, although some level of operating losses from the China operation is expected to continue until some time in fiscal 2005.

MATTRESS TICKING SEGMENT

Net Sales -- Mattress ticking sales for the second quarter of fiscal 2004 increased 6.0% to $26.8 million, and sales for the first six months of fiscal 2004 increased 5.3% to $54.0 million. This sales improvement is due to better industry demand and continued market share gains with key customers. The sales gain in this segment for the fiscal year to date (5.3%) is especially noteworthy because it is occurring during the bedding industry's transition to selling predominately one-sided mattresses, which utilizes about one-third less mattress ticking. This transition at retail began in mid to late calendar year 2002 and is expected to continue through early calendar year 2005.

Mattress ticking yards sold during the second quarter of fiscal 2004 were 10.9 million compared with 10.1 million yards in the second quarter of last year. The average selling price was $2.43 for the second quarter, compared to $2.48 in the same quarter last year. The slight decrease from last year's same quarter and the first quarter of this year is due to product mix and a higher concentration of closeout sales this quarter.

Gross Profit -- For the second quarter of fiscal 2004, the mattress ticking segment reported gross profit dollars and margins of $6.3 million and 23.6%, respectively, compared with $6.1 million and 24.1% for the same period of last year. For the first six months of fiscal 2004, gross profit dollars increased

3.8% to $12.4 million when compared to the same period last year, while the gross profit margin declined slightly to 23.0% from 23.3% the previous year.

OTHER CORPORATE EXPENSES

Selling, General and Administrative Expenses. SG&A expenses of $10.3 million for the second quarter increased approximately $800,000, or 8.6%, from the prior year amount. As a percent of net sales, SG&A expenses increased to 12.4% from 11.3% the previous year. SG&A expenses in the second quarter included higher professional fees and higher bad debt expense. In the second quarter of fiscal 2003, SG&A expenses included a credit to bad debt expense resulting from a net reduction of $424,000 in the allowance for doubtful accounts, due to a reduction in past due balances. Bad debt expense in the second quarter of fiscal 2004 was $122,000. Year-to-date SG&A expenses increased 4.5% to $20.8 million due primarily to the reasons addressed above.

Interest Expense (Income). Interest expense for the second quarter declined to $1.5 million from $1.7 million the previous year due to lower borrowings outstanding. Interest income of $121,000 was unchanged from the previous year. The effect on interest income earned of a higher average invested cash balance for fiscal 2004 was offset by lower interest rates earned in fiscal 2004 as compared to the same period last year. Lower borrowings outstanding also impacted interest expense for the first six months of fiscal 2004, which was down 16% to $3.0 million compared to the year earlier period. Interest income for the first six months of fiscal 2004 decreased 10.3% to $243,000 due principally to lower interest rates earned on cash balances.

Other Expense. Other expense for the second quarter of fiscal 2004 totaled $62,000 compared with $242,000 in the prior year. The decrease was principally due to 1) lower amortization expense related to reduced amounts of debt issue costs and 2) lower fees associated with foreign currency contracts for inventory purchases, offset somewhat by 3) the unfavorable impact of a higher Canadian exchange rate. Year-to-date other expense decreased 32.2% to $307,000 due primarily to the reasons addressed above.

Income Taxes. The effective tax rate (taxes as a percentage of pretax income (loss)) for the first six months of fiscal 2004 was 37%, compared with 39.9% for the first six months of fiscal 2003. The higher rate for the prior year period reflects the increased tax benefits related to the company's loss in the U.S. resulting from the restructuring charges recorded in the second quarter.

Liquidity and Capital Resources

Liquidity - The company's sources of liquidity include cash, cash equivalents, short-term investments, cash flow from operations and amounts available under its revolving credit line. These sources have been adequate for day-to-day operating and capital expenditures. The company expects these sources of liquidity to continue to be adequate for the foreseeable future. Cash, cash equivalents and short-term investments as of November 2, 2003 increased to $31.8 million from $24.4 million at the end of fiscal 2003, reflecting free cash flow of $7.2 million for the first six months of fiscal 2004 (see discussion of free cash flow below).

Accounts receivable as of November 2, 2003 decreased 4.6% from the year-earlier level, principally due to an increase in the number of customers taking the cash discount for shorter payment terms. Days sales outstanding totaled 34 days at November 2, 2003 compared with 36 a year ago. Inventories at the close of the second quarter decreased 1.3% from a year ago. Inventory turns for the second quarter were 5.1 versus 4.9 for the year-earlier period. Operating working capital (comprised of accounts receivable, inventory and accounts payable-trade) was $61.3 million at November 2, 2003, down from $68.5 million a year ago.

Financing Arrangements -- The company's $76.6 million in long-term debt is unsecured and is comprised of a $75.0 million term loan, with a fixed interest rate of 7.76%, and a $1.6 million non-interest bearing term loan with the Canadian government. Additionally, the company has a $15.0 million revolving credit line with a bank, of which no balance is outstanding at November 2, 2003. The bank agreement expires in August, 2004. The first scheduled principal payment on the $75.0 million term loan is due March 2006 in the amount of $11.0 million. The Canadian government loan is repaid in annual installments of approximately $500,000 per year.

The company's long-term debt to capital ratio was 43.7% compared with 51.7% for the same period last year. The company was in compliance with all financial covenants in its loan agreements as of November 2, 2003.

Capital Expenditures. -- Capital spending for the first six months of fiscal 2004 was $3.0 million. Depreciation for the first six months of fiscal 2004 was $6.9 million, and is estimated at $14.0 million for the full fiscal year. For fiscal 2004, the company's capital expenditures budget is $8.0 million, of which $3.0 million is related to the company's China operations. The China investment includes manufacturing equipment and leasehold improvements.

Free Cash Flow. - Free cash flow is a non-GAAP performance measure that management believes provides useful information to investors because it measures the company's available cash flow for potential debt repayment, stock repurchases and additions to cash, cash equivalents and short-term investments. Free cash flow was $7.2 million for the first six months of fiscal 2004 compared with $14.0 million for the same period last year. For fiscal 2004, the company believes free cash flow will be substantially less than fiscal 2003 primarily because the company does not expect the continued significant reduction in working capital experienced in each of the previous three years. In addition, the company will have higher payments on vendor-financed capital expenditures.

A reconciliation of net cash provided by operating activities to free cash flow is set forth below:

(dollars in thousands)	Six months ended	
	November 2, 2003	October 27, 2002
Net cash provided by operating activities	$11,450	$17,829
Minus: Capital expenditures	(2,954)	(3,566)
Minus: Payments on vendor-financed capital expenditures	(1,254)	(247)
Free Cash Flow	$7, 242	$14,016

BUSINESS OUTLOOK

While the overall residential furniture and bedding industry demand improved during the second quarter, as expected, there still does not appear to be a sustainable trend in incoming business, particularly in upholstery fabrics. Therefore, the company expects that third quarter sales will decrease moderately from the same quarter of last year. Mattress ticking segment sales are expected to increase in the third quarter, although at a lower rate than the 6.0% growth in the second quarter. Upholstery fabric segment sales are expected to decline from the same quarter of last year at a higher rate than the 4.3% in the second quarter, due primarily to softness in incoming orders of the segment's Culp Decorative Fabrics (CDF) division. With these sales expectations and industry outlook, the company expects to report net income for the third quarter in the range of $0.13 to $0.17 per diluted share, with actual results depending upon the level of demand throughout the quarter.

Seasonality

The company's business is moderately seasonal, with increased sales during the second and fourth fiscal quarters. This seasonality results from one-week closings of the company's manufacturing facilities, and the facilities of most of its customers in the United States, during the first and third quarters for the holiday weeks including July 4th and Christmas.

Critical Accounting Policies and Recent Accounting Developments

The company considered the disclosure requirements of Financial Reporting Release No. 60 regarding critical accounting policies and Financial Reporting Release No. 61 regarding liquidity and capital resources, certain trading activities and related party/certain other disclosures, and concluded that there were no material changes during the first six months of fiscal 2004 that would warrant further disclosure beyond those matters previously disclosed in the company's Annual Report on Form 10-K for the year ended April 27, 2003.

Forward-Looking Information

This Report contains statements that may be deemed "forward-looking statements" within the meaning of the federal securities laws, including the Private Securities Litigation Reform Act of 1995 (Section 27A of the Securities Act of 1933 and Section 27A of the Securities and Exchange Act of 1934). Such statements are inherently subject to risks and uncertainties. Further, forward looking statements are intended to speak only as of the date on which they are made. Forward-looking statements are statements that include projections, expectations or beliefs about future events or results or otherwise are not statements of historical fact. Such statements are often but not always characterized by qualifying words such as "expect," "believe," "estimate," "plan" and "project" and their derivatives, and include but are not limited to statements about expectations for the company's future sales, gross profit margins, SG&A or other expenses, and earnings, as well as any statements regarding the company's view of estimates of the company's future results by analysts. Factors that could influence the matters discussed in such statements include the level of housing starts and sales of existing homes, consumer confidence, trends in disposable income, and general economic conditions. Decreases in these economic indicators could have a negative effect on the company's business and prospects. Likewise, increases in interest rates, particularly home mortgage rates, and increases in consumer debt or the general rate of inflation, could affect the company adversely. In addition, strengthening of the U. S. dollar against other currencies could make the company's products less competitive on the basis of price in markets outside the United States. Also, economic and political instability in international areas could affect the company's operations or sources of goods in those areas, as well as demand for the company's products in international markets. Finally, unanticipated delays or costs in executing restructuring actions could cause the cumulative effect of restructuring actions to fail to meet the objectives set forth by management. Other factors that could affect the matters discussed in forward looking statements are included in the company's periodic reports filed with the Securities and Exchange Commission.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The company is exposed to market risk from changes in interest rates on debt and foreign currency exchange rates. The company's market risk sensitive instruments are not entered into for trading purposes. The company's exposure to interest rate risk consists of floating rate debt based on the London Interbank Offered Rate plus an adjustable margin under the company's revolving credit agreement. As of November 2, 2003 there were no borrowings outstanding under the company's revolving credit agreement. Additionally, approximately 98% of the company's long-term debt is at a fixed rate. Thus, any reasonable forseeable change in interest rates would have no material effect on the company's interest expense.

The company's exposure to fluctuations in foreign currency exchange rates is due primarily to a foreign subsidiary domiciled in Canada and firmly committed and anticipated purchases of certain machinery, equipment and raw materials in foreign currencies. The company's Canadian subsidiary uses the United States dollar as its functional currency. The company generally does not use financial derivative instruments to hedge foreign currency exchange rate risks associated with the Canadian subsidiary. However, the company generally enters into foreign exchange forward and option contracts as a hedge against its exposure to currency fluctuations on firmly committed and anticipated purchases of certain machinery, equipment and raw materials. The amount of Canadian-denominated sales and manufacturing costs are not material to the company's total sales and total manufacturing costs. Therefore, a 10% change in the exchange rate at November 2, 2003 would not have a material impact on the company's results of operations or financial position. Additionally, as the company utilizes foreign currency instruments for hedging anticipated and firmly committed transactions, a loss in fair value for those instruments is generally offset by an increase in the value of the underlying exposure.

Item 4. Controls and Procedures

The company conducted a review and evaluation of its disclosure controls and procedures, under the supervision and with the participation of the company's Chief Executive Officer and Chief Financial Officer as of November 2, 2003, and the Chief Executive Officer and Chief Financial Officer have concluded that the company's disclosure controls and procedures are adequate and effective.

Part II - Other Information

Item 4. Submission of Matters to a Vote of Security Holders

The Annual Meeting of Shareholders of the company was held in High Point, North Carolina on September 23, 2003. Of the 11,515,459 shares of common stock outstanding on the record date of July 25, 2003, 10,800,194 shares were present in person or by proxy.

At the Annual Meeting, shareholders voted on:

- the election of three directors: Robert G. Culp, III, Patrick B. Flavin and Patrick H. Norton

- ratification of the appointment of KPMG LLP as the independent auditors of the company for the current fiscal year,

A. Proposal for Election of Directors:

Robert G. Culp, III		Patrick B. Flavin	
For	10,510,008	For	10,519,333
Abstain	290,186	Abstain	280,861

Patrick H. Norton	
For	10,520,208
Abstain	279,986

B. Proposal to ratify the election of KPMG LLP as independent auditors of the company for fiscal year 2004:

For	10,760,224
Against	37,157
Abstain	2,813

Item 6. Exhibits and Reports on Form 8-K

(a) The following exhibits are filed as part of this report.

3(i) Articles of Incorporation of the company, as amended, were filed as Exhibit 3(i) to the company's Form 10-Q for the quarter ended July 28, 2002, filed September 11, 2002, and are incorporated herein by reference.

3(ii) Restated and Amended Bylaws of the company, as amended June 12, 2001, were filed as Exhibit 3(ii) to the company's Form 10-Q for the quarter ended July 29, 2001, filed September 12, 2001, and are incorporated herein by reference.

31.1 Certification of Chief Executive Officer Pursuant to Section 302 of Sarbanes-Oxley Act of 2002.

31.2 Certification of Chief Financial Officer Pursuant to Section 302 of Sarbanes-Oxley Act of 2002.

32.1 Certification of Chief Executive Officer Pursuant to Section 906 of Sarbanes-Oxley Act of 2002.

32.2 Certification of Chief Financial Officer Pursuant to Section 906 of Sarbanes-Oxley Act of 2002.

(b) Reports on Form 8-K:

The following reports on Form 8-K were furnished during the period covered by this report:

Form 8-K dated August 26, 2003, included under Item 12, Results of Operations and Financial Condition, the Company's press release for quarterly earnings and the Financial Information Release relating to certain financial information for the quarter ended August 3, 2003.

Form 8-K dated October 15, 2003 containing a press release updating projected earnings for the second quarter ended November 2, 2003.

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.

CULP, INC.
(Registrant)

Date: December 17, 2003

By: /s/ Franklin N. Saxon

Franklin N. Saxon
Executive Vice President and Chief
Financial Officer

(Authorized to sign on behalf
of the registrant and also sign-
ing as principal financial officer)

Exhibit 31.1

CERTIFICATION

I, Robert G. Culp, III, Chairman of the Board and Chief Executive Officer of Culp, Inc., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Culp, Inc.;

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(s) 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)) 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) 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

   (c) 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(s) 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: December 17, 2003

/s/ Robert G. Culp,III
Robert G. Culp,III
Chairman of the Board and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Franklin N. Saxon, Executive Vice President and Chief Financial Officer of Culp, Inc., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Culp, Inc.;

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(s) 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)) 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) 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

   (c) 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(s) 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: December 17, 2003

/s/ Franklin N. Saxon
Franklin N. Saxon
Executive Vice President and
Chief Financial Officer

Exhibit 32.1

Certification Pursuant to
18 U.S.C. Section 1350,
as Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Culp, Inc. (the "Company") on Form 10-Q for the period ended November 2, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Robert G. Culp,III, Chairman of the Board and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) 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 result of operations of the Company.

/s/ Robert G. Culp, III

Chairman of the Board and
Chief Executive Officer

December 17, 2003

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906 has been provided to Culp, Inc. and will be retained by Culp, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

Certification Pursuant to
18 U.S.C. Section 1350,
as Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Culp, Inc. (the "Company") on Form 10-Q for the period ended November 2, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Franklin N. Saxon, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) 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 result of operations of the Company.

/s/ Franklin N. Saxon

Executive Vice President and
Chief Financial Officer

December 17, 2003

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906 has been provided to Culp, Inc. and will be retained by Culp, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.