

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

Quarterly Report Under Section 13 or 15 (d)
of the Securities Exchange Act of 1934

For the Quarter Ended February 28, 2003
Commission File No. 1-4714

SKYLINE CORPORATION

(Exact name of registrant as specified in its charter)

INDIANA 35-1038277
(State of Incorporation) (IRS Employee Identification No.)

P. O. Box 743, 2520 By-Pass Road Elkhart, IN 46515
(Address of principal executive offices) (Zip)

294-6521 (574)
(Registrant's telephone number) (Area Code)

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

Securities registered pursuant to Section 12 (b) of the Act:

<u>Title of Class</u>	<u>Shares Outstanding</u>
Common stock	<u>April 14, 2003</u> 8,391,244

SKYLINE CORPORATION

Form 10-Q Quarterly Report

INDEX

		<u>Page No.</u>
Part I.	Financial Information	
Item 1.	Financial Statements:	
	Consolidated Balance Sheets as of February 28, 2003 and May 31, 2002	2-3
	Consolidated Statements of Earnings and Retained Earnings for the three-month and nine-month periods ended February 28, 2003 and 2002	4
	Consolidated Statements of Cash Flows for the nine-month periods ended February 28, 2003 and 2002	5-6
	Notes to the Consolidated Financial Statements for the nine-month period ended February 28, 2003	7-10
	Report of Independent Accountants	11
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	12-14
Item 4.	Controls and Procedures	15
Part II	Other Information	
Item 1.	Legal Proceedings	15
Item 6.	Exhibits and Reports on Form 8-K	15
	Signatures	16
	Certifications	16-20

Part I.

Item 1. Financial Statements

Skyline Corporation and Subsidiary Companies

Consolidated Balance Sheets

Dollars in thousands

	<u>February 28, 2003</u> (Unaudited)	<u>May 31, 2002</u>
ASSETS		
Current Assets		
Cash	\$ 8,830	\$ 8,699
Treasury Bills, at cost plus accrued interest	143,674	138,327
Accounts receivable, trade, less allowance for doubtful accounts of \$150 at February 28, 2003 and \$40 at May 31, 2002	23,237	28,028
Inventories	9,514	9,632
Other current assets	<u>8,635</u>	<u>8,137</u>
Total Current Assets	<u>193,890</u>	<u>192,823</u>
Property, Plant and Equipment, At Cost		
Land	6,637	6,637
Buildings and improvements	64,788	64,595
Machinery and equipment	<u>26,927</u>	<u>27,305</u>
	98,352	98,537
Less accumulated depreciation	<u>58,469</u>	<u>57,060</u>
Net Property, Plant and Equipment	<u>39,883</u>	<u>41,477</u>
Other Assets	<u>4,653</u>	<u>4,452</u>
	<u>\$238,426</u>	<u>\$238,752</u>

The accompanying notes are a part of the consolidated financial statements.

Skyline Corporation and Subsidiary Companies

Consolidated Balance Sheets

Dollars in thousands except per share data

	<u>February 28, 2003</u> (Unaudited)	<u>May 31, 2002</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Accounts payable, trade	\$ 4,736	\$ 5,859
Accrued salaries and wages	5,752	7,405
Accrued profit sharing	1,956	2,412
Accrued marketing programs	11,067	6,375
Accrued warranty and related expenses	10,508	10,100
Other accrued liabilities	3,633	3,156
Income taxes	<u>-</u>	<u>1,156</u>
Total Current Liabilities	<u>37,652</u>	<u>36,463</u>
Other Deferred Liabilities	<u>4,126</u>	<u>4,056</u>
Commitments and Contingencies	<u>-</u>	<u>-</u>
Shareholders' Equity		
Common stock, \$.0277 par value, 15,000,000 shares authorized; Issued 11,217,144 shares	312	312
Additional paid-in capital	4,928	4,928
Retained earnings	257,152	258,737
Treasury stock, at cost, 2,825,900 shares at February 28, 2003 and May 31, 2002	<u>(65,744)</u>	<u>(65,744)</u>
Total Shareholders' Equity	<u>196,648</u>	<u>198,233</u>
	<u>\$238,426</u>	<u>\$238,752</u>

The accompanying notes are a part of the consolidated financial statements.

Skyline Corporation and Subsidiary Companies

Consolidated Statements of Earnings and Retained Earnings

For the three-month and nine-month periods ended February 28, 2003 and 2002

(Unaudited)

Dollars in thousands except per share data

	Three-Months Ended February 28,		Nine-Months Ended February 28,	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Sales	\$ 87,709	\$ 96,080	\$316,668	\$336,359
Cost of sales	<u>78,831</u>	<u>84,107</u>	<u>277,938</u>	<u>289,604</u>
Gross profit	8,878	11,973	38,730	46,755
Selling and administrative expenses	<u>10,690</u>	<u>11,343</u>	<u>35,407</u>	<u>36,750</u>
Operating (loss) earnings	(1,812)	630	3,323	10,005
Interest income	<u>465</u>	<u>831</u>	<u>1,605</u>	<u>3,501</u>
(Loss) earnings before income taxes	(1,347)	1,461	4,928	13,506
(Benefit) provision for income taxes:				
Federal	(419)	519	1,700	4,557
State	<u>(101)</u>	<u>73</u>	<u>282</u>	<u>769</u>
	<u>(520)</u>	<u>592</u>	<u>1,982</u>	<u>5,326</u>
Net (loss) earnings	<u>\$ (827)</u>	<u>\$ 869</u>	<u>\$ 2,946</u>	<u>\$ 8,180</u>
Basic (loss) earnings per share	<u>\$ (.10)</u>	<u>\$.10</u>	<u>\$.35</u>	<u>\$.97</u>
Cash dividends per share	<u>\$.18</u>	<u>\$.18</u>	<u>\$.54</u>	<u>\$.54</u>
Weighted average common shares outstanding	<u>8,391,244</u>	<u>8,391,244</u>	<u>8,391,244</u>	<u>8,391,244</u>
Retained earnings, beginning of period	\$259,489	\$256,815	\$258,737	\$252,525
Add net (loss) earnings	(827)	869	2,946	8,180
Less cash dividends paid	<u>1,510</u>	<u>1,511</u>	<u>4,531</u>	<u>4,532</u>
Retained earnings, end of period	<u>\$257,152</u>	<u>\$256,173</u>	<u>\$257,152</u>	<u>\$256,173</u>

The accompanying notes are a part of the consolidated financial statements.

Skyline Corporation and Subsidiary Companies

Consolidated Statements of Cash Flows

For the nine-month periods ended February 28, 2003 and 2002

Increase (Decrease) in Cash

(Unaudited)

Dollars in thousands

	<u>2003</u>	<u>2002</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net earnings	\$ <u>2,946</u>	\$ <u>8,180</u>
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Interest income earned on U.S. Treasury Bills and Notes	(1,605)	(3,501)
Depreciation	2,811	2,855
Amortization of premium on U.S. Treasury Notes	-	6
Working Capital Items:		
Accounts receivable	4,791	5,135
Inventories	118	(493)
Other current assets	(498)	76
Accounts payable, trade	(1,123)	(1,715)
Accrued liabilities	3,468	6,213
Income taxes payable	(1,156)	(1,837)
Other assets	(201)	(175)
Other deferred liabilities	<u>70</u>	<u>144</u>
Total Adjustments	<u>6,675</u>	<u>6,708</u>
Net cash provided by operating activities	<u>9,621</u>	<u>14,888</u>

The accompanying notes are a part of the consolidated financial statements.

Skyline Corporation and Subsidiary Companies

Consolidated Statements of Cash Flows, continued

For the nine-months periods ended February 28, 2003 and 2002

Increase (Decrease) in Cash

(Unaudited)

Dollars in thousands

	<u>2003</u>	<u>2002</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale or maturity of U. S. Treasury Bills	\$ 274,922	\$ 310,800
Purchase of U.S. Treasury Bills	(278,664)	(343,367)
Maturity of U.S. Treasury Notes	-	25,000
Interest received from U. S. Treasury Notes	-	719
Proceeds from sale of property, plant and equipment	76	20
Purchase of property, plant and equipment	<u>(1,293)</u>	<u>(2,890)</u>
Net cash used in investing activities	<u>(4,959)</u>	<u>(9,718)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Cash dividends paid	<u>(4,531)</u>	<u>(4,532)</u>
Net cash used in financing activities	<u>(4,531)</u>	<u>(4,532)</u>
Net increase in cash	131	638
Cash at beginning of year	<u>8,699</u>	<u>5,450</u>
Cash at end of quarter	<u>\$ 8,830</u>	<u>\$ 6,088</u>

The accompanying notes are a part of the consolidated financial statements.

Skyline Corporation and Subsidiary Companies

Notes to the Consolidated Financial Statements

For the nine-month period ended February 28, 2003

NOTE 1 Nature of Operations and Accounting Policies

The accompanying unaudited interim consolidated financial statements contain all adjustments (consisting of only normal recurring adjustments) necessary to present fairly the consolidated financial position as of February 28, 2003, the consolidated results of operations for three-month and nine-month periods ended February 28, 2003 and 2002, and the consolidated cash flows for the nine-month periods ended February 28, 2003 and 2002.

The unaudited interim consolidated financial statements included herein have been prepared pursuant to the rules and regulations for reporting on Form 10-Q. Accordingly, certain information and footnote disclosures normally accompanying the annual consolidated financial statements have been omitted. The interim consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Corporation's latest annual report on Form 10-K.

Inventories are stated at cost, determined under the first-in, first-out method, which is not in excess of market. Physical inventory counts are taken at the end of each reporting quarter. Total inventories for the periods presented consisted of (dollars in thousands):

	<u>February 28, 2003</u>	<u>May 31, 2002</u>
Raw Materials	\$ 4,314	\$ 4,280
Work In Process	5,134	5,183
Finished Goods	<u>66</u>	<u>169</u>
	\$ <u>9,514</u>	\$ <u>9,632</u>

On November 25, 2002, the Financial Accounting Standards Board issued Interpretation No. 45 "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others". This Interpretation elaborates on the evaluation of guarantees and the disclosures to be made by a guarantor in its interim and annual financial statements about its obligations under certain guarantees it has issued. The Corporation currently has obligations regarding its guarantees for warranty and repurchase agreements. Interpretation No. 45 was adopted in the third quarter of fiscal 2003 with no material impact.

The Corporation provides the retail purchaser of its manufactured homes with a one-year warranty against defects in design, materials and workmanship. Recreational vehicles are covered by a two-year warranty.

Skyline Corporation and Subsidiary Companies

Notes to the Consolidated Financial Statements (continued)

For the nine-month period ended February 28, 2003

NOTE 1 Nature of Operations and Accounting Policies

The warranties are backed by a corporate service department and an extensive field service system. Estimated warranty costs are accrued at the time of sale based upon current sales, historical experience and management's judgment regarding anticipated rates of warranty claims. The adequacy of the recorded warranty liability is periodically assessed and the amount is adjusted as necessary. A reconciliation of accrued warranty and related expenses is as follows (dollars in thousands):

	Nine-Months Ended <u>February 28, 2003</u>	Year Ended <u>May 31, 2002</u>
Balance at the beginning of the period	\$ 10,100	\$ 10,084
Accruals for warranties	8,678	12,853
Settlements made during the period	<u>(8,270)</u>	<u>(12,837)</u>
Balance at the end of the period	<u>\$ 10,508</u>	<u>\$ 10,100</u>

The Corporation was contingently liable at February 28, 2003 under repurchase agreements with certain financial institutions providing inventory financing for retailers of its products. Under these arrangements, which are customary in the manufactured housing and recreational vehicle industries, the Corporation agrees to repurchase homes in the event of default by the retailer at declining prices over the term of the agreement, generally 12 months. The maximum repurchase liability is the total amount that would be paid upon the default of all the Corporation's independent dealers. The maximum potential repurchase liability, without reduction for the resale value of the repurchased units, was approximately \$104 million at February 28, 2003 and \$120 million at May 31, 2002. The risk of loss under these agreements is spread over many retailers and financial institutions. The loss, if any, under these agreements is the difference between the repurchase cost and the resale value of the units. The allowance for doubtful accounts includes a reserve for potential net losses on repurchased units. The amounts of obligations from repurchased units and incurred net losses for the periods presented are as follows (dollars in thousands):

	Three-Months Ended February 28, <u>2003</u> <u>2002</u>		Nine-Months Ended February 28, <u>2003</u> <u>2002</u>	
Obligations from units repurchased	\$ 316	\$ 35	\$ 630	\$ 922
Net losses on repurchased units	1	6	51	179

Skyline Corporation and Subsidiary Companies

Notes to the Consolidated Financial Statements (continued)

For the nine-month period ended February 28, 2003

NOTE 1 Nature of Operations and Accounting Policies

In June 2002, the Financial Accounting Standards Board issued Statement of Financial Accounting Standard (SFAS) 146, "Accounting for Costs Associated with Exit or Disposal Activities." This statement nullifies Emerging Issues Task Force Issue No. 94-3, "Liability Recognition for Certain Employee Termination and Other Costs to Exit an Activity." SFAS 146 addresses significant issues relating to the recognition, measurement, and reporting of costs associated with exit and disposal activities, including restructuring activities. SFAS 146 requires that a liability for a cost associated with an exit or disposal activity be recognized when the liability is incurred. This statement is effective for exit or disposal activities initiated after December 31, 2002. The Corporation does not expect the adoption of SFAS 146 to have a material impact on the consolidated financial statements.

The Corporation is a party to various pending legal proceedings in the normal course of business. Management believes that any losses resulting from such proceedings would not have a material adverse effect on the Corporation's results of operations or financial position.

Skyline Corporation and Subsidiary Companies

Notes to the Consolidated Financial Statements

For the nine-month period ended February 28, 2003

NOTE 2 Industry Segment Information

(Unaudited)

Dollars in thousands

	Three-Months Ended February 28,		Nine-Months Ended February 28,	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
SALES				
Manufactured Housing	\$ 62,355	\$ 74,317	\$222,061	\$261,424
Recreational Vehicles	<u>25,354</u>	<u>21,763</u>	<u>94,607</u>	<u>74,935</u>
Total sales	\$ <u>87,709</u>	\$ <u>96,080</u>	\$ <u>316,668</u>	\$ <u>336,359</u>
(LOSS) EARNINGS BEFORE INCOME TAXES				
OPERATING (LOSS) EARNINGS				
Manufactured housing	\$ (146)	\$ 2,359	\$ 6,778	\$ 14,428
Recreational vehicles	(1,269)	(833)	(1,028)	(951)
General corporate expense	<u>(397)</u>	<u>(896)</u>	<u>(2,427)</u>	<u>(3,472)</u>
Total operating (loss) earnings	(1,812)	630	3,323	10,005
Interest income	<u>465</u>	<u>831</u>	<u>1,605</u>	<u>3,501</u>
(Loss) earnings before income taxes	\$ <u>(1,347)</u>	\$ <u>1,461</u>	\$ <u>4,928</u>	\$ <u>13,506</u>

Operating earnings represent earnings before interest income, gain (loss) on sale of property, plant and equipment and provision for income taxes with non-traceable operating expenses being allocated to industry segments based on percentages of sales.

Report of Independent Accountants

To The Board of Directors and Shareholders of Skyline Corporation:

We have reviewed the accompanying consolidated balance sheet of Skyline Corporation and its subsidiaries as of February 28, 2003, and the related consolidated statements of earnings and retained earnings for each of the three-month and nine-month periods ended February 28, 2003 and 2002 and the consolidated statements of cash flows for the nine-month period ended February 28, 2003 and 2002. These financial statements are the responsibility of the Company's management.

We conducted our review in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying consolidated interim financial information for it to be in conformity with accounting principles generally accepted in the United States of America.

We previously audited in accordance with auditing standards generally accepted in the United States of America, the consolidated balance sheet as of May 31, 2002, and the related consolidated statements of earnings and retained earnings, and of cash flows for the year then ended (not presented herein), and in our report dated June 17, 2002 we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet information as of February 28, 2003, is fairly stated in all material respects in relation to the consolidated balance sheet from which it has been derived.

PricewaterhouseCoopers LLP
Chicago, Illinois
March 20, 2003

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

Skyline Corporation and Subsidiary Companies

Management's Discussion and Analysis of Financial Condition and Results of Operations

Results of Operations for the Current Quarter Compared to the Same Quarter Last Year

Sales in the quarter ended February 28, 2003 were \$ 87,709,000, a decrease of \$8,371,000 from \$96,080,000 in the comparable quarter of the prior year. Fiscal 2003 sales through February 28 were \$316,668,000, a decrease of \$19,691,000 from prior year's sales of \$336,359,000. Manufactured housing sales for the third quarter totaled \$62,355,000 compared to \$74,317,000 at February 28, 2002. Manufactured housing unit sales decreased from 2,178 to 1,684. This segment's fiscal year sales were \$222,061,000 versus \$261,424,000, while unit sales declined from 7,637 to 6,078. Third quarter recreational vehicle sales increased from \$21,763,000 in fiscal 2002 to \$25,354,000 in fiscal 2003. Recreational vehicle unit sales for the quarter increased from 1,525 to 1,730. Fiscal year sales through February 28 were \$94,607,000 versus \$74,935,000. Unit sales increased from 5,406 to 6,579. Manufacturing housing sales continue to be affected by difficult market conditions, restrictive retail financing, and the U. S. economy. The increase in recreational vehicle sales is a reflection of an industry-wide improvement in market conditions for towable recreational vehicles. This trend began in early calendar year 2002.

Cost of sales in the third quarter of fiscal 2003 was 89.9 percent of sales compared to 87.5 percent in fiscal 2002. Cost of sales for the first nine months of fiscal 2003 was 87.7 percent versus 86.1 percent in the prior year. The increase is primarily attributable to a product mix shift toward recreational vehicles. This business segment represented 30 percent of total sales in fiscal 2003 versus 22 percent in fiscal 2002. Manufactured housing gross margins exceed those for recreational vehicles.

Quarterly selling and administrative expenses as a percentage of sales increased from 11.8 percent in fiscal 2002 to 12.2 percent in fiscal 2003, although the level of expenditures decreased \$653,000 from the prior year. Selling and administrative expenses as a percentage of sales for fiscal 2003 totaled 11.2 percent versus fiscal 2002's 10.9 percent, while expenditures decreased \$1,343,000.

As a percentage of sales, third quarter operating loss for manufactured housing was 0.2 percent in fiscal 2003 versus operating earnings of 3.2 percent in the prior year. Year to date operating earnings for manufactured housing were 3.1 percent in fiscal 2003 versus prior year's 5.5 percent. Earnings for manufactured housing declined due to the continuation of difficult market conditions noted above. Recreational vehicle quarterly losses were 5.0 percent for fiscal year 2003 and 3.8 percent in fiscal year 2002. The quarterly loss for recreational vehicles increased because of pricing pressures on gross margins. Recreational vehicle operating losses for the nine months ended February 28 were 1.1 percent for fiscal years 2003 and 1.3 percent for fiscal year 2002.

**Results of Operations for the Current Quarter Compared to the Same Quarter Last Year
(continued)**

Interest income amounted to \$465,000 for the third quarter compared to prior year's \$831,000. Interest income is directly related to the amount available for investment and the prevailing yields of U.S. Government securities.

Liquidity and Capital Resources

At February 28, 2003, cash and short-term investments in U. S. Treasury Bills totaled \$152,504,000, an increase of \$5,478,000 from \$147,026,000 at May 31, 2002. Current assets exclusive of cash and investments in U.S. Treasury Bills totaled \$41,386,000 at February 28, 2003, a decrease of \$4,411,000 from the May 31, 2002 balance of \$45,797,000. The decrease was due to a seasonal decline in accounts receivable (\$4,791,000).

Current liabilities increased \$1,189,000 from \$36,463,000 at May 31, 2002 to \$37,652,000 at February 28, 2003. Various factors contributed to the increase. Accrued marketing programs increased \$4,692,000 due to the timing of payments for an ongoing marketing program. Trade accounts payable decreased \$1,123,000 due to the seasonality of the Corporation's business. Accrued salaries and wages decreased \$1,653,000 due to the timing of paying employees at February 28, 2003 versus May 31, 2002. Income taxes decreased \$1,156,000 due to the timing of federal income tax payments during the year.

Working capital at February 28, 2003 amounted to \$156,238,000 compared to \$156,360,000 at May 31, 2002. Capital expenditures totaled \$ 1,293,000 during the first nine months of fiscal 2003 compared to \$2,890,000 in the previous year. Capital expenditures during this period were made primarily to replace or refurbish machinery and equipment and improve manufacturing efficiencies.

The cash provided by operating activities, along with current cash and other short-term investments, is expected to be adequate to fund any capital expenditures and treasury stock purchases during the year. Historically, the Corporation's financing needs have been met through funds generated internally.

**Results of Operations for the Current Quarter Compared to the Same Quarter Last Year
(continued)**

Other Matters

The provision for federal income taxes in each year approximates the statutory rate and for state income taxes reflects current state rates effective for the period based upon activities within the taxable entities.

The consolidated financial statements included in this report reflect transactions in the dollar values in which they were incurred and, therefore, do not attempt to measure the impact of inflation. However, the Corporation believes that inflation has not had a material effect on its operations during the past three years. On a long-term basis, the Corporation has demonstrated an ability to adjust the selling prices of its products in reaction to changing costs due to inflation.

Forward Looking Information

Certain statements in this report are considered forward looking as indicated by the Private Securities Litigation Reform Act of 1995. These statements involve uncertainties that may cause actual results to materially differ from expectations as of the report date. These uncertainties include but are not limited to:

- Cyclical nature of the manufactured housing and recreational vehicle industries
- Availability of wholesale and retail financing
- Interest rate levels
- Impact of inflation
- Competitive pressures on pricing and promotional costs
- Consumer confidence
- Market demographics
- Management's ability to attract and retain executive officers and key personnel
- Market disruption resulting from the terrorist attacks on September 11, 2001, increased global tensions and armed conflict in Iraq.

Skyline Corporation and Subsidiary Companies
Management's Discussion and Analysis of Financial Condition and Results of Operations

Item 4. Controls and Procedures

- (a) Evaluation of disclosure controls and procedures: The Company's Chief Executive Officer and its Chief Financial Officer, after evaluating the effectiveness of the Company's disclosure controls and procedures (as defined in Exchange Act Rules 13a-14(c) and 15-d-14(c)) as of a date within 90 days of filing date of the quarterly report (the "Evaluation Date"), have concluded that as of the Evaluation Date, the Company's disclosure controls and procedures were adequate and effective to ensure that material information relating to the Company would be made known to them by others within the Company, particularly during the period in which this quarterly report was being prepared.
- (b) Changes in internal controls: There were no significant changes in the Company's internal controls or in other factors that could significantly affect the Company's internal controls and procedures subsequent to the Evaluation Date, nor any significant deficiencies or material weaknesses in such internal controls and procedures requiring corrective actions.

PART II

Item 1. Legal Proceedings

Information with respect to this Item for the period covered by this Form 10-Q has been previously reported in Item 3, entitled "Legal Proceedings" of the Form 10-K for the fiscal year ended May 31, 2002 heretofore filed by the registrant with the Commission.

Item 6. Exhibits and Reports on Form 8-K

- Exhibit 99.1 Certification of Chief Executive Officer pursuant to 18 U.S.C. section 1350.
- Exhibit 99.2 Certification of Chief Financial Officer pursuant to 18 U.S.C. section 1350.

No reports on Form 8-K were filed during the third quarter of fiscal 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.

SKYLINE CORPORATION

DATE: April 14, 2003

James R. Weigand
V. P. Finance & Treasurer,
Chief Financial Officer

DATE: April 14, 2003

Jon S. Pilarski
Corporate Controller

CERTIFICATIONS

I, Thomas G. Deranek, Chief Executive Officer of Skyline Corporation, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Skyline Corporation;
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 officer 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 officer 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 officer 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: April 14, 2003

/s/ Thomas G. Deranek

Thomas G. Deranek
Chief Executive Officer

I, James R. Weigand, Chief Financial Officer of Skyline Corporation, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Skyline Corporation;
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 officer 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 officer 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 officer 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: April 14, 2003

/s/ James R. Weigand

James R. Weigand
Chief Financial Officer

EXHIBIT 99.1

CERTIFICATION OF PERIODIC FINANCIAL REPORTS
PURSUANT TO 18 U.S.C. SECTION 1350

The undersigned hereby certifies that he is the duly appointed and acting Chief Executive Officer of Skyline Corporation, and hereby further certifies as follows:

1. The periodic report containing financial statements to which this certificate is an exhibit fully complies with the requirements of Section 13(a) or 15 (d) of the Securities Exchange Act of 1934.
2. The information contained in the periodic report to which this certificate is an exhibit fairly presents, in all material respects, the financial condition and results of operations of the Company.

In witness whereof, the undersigned has executed and delivered this certificate as of the date set forth opposite his signature below.

Date: April 14, 2003

/s/ Thomas G. Deranek

Thomas G. Deranek
Vice Chairman, Chief Executive
Officer and Director

EXHIBIT 99.2

CERTIFICATION OF PERIODIC FINANCIAL REPORTS
PURSUANT TO 18 U.S.C. SECTION 1350

The undersigned hereby certifies that he is the duly appointed and acting Chief Financial Officer of Skyline Corporation, and hereby further certifies as follows:

1. The periodic report containing financial statements to which this certificate is an exhibit fully complies with the requirements of Section 13(a) or 15 (d) of the Securities Exchange Act of 1934.
2. The information contained in the periodic report to which this certificate is an exhibit fairly presents, in all material respects, the financial condition and results of operations of the Company.

In witness whereof, the undersigned has executed and delivered this certificate as of the date set forth opposite his signature below.

Date: April 14, 2003

/s/ James R. Weigand

James R. Weigand
Vice President-Finance and
Treasurer and Chief Financial Officer