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

FORM 8-K/A

Amendment No. 1

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) August 11, 2008

Culp, Inc.

(Exact Name of Registrant as Specified in its Charter)

North Carolina	0-12781	56-1001967
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1823 Eastchester Drive
High Point, North Carolina 27265
(Address of Principal Executive Offices)
(Zip Code)

(336) 889-5161
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former name or address, if changed from last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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Explanatory Note

On August 11, 2008, we filed a Current Report on Form 8-K pursuant to Item 2.01 of Form 8-K to report an acquisition of assets pursuant to an Asset Purchase Agreement (the “Asset Agreement”) dated August 11, 2008, among Culp, Inc. (the “Company”), Bodet & Horst USA, LP and Bodet & Horst GMBH & Co. KG.(collectively, Bodet & Horst). Pursuant to the Asset Agreement we purchased certain assets of the knitted mattress fabric operation of Bodet & Horst, including its manufacturing operation located in High Point, North Carolina. Under parts (a) and (b) of Item 9.01 therein, we stated that we would file the required financial information by amendment, as permitted by Item 9.01(a)(4) and 9.01(b)(2) to Form 8-K. This Current Report on Form 8-K/A amends our Current Report on Form 8-K filed August 11, 2008 in order to provide the required financial information.

Item 9.01 - Financial Statements and Exhibits

(a) Financial statements of business acquired.

The audited balance sheets of Bodet & Horst USA LP as of June 30, 2008 and 2007 and the related statements of operations and members’ equity (deficit), cash flows, and notes for each of the two years then ended are included as Exhibit 99.1.

The audited balance sheets of Bodet & Horst USA LP as of June 30, 2007 and 2006 and the related statements of operations and members’ equity (deficit), cash flows, and notes for each of the two years then ended are included as Exhibit 99.2.

(b) Pro forma financial information.

The unaudited pro forma consolidated balance sheet as of August 3, 2008 and the related consolidated statements of net income for the year ended April 27, 2008 and for the three months ended August 3, 2008 for the Company and notes thereto are included as Exhibit 99.3.

(c) Exhibits

The following exhibits are filed or furnished as part of this report.

23.1	Consent of Independent Accountant in connection with the registration statements of Culp, Inc. on Form S-8 (File Nos. 33-13310, 33-37027, 33-80206, 33-62843, 333-27519, 333-59512, 333-59514, 333-101805, 333-147663), dated March 20, 1987, September 18, 1990, June 13, 1994, September 22, 1995, May 21, 1997, April 26, 2001, April 25, 2001, December 12, 2002, and November 27, 2007 and on Form S-3 and S-3/A (File No. 333-141346).
99.1	The audited balance sheets of Bodet & Horst USA LP as of June 30, 2008 and 2007 and the related statements of operations and members’ equity (deficit), cash flows, and notes for each of the two years then ended.
99.2	The audited balance sheets of Bodet & Horst USA LP as of June 30, 2007 and 2006 and the related statements of operations and members’ equity (deficit), cash flows, and notes for each of the two years then ended.
99.3	The unaudited pro forma consolidated balance sheet as of August 3, 2008 and the related consolidated statements of net income for the year ended April 27, 2008 and for the three months ended August 3, 2008 for the Company and notes thereto

SIGNATURES

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 hereunto duly authorized.

	CULP, INC. **(Registrant)**
By:	**/s/ Kenneth R. Bowling** **Chief Financial Officer** **(principal financial officer)**
By:	**/s/ Thomas B. Gallagher, Jr.** **Corporate Controller** **(principal accounting officer)**

Dated: October 23, 2008

EXHIBIT INDEX

Exhibit Number	Exhibit
23.1	Consent of Independent Accountant in connection with the registration statements of Culp, Inc. on Form S-8 (File Nos. 33-13310, 33-37027, 33-80206, 33-62843, 333-27519, 333-59512, 333-59514, 333-101805, 333-147663), dated March 20, 1987, September 18, 1990, June 13, 1994, September 22, 1995, May 21, 1997, April 26, 2001, April 25, 2001, December 12, 2002, and November 27, 2007 and on Form S-3 and S-3/A (File No. 333-141346).
99.1	The audited balance sheets of Bodet & Horst USA LP as of June 30, 2008 and 2007 and the related statements of operations and members' equity (deficit), cash flows, and notes for each of the two years then ended.
99.2	The audited balance sheets of Bodet & Horst USA LP as of June 30, 2007 and 2006 and the related statements of operations and members' equity (deficit), cash flows, and notes for each of the two years then ended.
99.3	The unaudited pro forma consolidated balance sheet as of August 3, 2008 and the related consolidated statements of net income for the year ended April 27, 2008 and for the three months ended August 3, 2008 for the Company and notes thereto.

Exhibit 23.1

CONSENT OF INDEPENDENT ACCOUNTANT

We have issued our reports dated September 15, 2008 and November 27, 2007 with respect to the financial statements of Bodet & Horst USA LP for the years ended June 30, 2008, 2007, and 2006, respectively. These reports are included in and incorporated by reference in the current report of Culp, Inc. on Form 8-K/A (Amendment No. 1) dated October 23, 2008. We hereby consent to the incorporation by reference of said reports in the Registration Statements of Culp, Inc. on Form S-8 (File No. 333-59512 effective April 26, 2001, File No. 333-59514 effective April 25, 2001, File No. 333-27519 effective May 21, 1997, File No. 333-101805 effective December 12, 2002, File No. 33-13310 effective March 20, 1987, File No. 33-37027 effective September 18, 1990, File No. 33-80206 effective June 13, 1994, File No. 33-62843 effective September 22, 1995, and File No. 33-147663 effective November 27, 2007).

/s/ GREER & WALKER LLP

Charlotte, North Carolina
October 23, 2008

Exhibit 99.1

BODET & HORST USA LP

Financial Statements for the
Years Ended June 30, 2008 and 2007 and
Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT

Bodet & Horst USA LP:

We have audited the accompanying balance sheets of Bodet & Horst USA LP as of June 30, 2008 and 2007, and the related statements of operations and members' equity, and of cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bodet & Horst USA LP as of June 30, 2008 and 2007, and the results of its operations and its cash flows for the years then ended, in conformity with generally accepted accounting principles in the United States of America.

/s/ Greer & Walker, LLP

September 15, 2008

BODET & HORST USA LP

BALANCE SHEETS
JUNE 30, 2008 AND 2007

ASSETS	2008	2007
CURRENT ASSETS:		
Cash	$ 20,361	$ 37,303
Accounts receivable:		
Trade	313,212	973,618
Related party	2,289,663	2,966,586
Other	95,708	4,560
Prepaid expenses	6,435	3,501
Inventory	1,835,232	1,718,654
Refundable tax payments	445,560	
Total current assets	5,006,171	5,704,222
PROPERTY:		
Machinery equipment	3,453,523	3,281,025
Computers and software	47,380	34,947
Vehicles	23,203	23,203
Leasehold improvements	86,080	74,434
Total	3,610,186	3,413,609
Less accumulated depreciation and amortization	1,561,541	863,680
Property, net	2,048,645	2,549,929
TOTAL	$ 7,054,816	$ 8,254,151

LIABILITIES AND MEMBERS' EQUITY	2008	2007
CURRENT LIABILITIES:		
Current portion of long-term debt	$ 210,906	$ 69,186
Accounts payable:		
Trade	2,240,818	2,228,685
Related party - affiliated entity	62,457	2,678,198
Related party - affiliated entity	126,386	
Notes payable to related party	1,130,000	530,000
Notes payable to affiliated entity	1,593,358	1,604,818
Accrued expenses	92,904	448,826
Total current liabilities	5,456,829	7,559,713
LONG-TERM DEBT		213,362
MEMBERS' EQUITY	1,597,987	481,076
TOTAL	$ 7,054,816	$ 8,254,151

See notes to financial statements.

BODET & HORST USA LP

STATEMENTS OF OPERATIONS AND MEMBERS' EQUITY (DEFICIT)
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

	2008	2007
NET SALES	$ 26,285,145	$ 20,408,379
COST OF SALES	22,913,306	16,838,377
GROSS PROFIT	3,371,839	3,570,002
OPERATING EXPENSES	992,970	800,842
INCOME FROM OPERATIONS	2,378,869	2,769,160
OTHER INCOME (EXPENSE):		
Interest expense	(16,940)	(122,014)
Interest expense - parent	(26,500)	
Interest expense - affiliated entity	(85,720)	
Interest income	170	
Interest income - parent	11,398	
Interest income - affiliated entity	100,719	
Management fees	(803,526)	(620,584)
Other	(185,998)	(493,869)
Total	(1,006,397)	(1,236,467)
NET INCOME	1,372,472	1,532,693
MEMBER DISTRIBUTION	(255,561)	(527,384)
MEMBERS' EQUITY (DEFICIT), BEGINNING OF YEAR	481,076	(524,233)
MEMBERS' EQUITY, END OF YEAR	$ 1,597,987	$ 481,076

See notes to financial statements.

BODET & HORST USA LP

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 1,372,472	$ 1,532,693
Adjustments to reconcile net income/loss to net cash from operating activities:		
Depreciation and amortization	704,487	463,985
Loss/(Gain) on disposal of property	5,066	(1,801)
Changes in operating assets and liabilities:		
Accounts receivable	1,246,181	(2,415,093)
Prepaid expenses	(2,934)	13,636
Inventory	(116,578)	(960,438)
Other assets	(445,560)	
Accounts payable	(2,477,222)	2,140,043
Other liabilities	(355,922)	414,878
Net cash provided by (applied to) operating activities	(70,010)	1,187,903
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of property		7,801
Purchases of property	(208,269)	(1,289,374)
Net cash applied to investing activities	(208,269)	(1,281,573)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from long-term debt		536,471
Principle payments on long-term debt	(71,642)	(17,452)
Proceeds from related party	600,000	
Payments to related party	(11,460)	
Distributions to member	(255,561)	(527,384)
Net cash provided by (applied to) financing activities	261,337	(8,365)
NET DECREASE IN CASH	(16,942)	(102,035)
CASH BALANCE, BEGINNING OF YEAR	37,303	139,338
CASH BALANCE, END OF YEAR	$ 20,361	$ 37,303

See notes to financial statements.

1. SUMMARY OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Operations - Bodet & Horst USA LP, the (“Company”), is engaged in the manufacture and sale of knitted mattress covers.

Use of Accounting Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of certain assets, liabilities and disclosures. Accordingly, the actual amounts could differ from those estimates. Any adjustments applied to estimated amounts are recognized in the year in which such adjustments are determined.

Cash - The Company maintains cash deposits with financial institutions that at times may exceed federally insured limits. As of June 30, 2008, cash deposits, not including uncleared transactions, exceeded federally insured limits by $612,836.

Accounts Receivable - The Company extends credit to its customers. By their nature, accounts receivable involve risk, including the credit risk of nonpayment by the customer. Receivables are considered past due based on contractual and invoice terms. Accounts deemed uncollectible are charged directly to bad debt expense. As of June 30, 2008 and 2007, all remaining accounts receivable were considered collectible by the Company’s management. Accordingly, no allowance has been provided in the accompanying financial statements.

Inventory - Inventory is stated at the lower of cost or market, cost being determined on the first-in, first-out (FIFO) basis.

Property - Property is recorded at cost. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets.

Income Taxes - For income tax purposes, the Company is considered to be a partnership. No provision for federal or state income taxes has been made in the accompanying financial statements since the members include their allocable share of Company income or losses in their respective income tax returns. Temporary differences exist between income or loss recognized for financial reporting and income tax purposes. Such differences primarily relate to depreciation and amortization.

Advertising and Marketing Expense - The Company expenses the cost of advertising and marketing as incurred. Advertising expense incurred during the years ended June 30, 2008 and 2007 was $370 and $32,553, respectively.

Shipping and Handling Costs - The Company includes shipping and handling costs in cost of sales, as incurred. Shipping and handling costs totaled $242,141 and $782,975 for the years ended June 30, 2008 and 2007, respectively.

2. LEASES

The Company leased its office and warehouse facilities in High Point, NC under an agreement classified as an operating lease. This lease was assumed by the purchaser in connection with the asset sale subsequent to year end (See Note 8). Rent expense under this lease totaled $152,453 and $190,566 for the years ended June 30, 2008 and 2007, respectively.

During 2008, the Company executed an agreement to lease office and warehouse facilities in Mt. Airy, NC under an agreement classified as an operating lease. Rent expense under this lease totaled $28,695 for the year ended June 30, 2008.

Future minimum rental payments required under the above operating leases as of June 30, 2008 are $129,292, $112,060 and $84,060 for the years ending June 30, 2009, 2010 and 2011, respectively.

3. INVENTORY

Inventory as of June 30, 2008 and 2007 consisted of the following:

	2008	2007
Raw materials	$ 1,299,259	$ 1,167,342
Finished goods	535,973	551,312
Total	$ 1,835,232	$ 1,718,654

4. LONG-TERM DEBT

Long-term debt as of June 30, 2008 and 2007 was as follows:

	2008	2007
Note payable to a bank, collateralized by certain of the Company's equipment, due in monthly installments of $7,324, including interest at LIBOR (2.47% as of June 30, 2008) plus 2.0% through March 2011	$ 210,906	$ 282,548
Total	210,906	282,548
Less current portion	210,906	69,186
Long-term portion	$ -	$ 213,362

In the 2008 Statement of Operations, interest expense is broken out between third party, parent and affiliated entity. For 2007, this information was not available.

Subsequent to year end, the Company entered into an agreement to sell substantially all of its assets. (See Note 8.) The agreement required the obligation be satisfied prior to the sale closing. The Company repaid the note payable to the bank after year-end and elected to classify the entire outstanding principal amount as a current liability as of June 30, 2008.

5. RELATED PARTY TRANSACTIONS

Included in accounts payable as of June 30, 2008 and 2007 was $62,457 and $2,678,198, respectively, owed to the parent company for various charges.

The Company has a note payable to its parent company in the amount of $530,000. Interest on this note accrues at 5.00%. This note was repaid subsequent to year end.

The Company has a note payable to its parent company in the amount of $225,011 and $236,471 as of June 30, 2008 and 2007, respectively. Interest on this note accrues at 5.19%. No repayment terms had been determined as of the date of this report.

The Company purchased significant machinery and equipment from its parent company during the year ended June 30, 2005. The company has financed the purchase via a note payable to the parent in the amount of $1,368,347 bearing interest at 3.13%. This note was repaid subsequent to year end.

The Company borrowed $600,000 from the parent to pay management fees during June, 2008. The parent issued a note payable to the Company for this amount. This note was repaid subsequent to year end.

6. CONCENTRATIONS

Sales to two major customers accounted for approximately 97% and 99% of sales for the years ended June 30, 2008 and 2007, respectively. As of June 30, 2008 and 2007, receivables outstanding from these customers totaled $2,256,368 and $2,929,876, respectively.

7. CASH FLOW INFORMATION

Supplemental cash flow information for the years ended June 30, 2008 and 2007 was as follows:

	2008	2007
Cash paid for interest	$ 158,518	$ 147,744

8. SUBSEQUENT EVENT

Subsequent to year end, the Company executed an agreement to sell substantially all of its assets and liabilities to a major customer for $10,500,000. The agreement contains certain provisions whereby the purchase price may be adjusted after closing.

Exhibit 99.2

BODET & HORST USA LP

Financial Statements for the
Years Ended June 30, 2007 and 2006 and
Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT

Bodet & Horst USA LP:

We have audited the accompanying balance sheets of Bodet & Horst USA LP as of June 30, 2007 and 2006, and the related statements of operations and members' deficit and of cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bodet & Horst USA LP as of June 30, 2007 and 2006, and the results of its operations and its cash flows for the years then ended, in conformity with generally accepted accounting principles in the United States of America.

As discussed in Note 5 to the financial statements, the Company received additional funds from its parent. This fact was made known to us subsequent to the issuance of the financial statements. The financial statements have been restated to reflect this change.

\s\ Greer & Walker

November 27, 2007

BODET & HORST USA LP

BALANCE SHEETS
JUNE 30, 2007 AND 2006

ASSETS	2007	(Restated) 2006
CURRENT ASSETS:		
Cash	$ 37,303	$ 139,338
Accounts receivable:		
Trade	973,618	1,273,123
Related party	2,966,586	253,977
Other	4,560	2,571
Prepaid expenses	3,501	17,137
Inventory	1,718,654	758,216
Total current assets	5,704,222	2,444,362
PROPERTY:		
Machinery equipment	3,281,025	2,072,827
Computers and software	34,947	11,401
Vehicles	23,203	9,000
Leasehold improvements	74,434	40,984
Total	3,413,609	2,134,212
Less accumulated depreciation and amortization	863,680	403,672
Property, net	2,549,929	1,730,540
TOTAL	$ 8,254,151	$ 4,174,902
LIABILITIES AND MEMBERS' EQUITY (DEFICIT)		
CURRENT LIABILITIES:		
Current portion of long-term debt	$ 69,186	
Accounts payable:		
Trade	2,228,685	$ 1,333,987
Related party	2,678,198	1,432,853
Note payable to related party	2,134,818	1,898,347
Accrued expenses	448,826	33,948
Total current liabilities	7,559,713	4,699,135
LONG-TERM DEBT	213,362	
MEMBERS' EQUITY (DEFICIT)	481,076	(524,233)
TOTAL	$ 8,254,151	$ 4,174,902

See notes to financial statements.

BODET & HORST USA LP

STATEMENTS OF OPERATIONS AND MEMBERS' EQUITY (DEFICIT)
FOR THE YEARS ENDED JUNE 30, 2007 AND 2006

	2007	(Restated) 2006
NET SALES	$ 20,408,379	$ 7,403,422
COST OF SALES	16,838,377	6,436,772
GROSS PROFIT	3,570,002	966,650
OPERATING EXPENSES	800,842	774,978
INCOME FROM OPERATIONS	2,769,160	191,672
OTHER INCOME (EXPENSE):		
Interest expense	(122,014)	(94,271)
Management fees	(620,584)	(221,309)
Other	(493,869)	35,560
Total	(1,236,467)	(280,020)
NET INCOME (LOSS)	1,532,693	(88,348)
MEMBER DISTRIBUTION	(527,384)	(240,000)
MEMBERS' DEFICIT, BEGINNING OF YEAR AS PREVIOUSLY REPORTED	(524,233)	(151,183)
PRIOR PERIOD ADJUSTMENT		(44,702)
MEMBERS' DEFICIT, BEGINNING OF YEAR AS RESTATED	(524,233)	(195,885)
MEMBERS' EQUITY (DEFICIT), END OF YEAR	$ 481,076	$ (524,233)

See notes to financial statements.

BODET & HORST USA LP

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2007 AND 2006

	2007	(Restated) 2006
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	$ 1,532,693	$ (88,348)
Adjustments to reconcile net income/loss to net cash from operating activities:		
Depreciation and amortization	463,985	294,980
Gain on disposal of property	(1,801)	
Changes in operating assets and liabilities:		
Accounts receivable	(2,415,093)	(1,073,801)
Prepaid expenses	13,636	(17,137)
Inventory	(960,438)	(428,648)
Accounts payable	2,140,043	2,197,509
Other liabilities	414,878	29,955
Net cash provided by operating activities	1,187,903	914,510
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of property	7,801	
Purchases of property	(1,289,374)	(978,868)
Net cash applied to investing activities	(1,281,573)	(978,868)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from long-term debt	536,471	
Principle payments on long-term debt	(17,452)	
Proceeds from related party		100,000
Distributions to member	(527,384)	(240,000)
Net cash applied to financing activities	(8,365)	(140,000)
NET DECREASE IN CASH	(102,035)	(204,358)
CASH BALANCE, BEGINNING OF YEAR	139,338	343,696
CASH BALANCE, END OF YEAR	$ 37,303	$ 139,338

See notes to financial statements.

1. SUMMARY OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Operations - Bodet & Horst USA LP, the ("Company"), is engaged in the manufacture and sale of knitted mattress covers.

Use of Accounting Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of certain assets, liabilities and disclosures. Accordingly, the actual amounts could differ from those estimates. Any adjustments applied to estimated amounts are recognized in the year in which such adjustments are determined.

Cash - The Company maintains cash deposits with financial institutions that at times may exceed federally insured limits. As of June 30, 2007 and 2006, cash deposits, not including uncleared transactions, exceeded federally insured limits by $597,728 and $39,137, respectively.

Accounts Receivable - The Company extends credit to its customers. By their nature, accounts receivable involve risk, including the credit risk of nonpayment by the customer. Receivables are considered past due based on contractual and invoice terms. Accounts deemed uncollectible are charged directly to bad debt expense. As of June 30, 2007 and 2006, all remaining accounts receivable were considered collectible by the Company's management. Accordingly, no allowance has been provided in the accompanying financial statements.

Inventory - Inventory is stated at the lower of cost or market, cost being determined on the first-in, first-out (FIFO) basis.

Property - Property is recorded at cost. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets.

Income Taxes - For income tax purposes, the Company is considered to be a partnership. No provision for federal or state income taxes has been made in the accompanying financial statements since the members include their allocable share of Company income or losses in their respective income tax returns. Temporary differences exist between income or loss recognized for financial reporting and income tax purposes. Such differences primarily relate to depreciation and amortization.

Advertising and Marketing Expense - The Company expenses the cost of advertising and marketing as incurred. Advertising expense incurred during the years ended June 30, 2007 and 2006 was $32,553 and $142, respectively.

Shipping and Handling Costs - The Company includes shipping and handling costs in cost of sales, as incurred. Shipping and handling costs totaled $782,975 and $377,544 for the years ended June 30, 2007 and 2006, respectively.

2. LEASES

The Company leases its offices and warehouse facilities under an agreement classified as an operating lease. Rent expense under this lease totaled $190,566 for the years ended June 30, 2007 and 2006.

Future minimum rental payments required under the above operating lease as of June 30, 2007 are $152,452 for the years ending June 30, 2008, 2009 and 2010.

3. INVENTORY

Inventory as of June 30, 2007 and 2006 consisted of the following:

	2007	2006
Raw materials	$ 1,167,342	$ 480,596
Finished goods	551,312	277,620
Total	$ 1,718,654	$ 758,216

4. LONG-TERM DEBT

Long-term debt as of June 30, 2007 and 2006 was as follows:

	2007	2006
Note payable to a bank, collateralized by certain of the Company's equipment, due in monthly installments of $7,324, including interest at LIBOR (5.32% as of June 30, 2007) plus 2.0% through March 2011	$ 282,548	$ -
Total	282,548	-
Less current portion	69,186	-
Long-term portion	$ 213,362	$ -

Schedule maturities on the above obligations as of June 30, 2007 were as follows:

Year ending June 30:

2008	$	69,186
2009		74,550
2010		80,275
2011		58,537
Total	$	282,548

5. RELATED PARTY TRANSACTIONS

The Company purchased its yarn inventory from its parent company during the years ended June 30, 2007 and 2006. Included in accounts payable as of June 30, 2007 and 2006 was $2,678,198 and $1,432,853, respectively, owed to the parent company for inventory purchases and other charges.

The Company has a note payable to its parent company in the amount of $530,000. Interest on this note accrues at 5.00%.

The Company has a note payable to its parent company in the amount of $236,471. Interest on this note accrues at 4.0%. No repayment terms have been determined as of the date of this report.

The Company purchased significant machinery and equipment from its parent company during the year ended June 30, 2005. The parent company has financed the property sales via a note payable in the amount of $1,368,347 bearing interest at 3.13%. No repayment terms have been determined as of the date of this report.

6. CONCENTRATIONS

Sales to two and one major customers accounted for approximately 99% and 96% of sales for the years ended June 30, 2007 and 2006, respectively. As of June 30, 2007 and 2006, receivables outstanding from these customers totaled $2,929,876 and $1,108,855, respectively.

7. CASH FLOW INFORMATION

Supplemental cash flow information for the years ended June 30, 2007 and 2006 was as follows:

		2007		2006
Cash paid for interest	$	12,558	$	4,520

8. PRIOR PERIOD ADJUSTMENT

The June 30, 2006 financial statements were previously issued without a provision for management fees payable to the Company's parent. Accordingly, the accompanying 2006 financial statements have been retroactively restated. The effect of the restatement increased member's deficit by $266,011 and $44,702 as of June 30, 2006 and 2005, respectively. Additionally, net income for 2006 was reduced by $221,309, resulting in a net loss for 2006, and amounts payable to the Company's parent increased by $266,011 as of June 30, 2006.

Exhibit 99.3

Culp, Inc.

Unaudited Pro Forma

Consolidated Financial Statements

Pursuant to an Asset Purchase Agreement (the “Asset Agreement”) among Culp, Inc. (the “Company”), Bodet & Horst USA LP and Bodet & Horst GMBH & Co. KG (collectively, “Bodet & Horst”) dated August 11, 2008, the company purchased certain assets of the knitted mattress fabric operation of Bodet & Horst, including its manufacturing operation located in High Point, North Carolina. The purchase involved equipment, inventory and intellectual property associated with the High Point manufacturing operation, which has served as the company’s primary source of knitted mattress fabric for six years. The company assumed the lease of the building where the operation is located and intends to continue the business in that location. Also, in connection with this purchase, the company entered into a six year consulting and non-compete agreement with the principal owner of Bodet & Horst, providing for payments to the owner in the amount of $75,000 per year for the agreement’s full six-year term.

Total consideration paid for the knitted mattress fabric operation of Bodet & Horst was $11.4 million. The $11.4 million consisted of cash paid at closing of $10.5 million, an adjustment of $477,000 after closing for changes in working capital through the date of closing as defined in the Asset Agreement, and $423,000 in direct acquisition costs. The company also assumed certain liabilities totaling $1.3 million.

The acquisition was financed by $11.0 million of unsecured notes pursuant to a Note Purchase Agreement (“2008 Note Agreement”) dated August 11, 2008. The 2008 Note Agreement has a fixed interest rate of 8.01% and a term of seven years. Principal payments of $2.2 million per year are due on the notes beginning three years from the date of the 2008 Note Agreement. The 2008 Note Agreement contains customary financial and other covenants as defined in the 2008 Note Agreement.

In connection with the 2008 Note Agreement, the company entered into a Consent and Fifth Amendment (the “Consent and Amendment”) that amends the previously existing unsecured note purchase agreements. The purpose of the Consent and Amendment is for the existing note holders to consent to the 2008 Note Agreement and to provide that certain financial covenants in favor of the existing note holders will be on the same terms as those contained in the 2008 Note Agreement.

The unaudited pro forma adjustments are based upon available information and assumptions that the Company believes are reasonable. The unaudited pro forma consolidated balance sheet and statement of net income and related notes thereto should be read in conjunction with the Company’s historical consolidated financial statements as previously filed in the Company’s Annual Report on Form 10-K for the year ended April 27, 2008, filed with the Securities and Exchange Commission (the “Commission”) on July 9, 2008 and the Company’s historical consolidated financial statements as previously filed in the Company’s Quarterly Report on Form 10-Q for the quarter ended August 3, 2008, filed with the Commission on September 10, 2008.

These unaudited pro forma consolidated financial statements are prepared for informational purposes only and are not necessarily indicative of future results or of actual results that would have been achieved had the acquisition with Bodet & Horst been consummated as of April 30, 2007 for the consolidated statements of net income for the year ended April 27, 2008 and the three months ended August 3, 2008. The unaudited pro forma consolidated balance sheet was prepared as if the acquisition of the knitted manufacturing operation of Bodet & Horst occurred on August 3, 2008.The pro forma financial statements do not give effect to any cost savings or incremental costs that may result from the integration of the Company’s operations and the knitted manufacturing operation of Bodet & Horst.

CULP, INC.
PRO FORMA CONSOLIDATED BALANCE SHEET
AS OF AUGUST 3, 2008
UNAUDITED
(Amounts in Thousands)

	Historical		Pro Forma		
	Culp, Inc.	Bodet & Horst USA LP	Adjustments		Consolidated
Current assets:					
Cash and cash equivalents	$ 6,352	$ 452	$ (11,400)	(a)	$ 5,845
			11,000	(a)	
			(107)	(a)	
			(452)	(b)	
Accounts receivable	20,164	2,756	(2,756)	(b)	20,164
Inventories	34,862	1,941	61	(c)	36,302
			(562)	(b)	
Deferred income taxes	4,472	-	-		4,472
Assets held for sale	5,610	-	-		5,610
Income taxes receivable	160	445	(445)	(b)	160
Other current assets	1,627	69	(52)	(b)	1,644
Total current assets	73,247	5,663	(4,713)		74,197
Property, plant and equipment, net	33,950	2,002	1,019	(d)	36,950
			(21)	(b)	
Goodwill	4,114	-	7,478	(e)	11,592
Deferred income taxes	29,144	-	-		29,144
Other assets	2,335	-	863	(f)	3,198
Total assets	$ 142,790	$ 7,665	$ 4,626		$ 155,081
Current liabilities:					
Current maturities of long-term debt	$ 7,378	$ 204	$ (204)	(b)	$ 7,378
Current portion of obligation under a capital lease	692	-	-		692
Accounts payable-trade	17,249	3,003	(1,151)	(g)	18,540
			(561)	(b)	
Accounts payable - capital expenditures	1,020	-	-		1,020
Accrued expenses	5,534	512	(512)	(b)	5,534
Accrued restructuring costs	1,495	-	-		1,495
Income taxes payable - current	33	-	-		33
Total current liabilities	33,401	3,719	(2,428)		34,692
Accounts payable - capital expenditures	1,275	-	-		1,275
Income taxes payable - long-term	5,069	-	-		5,069
Deferred income taxes	1,363	-	-		1,363
Obligation under capital lease	458	-	-		458
Notes payable to affiliated entities	-	2,725	(2,725)	(b)	-
Long-term debt, less current maturities	13,980	-	11,000	(a)	24,980
Total liabilities	55,546	6,444	5,847		67,837
Shareholders' equity	87,244	-	-		87,244
Members' equity	-	1,221	(1,221)	(h)	-
Total liabilities and shareholders' equity	$ 142,790	$ 7,665	$ 4,626		$ 155,081
Shares outstanding	12,648	-	-		12,648

The accompanying notes are an integral part of the unaudited pro forma combined financial statements.

CULP, INC.
PRO FORMA CONSOLIDATED STATEMENT OF NET INCOME
FOR THE YEAR ENDED APRIL 27, 2008
UNAUDITED
(Amounts in Thousands)

	Historical		Pro Forma		
	Culp, Inc.	Bodet & Horst USA LP	Adjustments		Consolidated
Net sales	$ 254,046	$ 26,809	$ (21,039) (5,770)	(i) (j)	$ 254,046
Cost of sales	220,887	23,341	(21,039) (386) (6,127)	(i) (k) (j)	216,676
Gross profit	33,159	3,468	743		37,370
Selling, general and administrative expenses	23,973	730	(73) 126 25	(j) (l) (m)	24,781
Restructuring expense	886	-	-		886
Income from operations	8,300	2,738	665		11,703
Interest expense	2,975	156	(156) 881	(n) (o)	3,856
Interest income	(254)	-	-		(254)
Other expense, net	736	2,127	(2,127) 15	(p) (q)	751
Income before income taxes	4,843	455	2,052		7,350
Income tax (benefit) expense	(542)	-	924	(r)	382
Net income	$ 5,385	$ 455	$ 1,128		$ 6,968
Earnings per share					
Basic	$ 0.43				$ 0.55
Diluted	$ 0.42				$ 0.55
Common shares and equivalents outstanding					
Basic	12,624				12,624
Diluted	12,765				12,765

The accompanying notes are an integral part of the unaudited pro forma combined financial statements.

CULP, INC.
PRO FORMA CONSOLIDATED STATEMENT OF NET INCOME
FOR THE THREE MONTHS ENDED AUGUST 3, 2008
UNAUDITED
(Amounts in Thousands)

	Historical		Pro Forma		
	Culp, Inc.	Bodet & Horst USA LP	Adjustments		Consolidated
Net sales	$ 59,321	$ 6,544	$ (6,059)	(i)	$ 59,321
			(485)	(j)	
Cost of sales	51,919	5,570	(6,059)	(i)	50,790
			(553)	(j)	
			(87)	(k)	
Gross profit	7,402	974	155		8,531
Selling, general and administrative expenses	5,384	386	(239)	(j)	5,569
			32	(l)	
			6	(m)	
Restructuring expense	402	-	-		402
Income from operations	1,616	588	356		2,560
Interest expense	431	95	(95)	(n)	651
			220	(o)	
Interest income	(34)	-	-		(34)
Other expense, net	14	168	(168)	(p)	18
			4	(q)	
Income before income taxes	1,205	325	395		1,925
Income tax expense	424	-	485	(r)	909
Net income	$ 781	$ 325	$ (90)		$ 1,016
Earnings per share					
Basic	$ 0.06				$ 0.08
Diluted	$ 0.06				$ 0.08
Common shares and equivalents outstanding					
Basic	12,648				12,648
Diluted	12,736				12,736

The accompanying notes are an integral part of the unaudited pro forma combined financial statements.

Note 1 - Basis of Presentation

The unaudited pro forma consolidated balance sheet was prepared as if the acquisition of the knitted manufacturing operation of Bodet & Horst occurred on August 3, 2008. The unaudited pro forma consolidated statements of net income for the year ended April 27, 2008 and the three months ended August 3, 2008 were prepared as if the acquisition occurred on April 30, 2007. The historical financial statements of Bodet & Horst USA LP are as of the closest calendar month end for the pro forma financial statements presented.

The unaudited pro forma consolidated financial information has been prepared on the same basis as the Company's audited consolidated financial statements. The acquisition was accounted for in accordance with SFAS No. 141 "*Business Combinations*" and accordingly, the respective assets acquired and liabilities assumed have been recorded at their fair value.

Note 2 - Purchase Price

Total consideration paid for the knitted mattress fabric operation of Bodet & Horst was $11.4 million. The $11.4 million consisted of cash paid at closing of $10.5 million, an adjustment of $477,000 after closing for changes in working capital through the date of closing as defined in the Asset Agreement, and $423,000 in direct acquisition costs. The company also assumed certain liabilities totaling $1.3 million.

The allocation of the net assets acquired has been based on a preliminary valuation because the final valuation has not been completed. The final valuation is expected to be completed by the end of fiscal 2009. Differences between the preliminary valuation and final valuation are not expected to be significant. Based on the total consideration paid for this acquisition and upon the preliminary valuation of the acquired net assets, the preliminary acquisition cost allocation is as follows (in thousands):

(dollars in thousands)		Fair Value
Inventories	$	1,439
Other current assets		17
Property, plant, and equipment		3,000
Non-compete agreement		756
Goodwill		7,478
Accounts payable		(1,290)
	$	11,400

The company recorded the non-compete agreement at its fair value based on various valuation techniques. This non-compete agreement will be amortized on a straight-line basis over the six year life of the agreement. Property, plant, and equipment will be depreciated on a straight-line basis over useful lives ranging from five to fifteen years.

Note 3 – Pro forma adjustments

(a) Reflects consideration paid for the acquisition totaling $11,400, long-term debt proceeds to finance the acquisition of $11,000, and debt issuance costs of $107.

(b) Reflects assets and liabilities retained by Bodet and Horst.

(c) To establish fair value of inventory resulting from the acquisition.

(d) To establish fair value of equipment and other fixed assets resulting from the acquisition.

(e) To record the fair value of the goodwill resulting from the acquisition.

(f) To establish the fair value of identifiable intangible assets resulting from the acquisition, principally the value of a non-compete agreement in the amount of $756. In addition, to record debt issuance costs of $107 in connection with the financing of the acquisition.

(g) To establish the fair value of liabilities assumed upon acquisition.

(h) To eliminate the historical members' equity of the knitted mattress fabric operation of Bodet & Horst.

(i) To eliminate inter-company sales between Culp, Inc. and the knitted mattress fabric operation of Bodet & Horst.

(j) Reflects revenues and expenses retained by Bodet & Horst for business with customers other than Culp, Inc.

(k) Reflects adjustment to depreciation expense for acquired property, plant, and equipment to represent depreciable lives used by Culp Inc.

(l) To record amortization expense on a non-compete agreement resulting from the acquisition.

(m) To record consulting fees to Bodet & Horst as required by the asset purchase agreement.

(n) To eliminate interest expense primarily related to parent company loans of Bodet Horst not assumed during the acquisition.

(o) To record interest expense associated with the $11,000 of long-term debt incurred to finance the acquisition. Interest expense is based on a fixed interest rate of 8.01% as stated in the 2008 Note Agreement.

(p) To eliminate other expenses that are primarily related to management and consulting fees to the parent company not assumed during the acquisition.

(q) To record amortization expense on debt issuance costs incurred in connection with the financing of the acquisition.

(r) Reflects pro forma adjustment to record income tax expense at the respective effective income tax rate had the results of operations from the knitted mattress fabric operations of Bodet & Horst been included in the company's consolidated statement of net income for the year ended April 27, 2008 and the three months ended August 3, 2008.