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 October 27, 2002

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

Common shares outstanding at October 27, 2002: 11,482,959
Par Value: $.05

INDEX TO FORM 10-Q
For the period ended October 27, 2002

Item 1: Financial Statements

CULP, INC.
CONSOLIDATED STATEMENTS OF INCOME (LOSS)
FOR THE THREE MONTHS AND SIX MONTHS ENDED OCTOBER 27, 2002 AND OCTOBER 28, 2001

(Amounts in Thousands, Except for Per Share Data)

THREE MONTHS ENDED (UNAUDITED)

		Amounts			Percent of Sales	
		October 27, 2002	October 28, 2001	% Over (Under)	2003	2002
Net sales	$	83,573	96,400	(13.3) %	100.0 %	100.0 %
Cost of sales		69,830	80,858	(13.6) %	83.6 %	83.9 %
Gross profit		13,743	15,542	(11.6) %	16.4 %	16.1 %
Selling, general and administrative expenses		9,481	11,550	(17.9) %	11.3 %	12.0 %
Restructuring expense		13,360	0	100.0 %	16.0 %	0.0 %
Income (loss) from operations		(9,098)	3,992	(327.9) %	(10.9)%	4.1 %
Interest expense		1,676	1,963	(14.6) %	2.0 %	2.0 %
Interest income		(121)	(34)	255.9 %	(0.1)%	(0.0)%
Other expense (income), net		242	765	(68.4) %	0.3 %	0.8 %
Income (loss) before income taxes		(10,895)	1,298	(939.4) %	(13.0)%	1.3 %
Income taxes *		(4,305)	441	(1,076.2) %	39.5 %	34.0 %
Net income (loss)	$	(6,590)	857	(869.0) %	(7.9)%	0.9 %
Net income (loss) per share, basic		($0.57)	$0.08	(812.5) %		
Net income (loss) per share, diluted		($0.57)	$0.08	(812.5) %		
Average shares outstanding, basic		11,483	11,221	2.3 %		
Average shares outstanding, diluted		11,483	11,281	1.8 %		

SIX MONTHS ENDED (UNAUDITED)

		Amounts			Percent of Sales	
		October 27, 2002	October 28, 2001	% Over (Under)	2003	2002
Net sales	$	169,461	182,863	(7.3) %	100.0 %	100.0 %
Cost of sales		141,864	156,532	(9.4) %	83.7 %	85.6 %
Gross profit		27,597	26,331	4.8 %	16.3 %	14.4 %
Selling, general and administrative expenses		19,918	22,785	(12.6) %	11.8 %	12.5 %
Restructuring expense		13,360	1,303	100.0 %	7.9 %	0.7 %
Income (loss) from operations		(5,681)	2,243	(353.3) %	(3.4)%	1.2 %
Interest expense		3,579	4,031	(11.2) %	2.1 %	2.2 %
Interest income		(271)	(57)	375.4 %	(0.2)%	(0.0)%
Other expense (income), net		453	1,337	(66.1) %	0.3 %	0.7 %
Loss before income taxes		(9,442)	(3,068)	(207.8) %	(5.6)%	(1.7)%
Income taxes *		(3,767)	(1,043)	(261.2) %	39.9 %	34.0 %
Loss before cumulative effect of accounting change		(5,675)	(2,025)	(180.2) %	(3.3)%	(1.1)%
Cumulative effect of accounting change, net of income taxes		(24,151)	0			
Net loss	$	(29,826)	(2,025)			

Basic loss per share:			
Loss before cumulative effect of accounting change	$ (0.50)	(0.18)	(175.1) %
Cumulative effect of accounting change	(2.11)	0.00	(100.0) %
Net loss	(2.61)	(0.18)	(1,345.6) %
Diluted loss per share:			
Loss before cumulative effect of accounting change	$ (0.50)	(0.18)	(175.1) %
Cumulative effect of accounting change	(2.11)	0.00	(100.0) %
Net loss	(2.61)	(0.18)	(1,345.6) %
Average shares outstanding, basic	11,433	11,221	1.9 %
Average shares outstanding, diluted	11,433	11,221	1.9 %

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

CULP, INC.
CONSOLIDATED BALANCE SHEETS
OCTOBER 27, 2002, OCTOBER 28, 2001, AND APRIL 28, 2002
Unaudited
(Amounts in Thousands)

		Amounts		Increase (Decrease)		
		October 27, 2002	October 28, 2001	Dollars	Percent	* April 28, 2002
Current assets						
Cash and cash investments	$	35,037	8,590	26,447	307.9 %	31,993
Accounts receivable		32,869	49,402	(16,533)	(33.5)%	43,366
Inventories		54,571	60,814	(6,243)	(10.3)%	57,899
Other current assets		15,944	9,851	6,093	61.9 %	13,413
Total current assets		138,421	128,657	9,764	7.6 %	146,671
Property, plant & equipment, net		85,049	105,697	(20,648)	(19.5)%	89,772
Goodwill		9,240	47,781	(38,541)	(80.7)%	47,083
Other assets		2,888	1,682	1,206	71.7 %	4,187
Total assets	$	235,598	283,817	(48,219)	(17.0)%	287,713
Current liabilities						
Current maturities of long-term debt	$	462	3,136	(2,674)	(85.3)%	1,483
Accounts payable		18,948	25,870	(6,922)	(26.8)%	24,327
Accrued expenses		16,199	15,448	751	4.9 %	16,460
Accrued restructuring		10,065	1,748	8,317	475.8 %	2,445
Total current liabilities		45,674	46,202	(528)	(1.1)%	44,715
Long-term debt		96,096	107,447	(11,351)	(10.6)%	107,001
Deferred income taxes		3,502	10,330	(6,828)	(66.1)%	16,932
Total liabilities		145,272	163,979	(18,707)	(11.4)%	168,648
Shareholders' equity		90,326	119,838	(29,512)	(24.6)%	119,065
Total liabilities and shareholders' equity	$	235,598	283,817	(48,219)	(17.0)%	287,713
Shares outstanding		11,483	11,221	262	2.3 %	11,320

* Derived from audited financial statements.

CULP, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED OCTOBER 27, 2002 AND OCTOBER 28, 2001
Unaudited
(Amounts in Thousands)

		SIX MONTHS ENDED	
		October 27, 2002	October 28, 2001
Cash flows from operating activities:			
Net loss	$	(29,826)	(2,025)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Cumulative effect of accounting change, net of income taxes		24,151	0
Depreciation		7,139	8,871
Amortization of intangible assets		219	785
Amortization of stock based compensation		105	39
Restructuring expense		13,360	1,303
Changes in assets and liabilities:			
Accounts receivable		10,497	8,447
Inventories		3,328	(817)
Other current assets		(2,504)	(2,006)
Other assets		(202)	(17)
Accounts payable		(6,894)	2,522
Accrued expenses		2	711
Accrued restructuring		(1,546)	(1,778)
Income taxes payable		0	(1,268)
Net cash provided by operating activities		17,829	14,767
Cash flows from investing activities:			
Capital expenditures		(5,328)	(2,288)
Net cash used in investing activities		(5,328)	(2,288)
Cash flows from financing activities:			
Principal payments of long-term debt		(11,926)	(1,073)
Change in accounts payable-capital expenditures		1,515	(4,023)
Proceeds from common stock issued		954	0
Net cash used in financing activities		(9,457)	(5,096)
Increase in cash and cash investments		3,044	7,383
Cash and cash investments at beginning of period		31,993	1,207
Cash and cash investments at end of period	$	35,037	8,590

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	Retained Earnings	Accumulated Other Comprehensive Income	Total Shareholders' Equity
	Shares	Amount				
Balance, April 29, 2001	11,221,158	$ 561	36,915	84,326		$ 121,802
Net loss				(3,440)		(3,440)
Net gain on cash flow hedges					7	7
Common stock issued in connection with stock option plans	98,426	5	691			696
Balance, April 28, 2002	11,319,584	$ 566	37,606	80,886	7	$ 119,065
Net loss				(29,826)		(29,826)
Net gain on cash flow hedges					28	28
Common stock issued in connection with stock option plans	163,375	8	1,051			1,059
Balance, October 27, 2002	11,482,959	$ 574	38,657	51,060	35	$ 90,326

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

1. Basis of Presentation

The accompanying unaudited consolidated financial statements of Culp, Inc. and subsidiary 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 8 and 12 to the consolidated financial statements. 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 26, 2002 for the fiscal year ended April 28, 2002.

2. Accounts Receivable

A summary of accounts receivable follows (dollars in thousands):

	October 27, 2002	April 28, 2002
Customers	$ 35,869	$ 46,886
Allowance for doubtful accounts	(2,161)	(2,465)
Reserve for returns and allowances	(839)	(1,055)
	$ 32,869	$ 43,366

3. 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):

	October 27, 2002	April 28, 2002
Raw materials	$ 25,571	$ 27,081
Work-in-process	3,865	3,830
Finished goods	25,380	27,233
Total inventories valued at FIFO	54,816	58,144
Adjustments of certain inventories to LIFO	(245)	(245)
	$ 54,571	$ 57,899

4. Accounts Payable

A summary of accounts payable follows (dollars in thousands):

	October 27, 2002	April 28, 2002
Accounts payable-trade	$ 16,053	$ 22,947
Accounts payable-capital expenditures	2,895	1,380
	$ 18,948	$ 24,327

5. Accrued Expenses

A summary of accrued expenses follows (dollars in thousands):

	October 27, 2002	April 28, 2002
Compensation, commissions and related benefits	$ 9,381	$ 10,122
Interest	966	1,111
Other	5,852	5,227
	$ 16,199	$ 16,460

6. Long-Term Debt

A summary of long-term debt follows (dollars in thousands):

	October 27, 2002	April 28, 2002
Unsecured term notes	$ 75,000	$ 75,000
Industrial revenue bonds	19,712	30,612
Canadian government loan	1,846	1,852
Obligations to sellers	0	1,020
	96,558	108,484
Less current maturities	(462)	(1,483)
	$ 96,096	$ 107,001

In August 2002, the company entered into an agreement with its principal bank lender that provides for a revolving loan commitment of $15,000,000. The agreement provides an additional $21,000,000 in letters of credit supporting the industrial revenue bonds described below. 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. Letter of credit and commitment fees are also determined by the company's debt/EBITDA ratio, as defined by the agreement. The credit facility expires in August 2004.

The unsecured notes have an average remaining term of 6 years. The principal payments become due from March 2006 to March 2010 with interest payable semi-annually at a fixed coupon rate of 7.76%.

The industrial revenue bonds (IRBs) are generally due in balloon maturities which occur at various dates from 2009 to 2013. The IRBs are collateralized by letters of credit for the outstanding balance of the IRBs and certain interest payments accrued thereunder. As of October 27, 2002, the interest rate on outstanding IRBs was 4.5%, including the letter of credit fee percentage.

The company's loan agreements require, among other things, that the company maintain compliance with certain financial ratios. At October 27, 2002, the company was in compliance with these financial covenants.

The principal payment requirements of long-term debt during the next five fiscal years are: 2003 - $462,000; 2004 - $462,000; 2005 - $462,000; 2006 - $11,460,000; and 2007 - $11,000,000.

7. Cash Flow Information

Payments (refunds) for interest and income taxes for the six months ended October 27, 2002 and October 28, 2001 follow (dollars in thousands):

	2003	2002
Interest	$ 3,750	$ 4,226
Income taxes (refunds)	(2,173)	1,006

8. Restructuring

A summary of accrued restructuring reserve activity follows:

Chattanooga 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 involves (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 the second quarter of fiscal 2003, the total restructuring and related charges incurred were $13.2 million, of which approximately $2.9 million represented non-cash items relating to fixed asset write-downs included in restructuring expense and $1.2 million represented machinery and equipment relocation costs included in cost of sales. Additional related charges of approximately $1.3 million are estimated to be recorded over the next six months.

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	(474)	(170)	(644)
Balance, October 27, 2002	$ 1,498	$ 7,024	$ 8,522

Wet Printed Flock Restructuring

In April 2002, management approved a plan to exit the wet printed flock upholstery fabric business. The exit plan involved closing a printing facility and flocking operation within the Culp Velvets/Prints (CVP) division, reduction in related selling and administrative expenses and termination of 25 employees. The total charge for the exit plan was $9.7 million, of which approximately $8.2 million represented non-cash items relating to fixed asset and inventory write-downs.

During the second quarter of 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. As of October 27, 2002, assets held for sale of $1.0 million are included in other assets. There were no assets held for sale at October 28, 2001.

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
Paid in fiscal 2003	(396)	(63)	(459)
Balance, October 27, 2002	$ 441	$ 542	$ 983

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. For fiscal 2001, the total restructuring and related charges incurred were $7.4 million, of which approximately $3.4 million represented non-cash items relating to fixed asset and inventory write-downs, and $931,000 represented machinery and equipment relocation costs included in cost of sales. During the first quarter of fiscal 2002, the total restructuring and related charges incurred were $2.3 million, of which $160,000 represented non-cash items relating to fixed asset write-downs included in restructuring expense and $1 million represented machinery and equipment relocation costs included in cost of sales. During the second quarter of fiscal 2002, restructuring related charges of $158,000 were incurred and represented machinery and equipment relocation costs included in cost of sales.

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
Paid in fiscal 2003	(89)	(354)	(443)
Balance, October 27, 2002	$ 423	$ 137	$ 560

9. 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) for the three months ended October 27, 2002 and October 28, 2001 follows (dollars in thousands):

	2003	2002
Net income (loss)	$ (6,590)	$ 857
Gain (loss) on foreign currency contracts, net of taxes:		
Net changes in fair value	(33)	96
Net gains (losses) reclassified into earnings	(110)	22
	$ (6,733)	$ 975

A summary of total comprehensive loss for the six months ended October 27, 2002 and October 28, 2001 follows (dollars in thousands):

	2003	2002
Net income (loss)	$ (29,826)	$ (2,025)
Gain (loss) on foreign currency contracts, net of taxes:		
Net changes in fair value	35	4
Net gains (losses) reclassified into earnings	(7)	17
	$ (29,798)	$ (2,004)

Gains on cash flow hedges reflected in other comprehensive loss above are expected to be recognized in results of operations over the next six months.

10. 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:

(in thousands)	Three Months Ended	
	October 27, 2002	October 28, 2001
Weighted average common shares outstanding, basic	11,483	11,221
Effect of dilutive stock options	0	60
Weighted average common shares outstanding, diluted	11,483	11,281

Options to purchase 388,375 shares and 996,926 shares of common stock were not included in the computation of diluted income (loss) per share for the three months ended October 27, 2002 and October 28, 2001, respectively, because the exercise price of the options was greater than the average market price of the common shares.

11. 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 investments, other current assets, property, plant and equipment, and other assets on a total company basis. Thus, identifiable assets by business segment represent accounts receivable, inventories and goodwill.

Sales and gross profit for the company's operating segments for the three months ended October 27, 2002 and October 28, 2001 follow (dollars in thousands):

	2003	2002
Net sales		
Upholstery Fabrics	$ 58,410	$ 70,378
Mattress Ticking	25,163	26,022
	$ 83,573	$ 96,400
Gross Profit		
Upholstery Fabrics	$ 7,650	$ 8,192
Mattress Ticking	6,093	7,350
	$ 13,743	$ 15,542

Sales and gross profit for the company's operating segments for the six months ended October 27, 2002 and October 28, 2001 follow (dollars in thousands):

	2003	2002
Net sales		
Upholstery Fabrics	$ 118,360	$ 132,025
Mattress Ticking	51,101	50,838
	$ 169,461	$ 182,863
Gross Profit		
Upholstery Fabrics	$ 15,651	$ 12,732
Mattress Ticking	11,946	13,599
	$ 27,597	$ 26,331

Identifiable assets, consisting of accounts receivable, inventories and goodwill for the company's operating segments as of October 27, 2002 and October 28, 2001 follow (dollars in thousands):

	2003	2002
Upholstery Fabrics	$ 66,888	$ 48,462 [1]
Mattress Ticking	29,792	12,352 [1]
	$ 96,680	$ 60,814

[1] Includes inventories only for fiscal 2002. Inventories by operating segment for fiscal 2003: $39,884 for Upholstery Fabrics and $14,687 for Mattress Ticking.

12. Recently Adopted Accounting Standard

The company adopted SFAS No. 142, "Goodwill and Other Intangible Assets" effective April 29, 2002. SFAS No. 142 represents a substantial change in how goodwill is accounted for. 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.

As required by the standard, the company ceased recording goodwill amortization for fiscal 2003. The following table reconciles fiscal 2002 net income (loss) to its amount adjusted to exclude goodwill:

(in thousands, except per share data)	Three Months Ended	Six Months Ended
	October 28, 2001	October 28, 2001
Reported net income (loss)	$ 857	$ (2,025)
Goodwill amortization, net of tax	230	460
Adjusted net income (loss)	1,087	(1,565)
Basic		
Reported net income (loss) per share	0.08	(0.18)
Adjusted net income (loss) per share	0.10	(0.14)
Diluted		
Reported net income (loss) per share	0.08	(0.18)
Adjusted net income (loss) per share	0.10	(0.14)

12. Recently Adopted Accounting Standard (continued)

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 company, comparable transaction 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. 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.

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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, excluding restructuring related charges, and international sales by geographic area for the three and six months ended October 27, 2002 and October 28, 2001.

(Amounts in thousands)

	THREE MONTHS ENDED (UNAUDITED)				
	Amounts			Percent of Total Sales	
Segment/Division Sales	October 27, 2002	October 28, 2001	% Over (Under)	2003	2002
Upholstery Fabrics					
Culp Decorative Fabrics	$ 33,859	38,492	(12.0) %	40.5 %	39.9 %
Culp Velvets/Prints	23,305	30,354	(23.2) %	27.9 %	31.5 %
Culp Yarn	1,246	1,532	(18.7) %	1.5 %	1.6 %
	58,410	70,378	(17.0) %	69.9 %	73.0 %
Mattress Ticking					
Culp Home Fashions	25,163	26,022	(3.3) %	30.1 %	27.0 %
*	$ 83,573	96,400	(13.3) %	100.0 %	100.0 %
Segment Gross Profit (1)				Gross Profit Margin	
Upholstery Fabrics	$ 8,810	8,348	5.5 %	15.1 %	11.9 %
Mattress Ticking	6,093	7,350	(17.1)%	24.2 %	28.2 %
	$ 14,903	15,698	(5.1)%	17.8 %	16.3 %

	SIX MONTHS ENDED (UNAUDITED)				
	Amounts			Percent of Total Sales	
Segment/Division Sales	October 27, 2002	October 28, 2001	% Over (Under)	2003	2002
Upholstery Fabrics					
Culp Decorative Fabrics	$ 68,590	73,652	(6.9)%	40.5 %	40.3 %
Culp Velvets/Prints	46,424	55,875	(16.9)%	27.4 %	30.6 %
Culp Yarn	3,346	2,498	33.9 %	2.0 %	1.4 %
	118,360	132,025	(10.4)%	69.8 %	72.2 %
Mattress Ticking					
Culp Home Fashions	51,101	50,838	0.5 %	30.2 %	27.8 %
*	$ 169,461	182,863	(7.3)%	100.0 %	100.0 %
Segment Gross Profit (1)				Gross Profit Margin	
Upholstery Fabrics	$ 16,811	13,866	21.2 %	14.2 %	10.5 %
Mattress Ticking	11,946	13,599	(12.2)%	23.4 %	26.7 %
	$ 28,757	27,465	4.7 %	17.0 %	15.0 %

* U.S. sales were $72,362 and $82,280 for the second quarter of fiscal 2003 and fiscal 2002, respectively; and $147,827 and $154,079 for the six months of fiscal 2003 and 2002, respectively. The percentage decrease in U.S. sales was 12.1% for the second quarter and a decrease of 4.1% for the six months.

(1) Excludes restructuring related charges of $1.2 million and $0.2 million for the second quarter of fiscal 2003 and 2002, respectively; and excludes $1.2 million for the first six months of fiscal 2003 and 2002.

(Amounts in thousands)

Geographic Area		THREE MONTHS ENDED (UNAUDITED) Amounts October 27, 2002	October 28, 2001	% Over (Under)
North America (Excluding USA)	$	8,424	8,379	0.5 %
Europe		138	938	(85.3) %
Middle East		760	1,311	(42.0) %
Far East & Asia		1,652	2,891	(42.8) %
South America		171	177	(3.7) %
All other areas		66	424	(84.4) %
	$	11,211	14,120	(20.6) %
Percent of total sales		13.4%	14.6%	

Geographic Area		SIX MONTHS ENDED (UNAUDITED) Amounts October 27, 2002	October 28, 2001	% Over (Under)
North America (Excluding USA)	$	15,974	16,410	(2.7) %
Europe		261	1,643	(84.1) %
Middle East		1,647	4,214	(60.9) %
Far East & Asia		2,983	5,483	(45.6) %
South America		414	336	23.1 %
All other areas		355	698	(49.1) %
	$	21,634	28,784	(24.8) %
Percent of total sales		12.8%	15.7%	

International sales, and the percentage of total sales, for each of the last three fiscal years follows: fiscal 2000-$111,104 (23%); fiscal 2001 - $77,824 (19%) and fiscal 2002 - $53,501 (14%).

Restructuring Actions

The financial results for the second quarter include a total of $14.5 million in restructuring and related charges, all of which reflect previously announced restructuring initiatives. The charges are made up of the following: (1) $12.0 million of restructuring expenses related to the Culp Decorative Fabrics ("CDF") division, the largest items of which are lease termination expenses and personnel costs; (2) $1.2 million of "restructuring related" costs for CDF, which include inventory mark-downs and equipment moving expense; and (3) $1.3 million of restructuring expenses related to further write-downs of equipment in connection with the exit from the wet printed flock business by the Culp Velvets/Prints ("CVP") division. The additional write down, which is a non cash item, was recorded to more closely estimate the current market value of this equipment, which has continued to deteriorate since April 2002. Of the charges related to CDF, approximately $3.9 million are non-cash items, while the remaining $9.4 million relates to cash expenditures. As reflected in the financial statements, restructuring and related charges were recorded as $13.4 million in the line item "restructuring expense" and $1.2 million in "cost of sales" and have reduced net income per share by $0.77 for the second quarter of fiscal 2003.

The restructuring and related charges for CDF reflect the restructuring initiative announced in August 2002. This initiative was substantially completed by the end of the second quarter. In fact, the company is well ahead of schedule in completing the most important elements of the plan as announced. The company continues to expect that the CDF restructuring actions will significantly improve gross margins within the division, while allowing the ability to meet foreseeable levels of demand, all on a substantially lower cost base. The initiative is projected to result in annual cost savings of approximately $12 to $15 million. Approximately $8 million of these savings relate to fixed manufacturing costs and the remaining $4 to $7 million relate to variable manufacturing costs.

Specifically, the company completed the shut down of its operations at CDF's Chattanooga, Tennessee facility at the end of the second quarter, while it was originally contemplated that this process could take until the end of the third quarter. All of the operations have been successfully transferred to CDF's Pageland, South Carolina and Graham, North Carolina plants. In addition, the consolidation of the finishing, yarn-making and distribution operations from the Chattanooga facility to other CDF plants has been completed, with each of those transitions taking place ahead of the targeted completion dates. There are no manufacturing operations remaining at the Chattanooga plant as of the end of the second quarter.

The remaining elements from the CDF restructuring initiative to be completed are as follows: (1) achieve targeted levels of operating efficiency for the looms transferred into Pageland, which is projected to take until the end of the fourth quarter; (2) transfer certain equipment to other CDF plants by the end of this fiscal year; and (3) complete the capital expenditure projects related to the restructuring.

The announced addition to the Pageland plant is currently under construction and is expected to be ready for occupancy in early 2003. The company plans to install ten new high speed weaving machines in the building during the third quarter. These new machines will replace lower speed equipment that is now in place at the Pageland plant, thereby further increasing the efficiency and output of that facility's operations.

Another important element of the CDF restructuring initiative is a major reduction in the complexity of the dobby upholstery product line, which has led to the elimination of approximately 1,500 low volume stock keeping units (SKUs) representing about 70% of the finished goods SKUs (but only 10% of sales) in that product category. This initiative is substantially complete and has been accomplished without significant disruptions of customer relationships.

In line with previous estimates, the CDF restructuring is expected to result in total restructuring and related charges of approximately $15 million. The company currently estimates that this restructuring will result in additional charges of approximately $1.3 million during the second half of the fiscal year, most of which will relate to equipment moving costs.

Three and Six Months ended October 27, 2002 compared with Three and Six Months ended October 28, 2001

UPHOLSTERY FABRIC SEGMENT

NET SALES - Upholstery fabric sales for the second quarter of fiscal 2003 decreased 17.0% to $58.4 million (see sales by Segment/Division on page I-16). Domestic upholstery fabric sales decreased 13.9% to $51.4 million, due primarily to overall weakness in consumer demand for upholstered furniture. International sales decreased 34.3% to $7.0 million, due primarily to the exiting of the wet printed flock fabric business in April 2002.

In addition to significant overall softness in demand during the quarter, the sales decrease in upholstery fabrics is partially attributable to the company's strategy to focus on improving the profitability of its sales mix by reducing or eliminating products generating little or no profit. In the Culp Velvets/Prints division, the company discontinued its unprofitable wet printed flock business at the end of last fiscal year. This product line reported annual sales last year of approximately $17 million with approximately $2 million in operating losses. In the CDF division, the company discontinued about half of its finished goods SKUs (or approximately 10,000) over the last year, most of which were small volume items and were very costly to produce. These discontinued SKUs include the dobby product line SKUs that were recently eliminated as part of the Chattanooga restructuring. The company expects this process of identifying and dropping its low profit items to continue through the balance of this fiscal year.

The company believes additional factors that are likely impacting upholstery fabric sales are (1) the increasing market share of leather furniture being sold in the U.S.; and (2) the increase in imported fabrics, both in "piece goods" and "cut and sewn kits".

GROSS PROFIT - In spite of weak furniture demand and the significant operational disruption in connection with the Chattanooga restructuring, the upholstery fabric segment improved its gross profit dollars and margins. Excluding restructuring related charges of $1.2 million and $0.2 million for the second quarter of fiscal 2003 and 2002, respectively, gross profit dollars and margin increased in the second quarter of fiscal 2003 to $8.8 million and 15.1%, respectively, from $8.3 million and 11.9% in the second quarter of last year. The key factors behind these gains were: (1) a more profitable sales mix; (2) the elimination of losses related to the wet printed flock business; (3) the increasing productivity benefits from the CDF 2001 restructuring; and (4) some cost reduction benefits from the Chattanooga closure.

With the earlier-than-expected cost reduction benefits as a result of the Chattanooga closure being completed by the end of the second quarter, the company is optimistic that gross profit dollars and margins in CDF will continue to improve over the next few quarters. Additionally within CDF, the company is focused on (1) creating and selling products with better margins; (2) continuing to reduce low profit SKUs; and (3) improving manufacturing performance in CDF, in terms of productivity and inventory obsolescence.

MATTRESS TICKING SEGMENT

NET SALES - Mattress fabric sales for the second quarter of fiscal 2003 decreased 3.3% to $25.2 million. Sales to U.S. bedding manufacturers fell 7.1% to $21.0 million, while sales to international customers increased by 21.4% to $4.2 million. The sales decrease is due to the overall weakness in consumer demand for mattresses.

GROSS PROFIT--Culp Home Fashions (CHF) reported for the second quarter of fiscal 2003 lower gross profit dollars and margins of $6.1 million and 24.2%, respectively, both down from $7.3 million and 28.2% during the corresponding quarter of the prior year. The key factors impacting gross profit were a high cost European sourcing agreement and lower sales. CHF entered into an agreement with a European supplier last fall as part of the termination of a long-term supply relationship. The agreement provided, among other things, that the company maintain a certain level of weekly purchases through October 31, 2002. Therefore, for the first and second quarters of this year, the company has been required to source products from this supplier that are significantly more expensive than products manufactured at the company's U.S. and Canadian plants in order to meet the agreement's minimum purchase levels. The company had planned during the last fiscal year for the termination of this supply agreement by initiating a plan to increase capacity in the U.S. and Canadian plants beginning in the first quarter and ending by December 2002. This capacity expansion project accounts for approximately $4.5 million of the company's fiscal 2003 capital spending plan. This supply agreement was concluded on October 31, 2002 and only a few additional containers of product will arrive during the third quarter. There is potential for some residual effect on profits during the third quarter from the supply agreement as the division works down its inventory position of these products.

Selling, General and Administrative Expenses. SG&A expenses for the second quarter declined $2.1 million, or 17.9%, from the prior year, and as a percent of net sales, SG&A expenses declined to 11.3% from 12.0%. SG&A expenses in the second quarter included a net reduction of $424,000 in the allowance for doubtful accounts, due to a reduction in past due balances. This compares with bad debt expense of $1.4 million in the year-earlier period.

Interest Expense (Income). Interest expense for the second quarter declined to $1.7 million from $2.0 million due to significantly lower borrowings outstanding, offset somewhat by an increase in the interest rate on the private placement debt. Interest income increased to $121,000 from $34,000 due to significantly higher invested cash as compared with the prior year.

Other Expense. Other expense (income) for the second quarter of fiscal 2003 totaled $242,000 compared with $765,000 in the prior year. The decrease was principally due to the adoption of SFAS No. 142, which discontinued the amortization of goodwill. Goodwill amortization during second quarter fiscal 2002 was $350,000.

Income Taxes. Excluding the cumulative effect of accounting change and restructuring and related charges, the effective tax rate for the first half of fiscal 2003 was 37.0% compared to 34.0% the prior year.

Liquidity and Capital Resources

Liquidity. - Cash and cash investments as of October 27, 2002 increased to $35.0 million from $32.0 million at the end of fiscal 2002, reflecting cash flow from operations of $17.8 million for the first half of fiscal 2003, capital expenditures of $5.3 million, debt repayment of $12.0 million, stock issuance of $1.0 million and an increase in accounts payable for capital expenditures of $1.5 million.

Accounts receivable as of October 27, 2002 decreased 33.5% from the year-earlier level, due principally to the decline in international sales with their related longer credit terms, and an increase in the number of customers taking the cash discount for shorter payment terms. Days sales outstanding totaled 36 days at October 27, 2002 compared with 47 a year ago and 36 at last fiscal year end. Inventories at the close of the second quarter decreased 10.3% from a year ago. Inventory turns for the second quarter were 4.9 versus 5.4 for the year-earlier period. Operating working capital (comprised of accounts receivable, inventory and accounts payable) was $68.5 million at October 27, 2002, down from $84.3 million a year ago.

EBITDA for the second quarter of fiscal 2003 was $8.8 million compared with $8.3 million in the prior year. EBITDA includes earnings before interest, income taxes, depreciation, amortization, all restructuring and related charges, certain non-cash charges and cumulative effect of accounting change, as defined by the company's credit agreement.

Financing Arrangements. As of the end of the second quarter, the company had reduced funded debt by $12.0 million from last fiscal year end. Funded debt equals long-term debt plus current maturities. Funded debt was $96.6 million at October 27, 2002, compared with $108.5 million at fiscal 2002 year end. The company's funded debt-to-capital ratio was 51.7% at October 27, 2002. The company also reports it leverage statistics in terms of funded debt, net of cash and cash investments, under the assumption it could use the cash to repay debt at any time. Therefore, funded debt, net of cash and cash investments, is $61.5 million at October 27, 2002 compared with $76.5 million at fiscal 2002 year end. In addition, the company's funded debt (net of cash and cash investments) to capital employed ratio was 40.5% and funded debt (net of cash and cash investments) to EBITDA was 1.70. Since the end of fiscal 2000 (two and one half years), the company has substantially reduced its funded debt (net of cash and cash investments) to $61.5 million from $136.5 million, a total of $75 million or 55%.

Culp has $75 million of senior unsecured notes with an average remaining term of six years and a fixed coupon rate of 7.76%. The company also has a $1.8 million non-interest bearing Canadian government loan.

In addition, the company entered into a new loan agreement during August 2002 with its principal bank lender that provides, among other things, for: (1) a two year $34.7 million credit facility, which includes a $15.0 million revolving credit line and $19.7 million for letters of credit for the company's industrial revenue bonds (IRBs) excluding interest, (2) lower interest rates based upon a pricing matrix, and (3) improved financial covenants. The IRBs are collateralized by letters of credit for the outstanding balance of the IRBs and certain interest payments accrued thereunder. Interest on the outstanding IRBs as of October 27, 2002 was 4.50%, including the letter of credit fee percentage. Also, the agreement specifically allows for the fiscal 2003 Culp Decorative Fabrics restructuring and related charges (see discussion above).

The company's loan agreements require, among other things, that the company maintain compliance with certain financial ratios. The company's principal financial covenants are (1) funded debt to EBITDA; (2) EBILTDA to interest expense plus leases; (3) funded debt to total capital; (4) funded debt to tangible capital; and (5) minimum tangible shareholders' equity. EBILTDA includes earnings before interest, income taxes, lease expense, depreciation, amortization, all restructuring and related charges, certain non-cash charges and cumulative effect of accounting change, as defined by the company's credit agreement. As of October 27, 2002, the company was in compliance with these financial covenants.

Capital Expenditures. Capital spending for the first half of fiscal 2003 was $5.3 million. The company's original budget for capital spending for all of fiscal 2003 was $8.5 million, compared with $4.7 million in fiscal 2002. As part of the fiscal 2003 restructuring plan in CDF, the company increased the budget by $4.5 million to $13.0 million. Depreciation for the second quarter of fiscal 2003 totaled $3.5 million, and is estimated at $14.0 million for the full fiscal year.

Free Cash Flow. Free cash flow, defined as cash from operations, less capital expenditures, plus or minus the change in accounts payable for capital expenditure, was $14.0 million for the first six months of fiscal 2003 compared with $8.5 million for the same period of the prior year. The key reasons for this improvement were continued improvement in accounts receivable collections, lower inventory levels, higher profits and the benefit from deferred payment terms for capital expenditures.

BUSINESS OUTLOOK

For the third quarter of fiscal 2003, the company believes consolidated sales will decline somewhat less than the second quarter decrease of 13.3% while gross profit margins are expected to improve significantly over last year's third quarter gross margin of 14.9%, due primarily to the substantial progress being made in the Culp Decorative Fabrics division. Additionally, total SG&A, interest and other expenses are expected to decline over $1.2 million, absent any large unusual items, in the third quarter from a total of $13.3 million in the last year's third quarter. Therefore, with gross profit margin improvement and lower costs, the company is comfortable with the range of published analysts earnings estimates of $0.11 to $0.15 per share for the third quarter of fiscal 2003, excluding any restructuring and related charges. The net earnings for the third quarter of last year were $400,000, or $0.04 per share, excluding goodwill amortization.

The company's financial results over the last few quarters and its business outlook clearly demonstrate the company's strategic focus on: (1) improving the profitability of its sales mix; (2) increasing margins and return on capital employed; and (3) generating free cash flow.

Inflation

The cost of the company's raw materials is remaining generally stable. Factors that reasonably can be expected to influence margins in the future include changes in raw material prices, trends in other operating costs and overall competitive conditions.

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 2003 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 28, 2002 except for the areas noted below:

Long-lived Assets

The company adopted the provisions of SFAS No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets, effective April 29, 2002. SFAS No. 144 establishes a single accounting model for long-lived assets to be disposed of by sale, and also resolves implementation issues related to SFAS 121. Adoption of SFAS No. 144 did not have a significant impact on the company's financial position, results of operations or cash flows.

Goodwill

As of April 29, 2002, Culp adopted SFAS No. 142, "Goodwill and Other Intangible Assets." SFAS No. 142 represents a substantial change in how goodwill is accounted for. SFAS No. 142 requires that goodwill no longer be amortized and that goodwill be tested for impairment by comparing the reporting unit's carrying value to its fair value as of April 29, 2002. SFAS No. 142 requires that any goodwill impairment loss recognized as a result of initial application is reported as of the first quarter of fiscal 2003 as a change in accounting principle, and that the income per share effects of the accounting change be separately disclosed.

For 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 Culp Decorative Fabrics because of the significance of the goodwill associated with the division and due to its operating performance for fiscal 2001 and 2002. As a result of the adoption of SFAS No. 142, during the first quarter of fiscal 2003 the company recorded a non-operating, non-cash goodwill impairment charge of $37.6 million ($24.2 million net of taxes of $13.4 million), or $2.12 per share diluted, related to the goodwill associated with the Culp Decorative Fabrics division. After the goodwill impairment charge, the company's remaining goodwill relates to the following divisions: Culp Decorative Fabrics - $4.4 million, Culp Yarn - $0.7 million and Culp Home Fashions - $4.1 million.

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. Forward-looking statements are statements that include projections, expectations or beliefs about future events of 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. Because of the significant percentage of the company's sales derived from international shipments, 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. Additionally, economic and political instability in international areas could affect the demand for the company's products. 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 has not experienced any significant changes in market risk since October 27, 2002.

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 and variable rate debt in connection with industrial revenue bonds. The annual impact on the company's results of operations of a 100 basis point interest rate change on the October 27, 2002 outstanding balance of the variable rate debt would be approximately $197,000.

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 consolidated results of operations; therefore, a 10% change in the exchange rate at October 28, 2002 would not have a significant 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 increases in the value of the underlying exposure.

Item 4. Controls and Procedures

Within 90 days of the filing of this report, 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. Based upon this review, the Chief Executive Officer and Chief Financial Officer have concluded that the company's disclosure controls and procedures were adequate and effective to ensure that information required to be disclosed is recorded, processed, summarized, and reported in a timely manner.

There were no significant changes in the company's internal controls or in other factors that could significantly affect these controls subsequent to the date of the evaluation described above, nor were there any significant deficiencies or material weaknesses in the controls which required corrective action.

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 24, 2002. Of the 11,482,959 shares of common stock outstanding on the record date of July 24, 2002, 10,319,475 shares were present in person or by proxy.

At the Annual Meeting, shareholders voted on:

- the election of four directors: Harry R. Culp, Kenneth W. McAllister, Albert L. Prillaman, and Franklin N. Saxon.
- ratification of the appointment of KPMG LLP as the independent auditors of the company for the current fiscal year,
- approval of the company's 2002 Stock Option Plan

A. Proposal for Election of Directors:

Harry R. Culp		Kenneth W. McAllister	
For	9,038,939	For	9,103,496
Abstain	1,280,536	Abstain	1,215,979

Albert L. Prillaman		Franklin N. Saxon	
For	9,100,543	For	9,046,343
Abstain	1,218,932	Abstain	1,273,132

B. Proposal to ratify the election of KPMG LLP as independent auditors of the company for fiscal year 2003:

For	10,243,238
Against	71,055
Abstain	5,182
Del - N - Vote	0

C. Proposal to approve the company's 2002 Stock Option Plan

For	7,009,678
Against	1,522,827
Abstain	18,590
Del - N - Vote	1,768,020

Item 6. Exhibits and Reports on Form 8-K

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 included 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.
10(a)	Amended and Restated Credit Agreement dated as of August 23, 2002 among Culp, Inc. and Wachovia Bank, National Association, as Agent and as Bank, was filed as Exhibit 10(a) to the Company's form 10-Q for the quarter ended July 28, 2002, filed September 11, 2002, and is incorporated herein by reference.
10(b)	Fourth Amendment to Reimbursement and Security Agreements dated August 23, 2002, made by and between Culp, Inc. and Wachovia Bank, National Association, was filed as Exhibit 10(b) to the Company's form 10-Q for the quarter ended July 28, 2002, filed September 11, 2002, and is incorporated herein by reference.
99(a)	Certification of Chief Executive Officer Pursuant to Section 906 of Sarbanes-Oxley Act of 2002.
99(b)	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 filed during the period covered by this report:

(1) Form 8-K dated August 27, 2002, included under Item 5, Other Events, the Company's press release for quarterly earnings and the Financial Information Release relating to certain financial information for the quarter and year ended July 28, 2002.

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 11, 2002

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 signing as principal financial officer)

CERTIFICATIONS

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 quarterly 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 quarterly report; and

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly 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 quarterly report.

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

   a) designed such disclosure controls and procedures 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 quarterly report is being prepared;

   b) evaluated the effective of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

   c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

   a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: December 11, 2002

/s/ Robert G. Culp, III

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

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 quarterly 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 quarterly report; and

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly 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 quarterly report.

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

a) designed such disclosure controls and procedures 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 quarterly report is being prepared;

b) evaluated the effective of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: December 11, 2002

/s/ Franklin N. Saxon

Franklin N. Saxon
Executive Vice President and
Chief Financial Officer

Exhibit 99(a)

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 July 28, 2002 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 11, 2002

Exhibit 99(b)

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 July 28, 2002 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 11, 2002