

NOBILITY HOMES, INC.

CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

(Unaudited)

	<u>Three Months Ended</u>		<u>Nine Months Ended</u>	
	August 2, 2008	August 4, 2007	August 2, 2008	August 4, 2007
Net sales	\$ 7,395,885	\$ 10,739,808	\$ 24,265,336	\$ 29,866,261
Cost of goods sold	<u>(5,435,537)</u>	<u>(7,532,895)</u>	<u>(17,629,032)</u>	<u>(21,238,967)</u>
Gross profit	1,960,348	3,206,913	6,636,304	8,627,294
Selling, general and administrative expenses	<u>(1,747,293)</u>	<u>(1,937,777)</u>	<u>(5,150,011)</u>	<u>(5,570,350)</u>
Operating income	<u>213,055</u>	<u>1,269,136</u>	<u>1,486,293</u>	<u>3,056,944</u>
Other income:				
Interest income	118,993	193,658	389,923	584,310
Undistributed earnings in joint venture - Majestic 21	60,035	74,399	228,730	229,148
Earnings from finance revenue sharing agreement	191,200	154,400	536,300	424,200
Undistributed gains (losses) from investments in limited partnerships	10,646	-	(168,196)	-
Miscellaneous	<u>16,163</u>	<u>40,188</u>	<u>20,405</u>	<u>107,062</u>
Total other income	<u>397,037</u>	<u>462,645</u>	<u>1,007,162</u>	<u>1,344,720</u>
Income before provision for income taxes	610,092	1,731,781	2,493,455	4,401,664
Provision for income taxes	<u>(212,531)</u>	<u>(576,493)</u>	<u>(887,171)</u>	<u>(1,446,387)</u>
Net income	397,561	1,155,288	1,606,284	2,955,277
Other comprehensive income (loss), net of tax:				
Unrealized investment gain (loss)	<u>(29,271)</u>	<u>(53,960)</u>	<u>(97,114)</u>	<u>23,325</u>
Comprehensive income	<u>\$ 368,290</u>	<u>\$ 1,101,328</u>	<u>\$ 1,509,170</u>	<u>\$ 2,978,602</u>
Weighted average number of shares outstanding				
Basic	4,087,639	4,085,901	4,087,442	4,084,620
Diluted	4,092,094	4,095,847	4,092,452	4,095,759
Earnings per share				
Basic	\$ 0.10	\$ 0.28	\$ 0.39	\$ 0.72
Diluted	\$ 0.10	\$ 0.28	\$ 0.39	\$ 0.72
Cash dividends paid per common share	\$ -	\$ -	\$ 0.50	\$ 0.50