

TABLE I
HOOKE FURNITURE CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
(In thousands, except per share data)

	Three Months Ended	
	February 28, 2003	February 28, 2002
Net sales.....	\$74,475	\$60,929
Cost of sales.....	<u>53,953</u>	<u>45,528</u>
Gross profit	20,522	15,401
Selling and administrative expenses.....	<u>12,021</u>	<u>9,849</u>
Operating income	8,501	5,552
Other income, net	190	167
Interest expense	<u>643</u>	<u>511</u>
Income before taxes	8,048	5,208
Income taxes.....	<u>3,057</u>	<u>1,979</u>
Net income.....	<u>\$ 4,991</u>	<u>\$ 3,229</u>
Earnings per share:		
Basic and diluted.....	\$ <u>.88</u>	\$ <u>0.57</u>
Weighted average shares outstanding	<u>5,697</u>	<u>5,621</u>

TABLE II
HOOKE FURNITURE CORPORATION
CONSOLIDATED BALANCE SHEETS
(In thousands)

	(Unaudited)		
	February 28, 2003	February 28, 2002	November 30, 2002
Assets			
Current assets			
Cash, primarily interest-bearing deposits.....	\$ 3,143	\$ 15,157	\$ 2,316
Trade receivables, net.....	37,314	31,291	33,771
Inventories.....	60,215	27,639	54,959
Prepaid expenses and other	<u>2,457</u>	<u>2,106</u>	<u>2,225</u>
Total current assets.....	103,129	76,193	93,271
Property, plant, and equipment, net.....	58,685	50,110	49,577
Other assets.....	<u>13,993</u>	<u>6,138</u>	<u>7,033</u>
Total assets	<u>\$175,807</u>	<u>\$132,441</u>	<u>\$149,881</u>
Liabilities and Shareholders' Equity			
Current liabilities			
Trade accounts payable	\$ 4,378	\$ 3,132	\$ 5,427
Accrued salaries, wages, and benefits	4,471	4,837	6,022
Accrued income taxes	4,541	613	3,169
Other accrued expenses.....	4,650	3,681	4,372
Current maturities of long-term debt.....	<u>6,507</u>	<u>2,771</u>	<u>2,905</u>
Total current liabilities.....	24,547	15,034	21,895
Long-term debt.....	41,993	23,505	21,798
Other long-term liabilities	<u>3,862</u>	<u>4,221</u>	<u>5,144</u>
Total liabilities	70,402	42,760	48,837
Common stock held by ESOP (1)		9,659	
Shareholders' equity.....	<u>105,405</u>	<u>80,022</u>	<u>101,044</u>
Total liabilities and shareholders' equity	<u>\$175,807</u>	<u>\$132,441</u>	<u>\$149,881</u>

- (1) In June 2002, Hooker Furniture common stock began trading on the Nasdaq SmallCap Market under the symbol HOFT. As a result, the Company is no longer obligated to repurchase shares distributed to participants in the Company's ESOP. Consequently, amounts representing shares that were previously subject to the repurchase obligation and reflected in the Company's balance sheets as "common stock held by ESOP" have been reclassified to "shareholders' equity".