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

FORM 10-Q

[Mark One]

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

For the quarterly period ended March 29, 2003

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to

Commission File Number
01-19826

MOHAWK INDUSTRIES, INC.
(Exact name of registrant as specified in its charter)

	Delaware	**52-1604305**	
	(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)	

	P. O. Box 12069, 160 S. Industrial Blvd., Calhoun, Georgia		**30701**	
	(Address of principal executive offices)		(Zip Code)	

Registrant's telephone number, including area code: (706) 629-7721

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [x] No [ ]

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes [x] No [ ]

The number of shares outstanding of the issuer's classes of capital stock as of May 7, 2003 the latest practicable date, is as follows: 65,963,730 shares of Common Stock, $.01 par value.

MOHAWK INDUSTRIES, INC.

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PART I. FINANCIAL INFORMATION

ITEM I. FINANCIAL STATEMENTS

MOHAWK INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

ASSETS
(In thousands)
(Unaudited)

	March 29, 2003	December 31, 2002
Current assets:		
Receivables	$ 540,717	501,129
Inventories	761,647	678,008
Prepaid expenses	37,244	37,368
Deferred income taxes	82,074	82,074
Total current assets	1,421,682	1,298,579
Property, plant and equipment, at cost	1,591,981	1,585,111
Less accumulated depreciation and amortization	740,510	729,787
Net property, plant and equipment	851,471	855,324
Goodwill	1,277,453	1,277,453
Other intangible assets	146,700	146,700
Other assets	15,353	18,687
	$ 3,712,659	3,596,743

See accompanying notes to condensed consolidated financial statements.

MOHAWK INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

LIABILITIES AND STOCKHOLDERS' EQUITY
(In thousands, except per share data)
(Unaudited)

	March 29, 2003	December 31, 2002
Current liabilities:		
Current portion of long-term debt	$ 27,427	27,427
Accounts payable and accrued expenses	684,664	589,283
Total current liabilities	712,091	616,710
Deferred income taxes	188,311	186,996
Long-term debt, less current portion	789,428	793,000
Other long-term liabilities	18,525	17,158
Total liabilities	1,708,355	1,613,864
Stockholders' equity:		
Preferred stock, $.01 par value; 60 shares authorized; no shares issued	-	-
Common stock, $.01 par value; 150,000 shares authorized; 76,422 and 76,371 shares issued in 2003 and 2002, respectively	764	763
Additional paid-in capital	1,008,373	1,006,550
Retained earnings	1,273,252	1,231,612
Accumulated other comprehensive income	1,742	1,126
	2,284,131	2,240,051
Less treasury stock at cost; 10,487 and 10,006 shares in 2003 and 2002, respectively	279,827	257,172
Total stockholders' equity	2,004,304	1,982,879
	$ 3,712,659	3,596,743

See accompanying notes to condensed consolidated financial statements.

MOHAWK INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS

(In thousands, except per share data)
(Unaudited)

	Three Months Ended	
	March 29, 2003	March 30, 2002
Net sales	$ 1,084,715	866,710
Cost of sales	809,919	651,333
Gross profit	274,796	215,377
Selling, general and administrative expenses	196,603	140,327
Operating income	78,193	75,050
Other expense (income):		
Interest expense	13,098	6,524
Other expense	1,391	202
Other income	(1,871)	(263)
	12,618	6,463
Earnings before income taxes	65,575	68,587
Income taxes	23,935	25,377
Net earnings	$ 41,640	43,210
Basic earnings per share	$ 0.63	0.80
Weighted-average common shares outstanding	66,355	54,256
Diluted earnings per share	$ 0.62	0.77
Weighted-average common and dilutive potential common shares outstanding	67,119	55,956

See accompanying notes to condensed consolidated financial statements.

MOHAWK INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Three Months Ended	
	March 29, 2003	March 30, 2002
Cash flows from operating activities:		
Net earnings	$ 41,640	43,210
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	25,049	21,608
Deferred income taxes	1,315	-
Tax benefit on exercise of stock options	550	1,610
Loss on disposal of property, plant and equipment	74	2,025
Changes in operating assets and liabilities, net of effects of acquisition:		
Receivables	(39,588)	(38,113)
Inventories	(83,639)	(36,996)
Accounts payable and accrued expenses	76,955	68,255
Other assets and prepaid expenses	3,005	1,273
Other liabilities	1,367	(1,162)
Net cash provided by operating activities	26,728	61,710
Cash flows from investing activities:		
Additions to property, plant and equipment, net	(24,664)	(16,028)
Acquisition	-	(717,638)
Net cash used in investing activities	(24,664)	(733,666)
Cash flows from financing activities:		
Net change in revolving line of credit	(3,401)	148,182
Proceeds from bridge credit facility	-	600,000
Net change in asset securitization	-	20,000
Redemption of acquisition indebtedness	-	(127,564)
Redemption of IRBs and other, net	(171)	(418)
Change in outstanding checks in excess of cash	23,195	(9,621)
Acquisition of treasury stock	(22,961)	-
Common stock transactions	1,274	41,377
Net cash (used in) provided by financing activities	(2,064)	671,956
Net change in cash	-	-
Cash, beginning of period	-	-
Cash, end of period	$ -	-

See accompanying notes to condensed consolidated financial statements.

(In thousands)

1. Interim reporting

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with instructions to Form 10-Q and do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. These statements should be read in conjunction with the financial statements and notes thereto, and the Company's description of critical accounting policies, included in the Company's 2002 Annual Report filed on Form 10-K, as filed with the Securities and Exchange Commission, which includes consolidated financial statements for the year ended December 31, 2002.

Certain prior period financial statement balances have been reclassified to conform to the current period's presentation.

2. Acquisition

On March 20, 2002, the Company acquired all of the outstanding capital stock of Dal-Tile International Inc. ("Dal-Tile"), a leading manufacturer and distributor of ceramic tile in the United States, for approximately $1,468,325, consisting of approximately 12,900 shares of the Company's common stock, options to purchase 2,100 shares of the Company's common stock and approximately $717,638 in cash, including direct acquisition costs. The acquisition was accounted for by the purchase method and, accordingly, the results of operations of Dal-Tile have been included in the Company's consolidated financial statements from March 20, 2002.

The following unaudited pro forma financial information presents the combined results of operations of Mohawk and Dal-Tile as if the acquisition had occurred at the beginning of 2002, after giving effect to certain adjustments, including increased interest expense on debt related to the acquisition, the elimination of goodwill amortization and related income tax effects. The pro forma information does not necessarily reflect the results of operations that would have occurred had Mohawk and Dal-Tile constituted a single entity during such periods. The following table discloses the results for the fiscal quarters ended:

		March 29, 2003	March 30, 2002
Net sales	$	1,084,715	1,102,754
Net earnings	$	41,640	53,567
Basic earnings per share	$	0.63	0.80
Diluted earnings per share	$	0.62	0.78

3. Recent Accounting Pronouncements

On January 1, 2003, the Company adopted Financial Accounting Standards Board No. 143, *"Accounting for Asset Retirement Obligations"* ("SFAS No. 143"). SFAS No. 143 provides guidance on the recognition and measurement of an asset retirement obligation and its associated retirement cost. It also provides accounting guidance for legal obligations associated with the retirement of tangible long-lived assets. The adoption of SFAS No. 143 did not materially impact the Company's consolidated financial statements.

In January 2003, the Financial Accounting Standards Board issued Interpretation No. 46, "*Consolidation of Variable Interest Entities and Interpretation of ARB No. 51*" ("Fin 46"). Many variable interest entities have been commonly referred to as special-purpose entities or off-balance sheet structures, but this interpretation applies to a larger population of entities. In general, a variable interest entity ("VIE") is any legal structure used for business purposes that either (1) does not have equity investors with voting rights or (2) has equity investors that do not provide sufficient financial resources for the entity to support its activities. Under Fin 46, the VIE is required to be consolidated by the company if it is subject to a majority of the risk of loss from the VIE's activities or entitled to receive a majority of the entity's residual returns. The consolidation requirements of Fin 46 apply to VIE's created after January 31, 2003 and apply to existing VIE's in the first year or interim period beginning after June 15, 2003. The Company has adopted Fin 46 and it did not have a material impact on the Company's consolidated financial statements.

(In thousands)

4. Receivables

Receivables are as follows:

	March 29, 2003	December 31, 2002
Customers, trade	$ 624,020	578,429
Other	3,842	7,373
	627,862	585,802
Less allowance for discounts, returns, claims and doubtful accounts	87,145	84,673
Net receivables	$ 540,717	501,129

5. Inventories

The components of inventories are as follows:

	March 29, 2003	December 31, 2002
Finished goods	$ 478,213	436,080
Work in process	83,918	67,907
Raw materials	199,516	174,021
Total inventories	$ 761,647	678,008

(In thousands)

6. Accounts payable and accrued expenses

Accounts payable and accrues expenses are as follows:

	March 29, 2003	December 31, 2002
Outstanding checks in excess of cash	$ 23,195	23,504
Accounts payable, trade	324,708	236,272
Accrued expenses	229,865	222,868
Accrued compensation	106,896	106,639
Total accounts payable and accrued expenses	$ 684,664	589,283

7. Derivative financial instruments

Natural Gas Risk Management

The Company uses a combination of natural gas futures contracts and long-term supply agreements to manage unanticipated changes in natural gas prices. The contracts are based on forecasted usage of natural gas measured in Million British Thermal Units ("MMBTU").

The Company has designated the natural gas futures contracts as cash flow hedges. The outstanding contracts are valued at market with the offset going to other comprehensive income, net of applicable income taxes. Any gain or loss is recognized in cost of sales in the same period or periods during which the hedged transaction affects earnings. At March 29, 2003, the Company had natural gas contracts outstanding with an aggregate notional amount of approximately 1,225 MMBTU's. The fair value of these contracts, which mature from April 2003 to December 2004, was an asset of $2,989, with the offset recorded in other comprehensive income, net of applicable income taxes, at March 29, 2003.

In addition, the long-term supply agreements for natural gas are accounted for under the normal purchases provision within SFAS No. 133 and its amendments. At March 29, 2003, the Company had normal purchase commitments of approximately 3,603 MMBTU's for periods maturing from April 2003 through August 2005. The contracted value of these commitments was approximately $14,325 and the fair value of these commitments was approximately $17,300, at March 29, 2003.

Foreign Currency Rate Management

The Company enters into foreign exchange forward contracts to hedge costs associated with its operations in Mexico. The objective of these transactions is to reduce volatility of exchange rates where these operations are located by fixing a portion of their costs in US currency. Gains and losses are recognized in cost of sales in the same period or periods during which the hedged transaction affects earnings. Accordingly, these contracts have been designated as cash flow hedges. At March 29, 2003, the Company had forward contracts maturing from April 2003 through December 2003, to purchase approximately 176,646 Mexican pesos. The aggregate U.S Dollar value of these contracts at March 29, 2003 was approximately $16,322. The contracts are marked to market in other current liabilities with the offset to other comprehensive income, net of applicable income taxes. Unrealized losses at March 29, 2003 were not material.

(In thousands)

Interest Rate Management

In 2002, the Company determined that its $100,000 interest rate swap was ineffective. Consequently, the $10,700 unrealized loss associated with the swap was recorded as a realized loss in interest expense during the fourth quarter of 2002. The Company continues to carry the liability on its consolidated balance sheet and the interest rate swap is marked to market at the end of each reporting period. The change in fair value for the period ended March 29, 2003 was not material.

8. Product Warranties

The Company warrants certain qualitative attributes of its products for up to 20 years. The Company records a provision for estimated warranty and related costs, based on historical experience and periodically adjusts these provisions to reflect actual experience. The warranty provision is as follows:

	Three Months Ended	
	March 29, 2003	March 30, 2002
Balance at beginning of period	$ 7,184	7,021
Warranty claims paid	(15,377)	(14,108)
Warranty expense	14,830	13,592
Balance at end of period	$ 6,637	6,505

9. Comprehensive income

Comprehensive income is as follows:

	Three Months Ended	
	March 29, 2003	March 30, 2002
Net earnings	$ 41,640	43,210
Other comprehensive income:		
Unrealized gain on derivative instruments, net of income taxes	616	702
Comprehensive income	$ 42,256	43,912

10. Stock compensation

Effective January 1, 2003 the Company adopted the disclosure provisions of SFAS No. 148, "*Accounting for Stock-Based Compensation-Transition and Disclosure*." This statement amends SFAS No. 123, "*Accounting for Stock-Based Compensation*," to provide alternative methods of transition for a voluntary change to the fair value based method of accounting for stock-based compensation and requires prominent disclosure in both the annual and interim financial statements of the method of accounting used and the financial impact of stock-based compensation. As permitted by SFAS No. 123 the Company accounts for stock options granted as prescribed under Accounting Principles Board Opinion No. 25, "*Accounting for Stock Issued to Employees*," which recognizes compensation cost based upon the intrinsic value of the award.

(In thousands)

If the Company had elected to recognize compensation expense based upon the fair value at the grant dates for awards under these plans, the Company's net earnings per share would have been reduced by:

	Three Months Ended	
	March 29, 2003	March 30, 2002
Net earnings as reported	$ 41,640	43,210
Deduct: Stock-based employee compensation expense determined under fair value based method for all options, net of related tax effects	(1,384)	(965)
Pro forma net earnings	$ 40,256	42,245
Net earnings per common share (basic):		
As reported	$ 0.63	0.80
Pro forma	$ 0.61	0.78
Net earnings per common share (diluted):		
As reported	$ 0.62	0.77
Pro forma	$ 0.60	0.75

The following weighted average assumptions were used to determine the fair value using the Black-Scholes option-pricing model:

	Three Months Ended	
	March 29, 2003	March 30, 2002
Dividend yield	-	-
Risk-free interest rate	4.3%	5.1%
Volatility	44.2%	44.0%
Expected life (years)	6	6

11. Earnings per share

The Company applies the provisions of SFAS No. 128, "*Earnings per Share*," which requires companies to present basic EPS and diluted EPS. Basic EPS excludes dilution and is computed by dividing income available to common stockholders by the weighted-average number of common shares outstanding for the period. Diluted EPS reflects the dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock that then shared in the earnings of the Company.

Dilutive common stock options are included in the diluted EPS calculation using the treasury stock method. Common stock options that were not included in the diluted EPS computation because the options exercise price was greater than the average market price of the common shares (anti-dilutive) for the periods presented are immaterial.

(In thousands)

	Three Months Ended	
	March 29, 2003	March 30, 2002
Net earnings	$ 41,640	43,210
Weighted-average common and dilutive potential common shares outstanding:		
Weighted-average common shares outstanding	66,355	54,256
Add weighted-average dilutive potential common shares - options to purchase common shares, net	764	1,700
Weighted-average common and dilutive potential common shares outstanding	67,119	55,956
Basic earnings per share	$ 0.63	0.80
Diluted earnings per share	$ 0.62	0.77

12. Commitments and contingencies

The Company is involved in routine litigation from time to time in the regular course of its business. Except as noted below, there are no material legal proceedings pending or known to be contemplated to which the Company is a party or to which any of its property is subject.

Environmental Matters

The Company is subject to various federal, state, local and foreign environmental health and safety laws and regulations, including those governing air emissions, wastewater discharges, the use, storage, treatment and disposal of solid and hazardous materials, and the cleanup of contamination associated therewith. Because of the nature of the Company's business, the Company has incurred, and will continue to incur, costs relating to compliance with such laws and regulations. The Company is involved in various proceedings relating to environmental matters and is currently engaged in environmental investigation, remediation and post-closure care programs at certain sites. The Company has provided reserves for such activities that it has determined to be both probable and reasonably estimable. The Company does not expect that the ultimate liability with respect to such activities will have a material adverse effect on it.

Three sites near Mohawk's Dallas facility in its Dal-Tile segment are involved in environmental cleanup projects relating principally to the disposal or alleged disposal by Dal-Tile of waste materials containing lead compounds. Dal-Tile's approved closure plans have been implemented and each site is now undergoing post-closure care. Dal-Tile has been named as a potentially responsible party under the federal Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA") and similar state statutes for the disposal of certain hazardous substances at various other sites in the United States. The Company does not believe that any future costs for these sites will have a material adverse effect on it.

(In thousands)

13. Supplemental Consolidated Statements of Cash Flows Information

	Three Months Ended	
	March 29, 2003	March 30, 2002
Net cash paid during the period for:		
Interest	$ 3,480	4,866
Income taxes	$ 40,780	10,830
Supplemental schedule of non-cash investing and financing activities:		
Fair value of assets acquired in acquisition	$ -	1,865,225
Liabilities assumed in acquisition	-	(396,900)
Issuance of common stock and options in acquisition	-	(750,687)
Cash paid in acquisition	$ -	717,638

14. Segment reporting

As a result of the Dal-Tile acquisition, the Company determined that it has two operating segments, the Mohawk segment and the Dal-Tile segment. The Mohawk segment is comprised of all the product lines and operations that were the Company's prior to the Dal-Tile acquisition. The Dal-Tile segment is comprised of the Dal-Tile product lines and operations.

The accounting policies for each operating segment are consistent with the Company's policies described in the footnotes to the consolidated financial statements included in the Company's Annual Report filed on Form 10-K. Amounts disclosed for each segment are prior to any elimination or consolidation entries. Corporate general and administrative expenses amounts attributable to each segment are estimated and allocated accordingly.

(In thousands)

Segment information is as follows:	Three Months Ended	
	March 29, 2003	March 30, 2002
Net sales:		
Mohawk	$ 808,111	838,226
Dal-Tile	276,604	28,484
	$ 1,084,715	866,710
Operating income:		
Mohawk	$ 40,830	72,012
Dal-Tile	38,348	4,630
Corporate and Eliminations	(985)	(1,592)
	$ 78,193	75,050

	As of	
	March 29, 2003	December 31, 2002
Assets:		
Mohawk	$ 1,716,325	1,638,336
Dal-Tile	1,880,943	1,832,701
Corporate and Eliminations	115,391	125,706
	$ 3,712,659	3,596,743

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

On March 20, 2002, the Company acquired all of the outstanding capital stock of Dal-Tile, a leading manufacturer and distributor of ceramic tile in the United States, for approximately $1,469 million, consisting of approximately 12.9 million shares of the Company's common stock, options to purchase approximately 2.1 million shares of the Company's common stock and $718 million in cash. The transaction was accounted for using the purchase method of accounting and, accordingly, the results of operations of Dal-Tile have been included in the Company's consolidated financial statements from March 20, 2002. The purchase price was allocated to the assets acquired and liabilities assumed based upon estimated fair values at the date of acquisition. The excess of the purchase price over the fair value of the net identifiable assets acquired of approximately $1,168.3 million was recorded as goodwill.

As a result of the Dal-Tile acquisition, the Company determined that it has two operating segments, the Mohawk segment and the Dal-Tile segment. The Mohawk segment is comprised of all the product lines and operations that were the Company's prior to the Dal-Tile acquisition. The Dal-Tile segment is comprised of the Dal-Tile product lines and operations.

Results of Operations

Quarter Ended March 29, 2003, as Compared with Quarter Ended March 30, 2002

Net sales for the quarter ended March 29, 2003 were $1,084.7 million, reflecting an increase of $218.0 million, or approximately 25.2%, from the $866.7 million reported in the quarter ended March 30, 2002. The increased net sales are primarily attributable to the Dal-Tile acquisition. The Mohawk segment recorded net sales of $808.1 million in the current quarter compared to $838.2 million in 2002, representing a decrease of $30.1 million or approximately 3.6%. The decrease was primarily attributable to reduced soft surface sales volume, one less shipping day in the current quarter compared to the prior year quarter and changes in the product mix within the soft surface product category. The Company believes the net sales decline was primarily attributable to lower consumer confidence and uncertainty relating to the US economy. The Dal-Tile segment recorded net sales of $276.6 million in the current quarter, reflecting an increase of $248.1 million, from the $28.5 million reported in the quarter ended March 30, 2002. The Dal-Tile results are not included in the Company's consolidated financial statements prior to the March 20, 2002 acquisition. However, when the first quarter of 2003 Dal-Tile net sales are compared to Dal-Tile's 2002 pro forma combined net sales, including Dal-Tile's results during the first quarter prior to March 20, 2002 (after reclassifications are made to conform to Mohawk's presentation), an increase of $12.1 million or approximately 4.6% from the $264.5 million for the quarter was realized. The increase was primarily attributable to growth within residential products.

Gross profit for the first quarter of 2003 was $274.8 million (25.3% of net sales) and represented an increase from gross profit of $215.4 million (24.8% of net sales) for the prior year's first quarter. Gross profit as a percentage of net sales in the current quarter was favorably impacted when compared to the first quarter of 2002 by Dal-Tile's higher gross profit percentage, offset by the Mohawk segment's increase in raw material prices, more aggressive product promotions and unabsorbed overhead costs.

Selling, general and administrative expenses for the current quarter were $196.6 million (18.1% of net sales) compared to $140.3 million (16.2% of net sales) for the prior year's first quarter. The increased percentage was attributable to the Dal-Tile segment which has higher selling, general and administrative expenses, but also has higher gross profit as a percentage of net sales.

Operating income for the current quarter was $78.2 million (7.2% of net sales) compared to $75.0 million (8.7% of net sales) in the first quarter of 2002. Operating income attributable to the Mohawk segment was $40.8 million (5.1% of segment net sales) in the first quarter of 2003 compared to $72.0 million (8.6% of segment net sales) in the first quarter of 2002. Operating income attributable to the Dal-Tile segment was $38.3 million (13.9% of segment net sales) in the first quarter of 2003 compared to $4.6 million (16.3% of segment net sales). On a pro forma combined basis, Dal-Tile's operating income for the first quarter of 2002, including Dal-Tile's results during the first quarter prior to March 20, 2002 (after reclassifications to conform to Mohawk's presentation) was $36.4 million (13.8% of segment net sales).

Interest expense for the first quarter of 2003 was $13.1 million compared to $6.5 million in the first quarter of 2002. The increase in interest expense was attributable to additional debt incurred in March 2002 to finance the acquisition of Dal-Tile and an increase in the average borrowing rate due to a change in the mix of fixed rate and variable rate debt, when compared to the first quarter of 2002.

Income tax expense was $23.9 million, or 36.5% of earnings before income taxes for the first quarter of 2003 compared to $25.4 million, or 37% of earnings before income taxes for the prior year's first quarter. The improved rate was a result of the utilization of tax credits in 2003.

Liquidity and Capital Resources

The Company's primary capital requirements are for working capital, capital expenditures and acquisitions. The Company's capital needs are met primarily through a combination of internally generated funds, bank credit lines, term and senior notes, the sale of receivables and credit terms from suppliers.

The level of accounts receivable increased from $501.1 million at the beginning of 2003 to $540.7 million at March 29, 2003. The $39.6 million increase was primarily attributable to seasonal fluctuation in net sales. Inventories increased from $678.0 million at the beginning of 2003 to $761.6 million at March 29, 2003, due primarily to building of inventory for hard surface product categories and purchasing of raw materials by the Mohawk segment in advance of vendor price increases.

The outstanding checks in excess of cash represent trade payables checks that have not yet cleared the bank. When the checks clear the bank, they are funded by the revolving credit facility. This policy does not impact any liquid assets on the consolidated balance sheet.

Capital expenditures totaled $24.7 million during the first quarter of 2003. Capital expenditures were incurred primarily to modernize and expand manufacturing facilities and equipment. The Company's capital projects are primarily focused on increasing capacity, improving productivity and reducing costs. Capital spending during the remainder of 2003 for both Mohawk and Dal-Tile combined, excluding acquisitions, is expected to range from $85 million to $105 million, and will be used primarily to purchase equipment and to add manufacturing capacity.

At March 29, 2003, the Company had credit facilities of $450 million under its revolving credit line and $50 million under various short-term uncommitted credit lines. All of these lines are unsecured. At March 29, 2003, a total of approximately $460.7 million was available under this facility compared to $462.5 million available at December 31, 2002. The Company is currently negotiating the refinancing of these facilities, which is scheduled to mature in January 2004.

The Company has two on-balance sheet trade accounts receivable securitization agreements with bank agents for asset-backed commercial paper conduits. These facilities enable the Company to borrow up to $205 million through the Mohawk segment and up to $75 million through its Dal-Tile segment. Each securitization is secured by the respective segment trade receivables and is subject to annual renewal. At March 29, 2003 and December 31, 2002, the Company had no amounts outstanding under either securitization facility, both of which were available up to their respective facility limits.

The Company's Board of Directors has authorized the repurchase of up to 15 million shares of its outstanding common stock. For the period ended March 29, 2003, the Company repurchased approximately .493 million shares of the Company's common stock at an aggregate cost of approximately $23.0 million. Since the inception of the program, a total of approximately 10.9 million shares have been repurchased at an aggregate cost of approximately $288.3 million. All repurchases have been financed through the Company's operations and revolving line of credit.

Recent Accounting Pronouncements

On January 1, 2003, the Company adopted Financial Accounting Standards Board No. 143, *"Accounting for Asset Retirement Obligations"* ("SFAS No. 143"). SFAS No. 143 provides guidance on the recognition and measurement of an asset retirement obligation and its associated retirement cost. It also provides accounting guidance for legal obligations associated with the retirement of tangible long-lived assets. The adoption of SFAS No. 143 did not materially impact the Company's consolidated financial statements.

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Impact of Inflation

Inflation affects the Company's manufacturing costs and operating expenses. The carpet and ceramic tile industry has experienced inflation in the prices of raw materials and fuel-related costs. In the past, the Company has generally passed along these price increases to its customers and has been able to enhance productivity to offset increases in costs resulting from inflation in both the United States and Mexico.

Seasonality

The Company is a calendar year-end company and its results of operations for the first quarter tend to be the weakest. The second, third and fourth quarters typically produce higher net sales and operating income. These results are primarily due to consumer residential spending patterns for floorcovering, which historically have decreased during the first two months of each year following the holiday season.

Certain factors affecting the Company's performance

In addition to the other information provided in this Form 10-Q, the following risk factors should be considered when evaluating an investment in shares of Mohawk common stock.

If any of the events described in these risks were to occur, it could have a material adverse effect on the Company's business, financial condition and results of operations.

The failure to integrate Mohawk and Dal-Tile successfully by managing the challenges of that integration may result in the Company not achieving the anticipated potential benefits of the merger.

The Company faces challenges in consolidating functions, integrating its organizations, procedures, operations and product lines in a timely and efficient manner and retaining key personnel.

These challenges will result principally because the two companies currently:

- maintain executive offices in different locations;
- manufacture and sell different types of products through different distribution channels;
- conduct their businesses from various locations; and
- have different employment and compensation arrangements for their employees.

In addition, Dal-Tile has a significant manufacturing operation in Mexico, and the Company has not previously operated a manufacturing facility outside of the United States. As a result, the integration will be complex and will require additional attention from members of management. The diversion of management attention and any difficulties encountered in the transition and integration process could have a material adverse effect on the Company's revenues, level of expenses and operating results.

The floorcovering industry is cyclical and prolonged declines in residential or commercial construction activity could have a material adverse effect on the Company's business.

The U.S. floorcovering industry is highly dependent on residential and commercial construction activity, including new construction as well as remodeling. New construction activity and remodeling to a lesser degree are cyclical in nature and a prolonged decline in residential or commercial construction activity could have a material adverse effect on the Company's business, financial condition and results of operations. Construction activity is significantly affected by numerous factors, all of which are beyond the Company's control, including:

- national and local economic conditions;
- interest rates;
- housing demand;
- employment levels;
- changes in disposable income;
- financing availability;
- commercial rental vacancy rates;
- business expenditures;
- federal and state income tax policies; and
- consumer confidence.

The U.S. construction industry has experienced significant downturns in the past, which have adversely affected suppliers to the industry, including suppliers of floorcoverings. The industry could experience similar downturns in the future, which could have a negative impact on the Company's business, financial condition and results of operations.

The Company faces intense competition in its industry, which could decrease demand for its products and could have a material adverse effect on its profitability.

The industry is highly competitive. The Company faces competition from a large number of domestic and foreign manufacturers and independent distributors of floorcovering products. Some of its existing and potential competitors may be larger and have greater resources and access to capital than it does. Maintaining the Company's competitive position may require it to make substantial investments in its product development efforts, manufacturing facilities, distribution network and sales and marketing activities. Competitive pressures may also result in decreased demand for its products and in the loss of market share. In addition, the Company faces, and will continue to face, pressure on sales prices of its products from competitors, as well as from large customers. As a result of any of these factors, there could be a material adverse effect on the Company's net sales and profitability.

A failure to identify suitable acquisition candidates, to complete acquisitions and to integrate successfully the acquired operations could have a material adverse effect on the Company's business.

As part of its business strategy, the Company intends to pursue acquisitions of complementary businesses. Although it regularly evaluates acquisition opportunities, it may not be able to:

- successfully identify suitable acquisition candidates;
- obtain sufficient financing on acceptable terms to fund acquisitions;
- complete acquisitions; or
- profitably manage acquired businesses.

Acquired operations may not achieve levels of sales, operating income or productivity comparable to those of its existing operations, or otherwise perform as expected. Acquisitions may also involve a number of special risks, some or all of which could have a material and adverse effect on the Company's business, results of operations and financial condition, including, among others:

- the Company's inability to integrate operations, systems and procedures and to eliminate redundancies and excess costs effectively;
- diversion of management's attention and resources; and
- difficulty retaining and training acquired key personnel.

The Company may be unable to obtain raw materials on a timely basis, which could have a material adverse effect on its business.

The Company's business is dependent upon a continuous supply of raw materials from third party suppliers. The principal raw materials used in its manufacturing operations include: nylon fiber and polypropylene resin, which are used exclusively in its carpet and rug business; talc, clay, impure nepheline syenite, pure nepheline syenite and various glazes, including frit (ground glass), zircon and stains, which are used exclusively in its ceramic tile business; and other materials. The Company has a single source supplier for all of its impure nepheline syenite and pure nepheline syenite requirements. An extended interruption in the supply of these or other raw materials used in the Company's business or in the supply of suitable substitute materials would disrupt the Company's operations, which could have a material adverse effect on its business, financial condition and results of operations.

The Company may be unable to pass on to its customers increases in the costs of raw materials and energy, which could have a material adverse effect on its profitability.

Significant increases in the costs of raw materials and natural gas used in the manufacture of the Company's products could have a material adverse effect on its operating margins and its business, financial condition and results of operations. The Company purchases nylon fiber, polypropylene resin, talc, clay, impure nepheline syenite, pure nepheline syenite, frit, zircon, stains and other materials from third party suppliers. The cost of some of these materials, like nylon and polypropylene resin, is related to oil prices. The Company also purchases significant amounts of natural gas to supply the energy required in some of its production processes. The prices of these raw materials and of natural gas vary with market conditions. Although the Company generally attempts to pass on increases in the costs of raw materials and natural gas to its customers, the Company's ability to do so is, to a large extent, dependent upon the rate and magnitude of any increase, competitive pressures and market conditions for its products. There have been in the past, and may be in the future, periods of time during which increases in these costs cannot be recovered. During such periods of time, there could be a material adverse effect on the Company's profitability.

The Company has been, and in the future may be subject to claims and liabilities under environmental, health and safety laws and regulations, which could be significant.

The Company's operations are subject to various federal, state, local and foreign environmental, health and safety laws and regulations, including those governing air emissions, wastewater discharges, and the use, storage, treatment and disposal of hazardous materials. The applicable requirements under these laws are subject to amendment, to the imposition of new or additional requirements and to changing interpretations of agencies or courts. New or additional requirements could be imposed, and the Company could incur material expenditures to comply with new or existing regulations.

The nature of the Company's operations and previous operations by others at real property currently or formerly owned or operated by the Company and the disposal of waste at third party sites exposes the Company to the risk of claims under environmental, health and safety laws and regulations. The Company could incur material costs or liabilities in connection with such claims. The Company has been, and will continue to be, subject to these claims.

The discovery of presently unknown environmental conditions, changes in environmental, health, and safety laws and regulations, enforcement of existing or new requirements or other unanticipated events could give rise to expenditures and liabilities, including fines or penalties, that could have a material adverse effect on the Company's business, operating results or financial condition.

Changes in international trade laws and in the business, political and regulatory environment in Mexico could have a material adverse effect on the Company's business.

The Company's Monterrey, Mexico manufacturing facility represents a significant portion of the Company's total manufacturing capacity for ceramic tile. Accordingly, an event that has a material adverse impact on the Company's Mexican operations could have a material adverse effect on the tile operations as a whole. The business, regulatory and political environments in Mexico differ from those in the United States, and the Company's Mexican operations are exposed to a number of inherent risks, including:

- changes in international trade laws, such as the North American Free Trade Agreement, or NAFTA, affecting the Company's import and export activities in Mexico;
- changes in Mexican labor laws and regulations affecting the Company's ability to hire and retain employees in Mexico;
- currency exchange restrictions and fluctuations in the value of foreign currency;
- potentially adverse tax consequences;
- local laws concerning repatriation of profits;
- political conditions in Mexico;
- unexpected changes in the regulatory environment in Mexico; and
- changes in general economic conditions in Mexico.

The Company could face increased competition as a result of the General Agreement on Tariffs and Trade and the North American Free Trade Agreement.

The United States is party to the General Agreement on Tariffs and Trade ("GATT"). Under GATT, the United States currently imposes import duties on ceramic tile imported from countries outside North America at no more than 12%, to be reduced ratably to no less than 8.5% by 2004. Accordingly, as these duties decrease, GATT may stimulate competition from manufacturers in these countries, which now export, or may seek to export, ceramic tile to the United States. The Company is uncertain what effect GATT may have on its operations.

The North American Free Trade Agreement ("NAFTA") was entered into by Canada, Mexico and the United States and over a transition period will remove most customs duties imposed on goods traded among the three countries. In addition, NAFTA will remove or limit many investment restrictions, liberalize trade in services, provide a specialized means for settlement of, and remedies for, trade disputes arising under applicable laws and will result in new laws and regulations to further these goals. Although NAFTA lowers the tariffs imposed on the Company's ceramic tile manufactured in Mexico and sold in the United States, it may also stimulate competition in the United States and Canada from manufacturers located in Mexico, which could negatively affect the Company's business.

Forward-Looking Information

Certain of the matters discussed in the preceding pages, particularly regarding anticipation of future financial performance, business prospects, growth and operating strategies, proposed acquisitions, new products and similar matters, and those preceded by, followed by or that otherwise include the words "believes," "expects," "anticipates," "intends," "estimates" or similar expressions constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities and Exchange Act of 1934, as amended. For those statements, Mohawk claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Those statements are based on assumptions regarding the Company's ability to maintain its sales growth and gross margins and to control costs. These or other assumptions could prove inaccurate and therefore, there can be no assurance that the "forward-looking statements" will prove to be accurate. Forward-looking statements involve a number of risks and uncertainties. The following important factors, in addition to those discussed elsewhere in this document, affect the future results of Mohawk and could cause those results to differ materially from those expressed in the forward-looking statements: materially adverse changes in economic conditions generally in the carpet, rug, ceramic tile and other floorcovering markets served by Mohawk; the successful integration of Dal-Tile into Mohawk's business; competition from other carpet, rug, ceramic tile and floorcovering manufacturers; raw material prices; declines in residential or commercial construction activity; timing and level of capital expenditures; the successful integration of acquisitions, including the challenges inherent in diverting Mohawk management's attention and resources from other strategic matters and from operational matters for an extended period of time; the successful introduction of new products; the successful rationalization of existing operations; and other risks identified from time to time in the Company's SEC reports and public announcements. Any forward-looking statements represent Mohawk's estimates only as of the date of this report and should not be relied upon as representing Mohawk's estimates as of any subsequent date. While Mohawk may elect to update forward-looking statements at some point in the future, Mohawk specifically disclaims any obligation to do so, even if Mohawk's estimates change.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Financial exposures are managed as an integral part of the Company's risk management program, which seeks to reduce the potentially adverse effect that the volatility of the exchange rate and natural gas markets may have on its operating results. The Company does not regularly engage in speculative transactions, nor does it regularly hold or issue financial instruments for trading purposes.

Natural Gas Risk Management

The Company uses a combination of natural gas futures contracts and long-term supply agreements to manage unanticipated changes in natural gas prices. The contracts are based on forecasted usage of natural gas measured in Million British Thermal Units ("MMBTU").

The Company has designated the natural gas futures contracts as cash flow hedges. The outstanding contracts are valued at market with the offset going to other comprehensive income, net of applicable income taxes. Any gain or loss is recognized in cost of sales in the same period or periods during which the hedged transaction affects earnings. At March 29, 2003, the Company had natural gas contracts outstanding with an aggregate notional amount of approximately 1.2 million MMBTU's. The fair value of these contracts, which mature from April 2003 to December 2004, was an asset of $3.0 million, with the offset recorded in other comprehensive income, net of applicable income taxes, at March 29, 2003.

In addition, the long-term supply agreements for natural gas are accounted for under the normal purchases provision within SFAS No. 133 and its amendments. At March 29, 2003, the Company had normal purchase commitments of approximately 3.6 million MMBTU's for periods maturing from April 2003 through August 2005. The contracted value of these commitments was approximately $14.3 million and the fair value of these commitments was approximately $17.3 million, at March 29, 2003.

Foreign Currency Rate Management

The Company enters into foreign exchange forward contracts to hedge costs associated with its operations in Mexico. The objective of these transactions is to reduce volatility of exchange rates where these operations are located by fixing a portion of their costs in US currency. Gains and losses are recognized in cost of sales in the same period or periods during which the hedged transaction affects earnings. Accordingly, these contracts have been designated as cash flow hedges. At March 29, 2003, the Company had forward contracts maturing from April 2003 through December 2003, to purchase approximately 176.6 million Mexican pesos. The aggregate U.S Dollar value of these contracts at March 29, 2003 was approximately $16.3 million. The contracts are marked to market in other current liabilities with the offset to other comprehensive income, net of applicable income taxes. Unrealized losses at March 29, 2003 were not material.

Interest Rate Management

In 2002, the Company determined that its $100 million interest rate swap would become ineffective. Consequently, the $10.7 million unrealized loss associated with the swap was recorded as a realized loss in interest expense during the fourth quarter of 2002. The Company continues to carry the liability on its consolidated balance sheet and the interest rate swap is marked to market at the end of each reporting period. The change in fair value for the period ended March 29, 2003 was not material.

Item 4. Controls and Procedures

Within ninety (90) days prior to the date of this report, an evaluation was performed under the supervision and with the participation of the Company's management, including the President and Chief Executive Officer ("CEO"), and the Chief Financial Officer ("CFO"), of the effectiveness of the design and operation of the Company's disclosure controls and procedures. Based on that evaluation, the Company's management, including the CEO and CFO, concluded that the Company's disclosure controls and procedures were effective in bringing to their attention material information relating to the Company required to be included in the Company's periodic SEC filings. There have been no significant changes in the Company's internal controls or in other factors that could significantly affect internal controls subsequent to the most recent evaluation conducted by the CEO and CFO.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

The Company is involved in routine litigation from time to time in the regular course of its business. Except as noted below, there are no material legal proceedings pending or known to be contemplated to which the Company is a party or to which any of its property is subject.

Environmental Matters

The Company is subject to various federal, state, local and foreign environmental health and safety laws and regulations, including those governing air emissions, wastewater discharges, the use, storage, treatment and disposal of solid and hazardous materials, and the cleanup of contamination associated therewith. Because of the nature of the Company's business, the Company has incurred, and will continue to incur, costs relating to compliance with such laws and regulations. The Company is involved in various proceedings relating to environmental matters and is currently engaged in environmental investigation, remediation and post-closure care programs at certain sites. The Company has provided reserves for such activities that it has determined to be both probable and reasonably estimable. The Company does not expect that the ultimate liability with respect to such activities will have a material adverse effect on it.

Three sites near Mohawk's Dallas facility in its Dal-Tile segment are involved in environmental cleanup projects relating principally to the disposal or alleged disposal by Dal-Tile of waste materials containing lead compounds. Dal-Tile's approved closure plans have been implemented and each site is now undergoing post-closure care. Dal-Tile has been named as a potentially responsible party under the federal Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA") and similar state statutes for the disposal of certain hazardous substances at various other sites in the United States. The Company does not believe that any future costs for these sites will have a material adverse effect on it.

Item 2. Changes in Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

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

None.

Item 5. Other Information

None.

Item 6. Exhibits and Reports on Form 8-K

<u>No.</u>	<u>Description</u>

(a) Exhibits

99.1 Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
99.2 Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(b) Reports on Form 8-K

Current Report on Form 8-K: Fourth quarter and year-end earnings press release, dated February 6, 2003.
Current Report on Form 8-K: Press release announcing updated current business conditions dated March 14, 2003.

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 thereunto duly authorized.

MOHAWK INDUSTRIES, INC.

Dated: May 7, 2003

By: /s/ Jeffrey S. Lorberbaum
JEFFREY S. LORBERBAUM, President and
Chief Executive Officer (principal executive officer)

Dated: May 7, 2003

By: /s/ John D. Swift
JOHN D. SWIFT, Chief Financial Officer,
Vice President-Finance and Assistant Secretary
(principal financial and accounting officer)

CERTIFICATIONS

I, Jeffrey S. Lorberbaum, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Mohawk Industries, 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;

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 effectiveness 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: May 7, 2003
/s/ Jeffrey S. Lorberbaum
Jeffrey S. Lorberbaum
President and Chief Executive Officer

I, John D. Swift, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Mohawk Industries, 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;
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 effectiveness 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: May 7, 2003
/s/ John D. Swift
John D. Swift
Chief Financial Officer

Exhibit 99.1

Statement of Chief Executive Officer of
MOHAWK INDUSTRIES, INC.
Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to
§ 906 of the Sarbanes-Oxley Act of 2002

In connection with the quarterly report of Mohawk Industries, Inc. (the "Company") on Form 10-Q for the period ended March 29, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jeffrey S. Lorberbaum, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, based on 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 results of operations of the Company.

/s/ Jeffrey S. Lorberbaum
Jeffrey S. Lorberbaum
President and Chief Executive Officer
May 7, 2003

Exhibit 99.2

Statement of Chief Financial Officer of
MOHAWK INDUSTRIES, INC.
Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to
§ 906 of the Sarbanes-Oxley Act of 2002

In connection with the quarterly report of Mohawk Industries, Inc. (the "Company") on Form 10-Q for the period ended March 29, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John D. Swift, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, based on 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 results of operations of the Company.

/s/ John D. Swift
John D. Swift
Chief Financial Officer
May 7, 2003