

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 Quarter Ended September 30, 1995 - Commission File No. 0-17196

MIDWEST GRAIN PRODUCTS, INC.

(Exact Name of Registrant as Specified in Its Charter)

KANSAS

(State or Other Jurisdiction of
Incorporation or Organization)

48-0531200

IRS Employer
Identification No.

1300 Main Street, Atchison, Kansas 66002

(Address of Principal Executive Offices and Zip Code)

(913) 367-1480

(Registrant's Telephone Number, Including Area Code)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 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 the

filing requirements for at least the past 90 days.

X YES NO

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common stock, no par value
9,765,172 shares outstanding
as of November 1, 1995.

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{LOGO}

Independent Accountants' Review Report

Baird, Kurtz &
Dobson

Board of Directors and Stockholders
Midwest Grain Products, Inc.
Atchison, Kansas 66002

Certified
Public

We have reviewed the condensed consolidated balance sheet of
MIDWEST GRAIN PRODUCTS, INC. and subsidiaries as of September
30, 1995, and the related condensed consolidated statements
of operations for the three month periods ended September 30,

Accountants 1995 and 1994, and the related condensed consolidated statements of cash flows for the three month periods ended September 30, 1995 and 1994. These financial statements are the responsibility of the Company's management.

We conducted our reviews 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 reviews, we are not aware of any material modifications that should be made to the condensed consolidated financial statements referred to above for them to be in conformity with generally accepted accounting principles.

We have previously audited, in accordance with generally accepted auditing standards, the consolidated balance sheet as of June 30, 1995, and the related consolidated statements of income, stockholders' equity, and cash flows for the year then ended (not presented herein); and, in our report dated August 4, 1995, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of June 30, 1995, is fairly stated in all material respects in relation to the consolidated balance sheet from which it has been derived.

/s/Baird, Kurtz & Dobson

BAIRD, KURTZ & DOBSON

Kansas City, Missouri
November 3, 1995

City Center Square, Suite 2700, 1100 Main, 816 221-6300
Kansas City, Missouri 64105 FAX 816 221-6380

With Offices in: Arkansas, Colorado, Kansas, Kentucky, Missouri,
Nebraska, Oklahoma
Member of Moores Rowland International

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MIDWEST GRAIN PRODUCTS, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(In Thousands)

ASSETS

	September 30, 1995	June 30, 1995
	-----	-----
	(Unaudited)	
CURRENT ASSETS		
Cash and cash equivalents	\$ 339	\$ 460
Receivables	22,720	21,550
Notes receivable	748	919
Inventories	16,903	14,690
Prepaid expenses	890	560
Deferred income taxes	875	875
Income taxes receivable	5,114	2,338
	-----	-----
Total Current Assets	47,589	41,392
	-----	-----
PROPERTY AND EQUIPMENT, At cost	207,664	206,336
Less accumulated depreciation	74,686	71,424
	-----	-----
	132,978	134,912
	-----	-----
OTHER ASSETS	445	445
	-----	-----

\$181,012
=====

\$176,749
=====

See Accompanying Notes to Condensed Consolidated
Financial Statements

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MIDWEST GRAIN PRODUCTS, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS (Continued)

(In Thousands)

LIABILITIES AND STOCKHOLDERS' EQUITY

	September 30, 1995 ----- (Unaudited)	June 30, 1995 -----
CURRENT LIABILITIES		
Note payable-bank	\$ 2,000	
Accounts payable	9,885	\$ 7,807
Accrued expenses	3,048	6,630
	-----	-----
Total Current Liabilities	14,933	14,437
	-----	-----
LONG-TERM DEBT	44,908	38,908
	-----	-----
POST-RETIREMENT BENEFITS	5,593	5,449
	-----	-----
DEFERRED INCOME TAXES	5,327	5,327
	-----	-----
STOCKHOLDERS' EQUITY		
Capital stock		
Preferred, 5% noncumulative, \$10 par value; authorized 1,000 shares; issued and outstanding 437 shares	4	4
Common, no par; authorized 20,000,000 shares; issued 9,765,172 shares	6,715	6,715
Additional paid-in capital	2,485	2,485
Retained earnings	101,047	103,424
	-----	-----
	110,251	112,628
	-----	-----
	\$181,012	\$176,749
	=====	=====

See Accompanying Notes to Condensed Consolidated
Financial Statements

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MIDWEST GRAIN PRODUCTS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATION

THREE MONTHS ENDED SEPTEMBER 30, 1995 AND 1994

(Unaudited)

	1995	1994
	-----	-----
	(in thousands, except per share amounts)	
NET SALES	\$47,160	\$45,984
COST OF SALES	48,097	38,334
	-----	-----
GROSS PROFIT (LOSS)	(937)	7,650
SELLING, GENERAL AND ADMINIS- TRATIVE EXPENSES	2,463	3,429
	-----	-----
	(3,400)	4,221
OTHER OPERATING INCOME	1	4
	-----	-----
INCOME (LOSS) FROM OPERATIONS	(3,401)	4,225
OTHER INCOME (EXPENSE)	(524)	407
	-----	-----
INCOME (LOSS) BEFORE INCOME TAXES	(3,925)	4,632
PROVISION (CREDIT) FOR INCOME TAXES	(1,548)	1,876
	-----	-----
NET INCOME (LOSS)	\$ (2,377)	\$ 2,756
	=====	=====
EARNINGS (LOSS) PER COMMON SHARE	\$ (.24)	\$.28
	=====	=====

See Accompanying Notes to Condensed Consolidated
Financial Statements

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MIDWEST GRAIN PRODUCTS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

THREE MONTHS ENDED SEPTEMBER 30, 1995 AND 1994

(Unaudited)

	1995	1994
	-----	-----
	(in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	\$ (2,377)	\$ 2,756
Items not requiring (providing) cash:		
Depreciation	3,292	1,732
Gain on sale of equipment	(2)	(49)
Changes in:		
Accounts receivable	(1,171)	(2,717)
Inventories	(2,213)	2,599
Prepaid expenses	(330)	(173)
Accounts payable	3,331	(1,474)
Accrued expenses	(2,217)	(2,068)
Income taxes receivable	(2,776)	(173)
	-----	-----
Net cash provided by (applied to) operating activities	(4,463)	433
	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property and equipment	(2,631)	(9,602)
Proceeds from sale of equipment	22	65
Sale of short-term investments		8,883

Payment received on note for sale of plant	172	135
	-----	-----
Net cash used in investing activities	(2,437)	(519)
	-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES		
Net advances on notes payable	2,000	
Net proceeds from issuance of long-term debt	6,000	
Dividends paid	(1,221)	(1,221)
	-----	-----
Net cash provided by (used in) financing activities	6,779	(1,221)
	-----	-----
DECREASE IN CASH AND CASH EQUIVALENTS	(121)	(1,307)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	460	3,832
	-----	-----
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 339	\$ 2,525
	=====	=====

See Accompanying Notes to Condensed Consolidated
Financial Statements

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MIDWEST GRAIN PRODUCTS, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

THREE MONTHS ENDED SEPTEMBER 30, 1995

(Unaudited)

NOTE 1: GENERAL

In the opinion of management, the accompanying unaudited condensed financial statements contain all adjustments necessary to present fairly the Company's condensed consolidated financial position as of September 30, 1995, and the condensed consolidated results of its operations and its cash flows for the periods ended September 30, 1995 and 1994, and are of a normal recurring nature.

MIDWEST GRAIN PRODUCTS, INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

THREE MONTHS ENDED SEPTEMBER 30, 1995

RESULTS OF OPERATIONS

GENERAL

The Company experienced a \$3.9 million pre-tax loss in the first quarter of fiscal 1996 compared to a \$4.6 million pre-tax gain in the same quarter in fiscal 1995. This was due primarily to unusually high raw material costs for grain in the face of lower selling prices for wheat gluten and fuel alcohol. Fuel alcohol prices were down slightly due to increased capacities and lower gasoline prices. Wheat gluten prices not only failed to adjust to the rising grain costs, as is normally the case, but actually declined due to significantly increased gluten imports from the European Union. Profits from their highly subsidized and protected wheat starch business have allowed European producers to dump their surpluses of gluten, a co-product, in the United States at prices below U. S. production costs. Low U.S. tariff rates on wheat gluten provide little deterrence to this practice, while high tariffs in Europe effectively prohibit non-European Union member countries from competing in the wheat gluten and wheat starch markets there. The Company is actively seeking measures that would rectify this problem by creating a more level playing field. The issue is presently being addressed by the office of the U.S. Trade Representative as part of a comprehensive trade discussion with European Union officials. The outcome of this discussion is uncertain and, until the intensity of competitive conditions subsides and wheat costs substantially decrease, the Company does not anticipate utilizing the 40% increase in gluten production capacity that was completed at its Pekin, Illinois plant in the latter part of the first quarter.

As a result of the Company's recent distillery expansion in Pekin, its unit sales of alcohol products in the first quarter rose noticeably compared to the prior year's first quarter amount. Increases occurred in unit sales of both food grade alcohol, which is sold for beverage, industrial and commercial applications, and fuel grade alcohol, which is sold as an octane additive and oxygenate commonly known as ethanol. The increase in the food grade category resulted from higher unit sales of beverage alcohol. Unit sales of industrial alcohol were approximately even with last year's first quarter amount. Demand in the food grade markets remains strong. Therefore, the Company plans to continue to maximize production in this category, as market prices for fuel grade alcohol remain depressed in spite of higher grain costs.

The Company's unit sales of wheat starch in the first quarter increased substantially above the prior year's first quarter. The increase resulted from higher volumes of unmodified, modified and specialty wheat starches, which was made possible by a 70% increase in the Company's total starch production capacity. Completion of the additional capacity occurred this past July in Pekin and greatly improves the Company's ability to meet current and future increases in demand for wheat starch.

MIDWEST GRAIN PRODUCTS, INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

THREE MONTHS ENDED SEPTEMBER 30, 1995

While the Company expects higher raw material costs for grain and intense foreign competition to continue having a negative impact on results during much of fiscal 1996, it believes it is in an excellent position to realize significant growth with a return to more favorable market conditions and lower grain prices. Additionally, the Company has implemented widespread measures to reduce costs and improve cash flow in response to the negative conditions it currently is experiencing.

SALES

Net sales for the first quarter of fiscal 1996 increased by approximately \$1,176,000 above sales in the first quarter of fiscal 1995. The increase was principally due to a 14% jump in sales of premium wheat starch, and substantial increases in sales of alcohol products and alcohol by-products, the latter consisting mainly of distillers feeds. The rise in wheat starch sales resulted from strengthened market demand and the Company's ability to meet this demand

with its increased production capacity. A 22% increase in total alcohol sales resulted from strengthened demand for food grade beverage and industrial alcohol and higher sales of fuel grade alcohol. Sales of distillers feed climbed 31% compared to a year ago. These increases were partially offset by a 33% decrease in sales of wheat gluten due to intense competitive pressures from European gluten producers. Changes in selling prices of the Company's vital wheat gluten normally are due to fluctuations in grain costs and competition. Wheat starch prices traditionally track corn starch prices, with the exception of the Company's specialty modified starches. Fuel alcohol prices traditionally follow the movement of gasoline prices. Prices for food grade alcohol for beverage applications normally follow the movement of corn prices, while prices for food grade alcohol for industrial and commercial applications are normally consistent with prices for industrial alcohol derived from synthetic products such as petroleum. In the first quarter of fiscal 1996, grain costs increased to exceptionally high levels in the face of competition from foreign exporters of vital wheat gluten and relatively flat markets for fuel grade alcohol and poor markets for distillers feeds. The combination of these factors significantly restricted the ability of the Company to adjust the price of its gluten, fuel grade alcohol and distillers feeds to compensate for the high grain costs.

COST OF SALES

The cost of sales in the first quarter of fiscal 1996 increased by approximately \$9,763,000 above the cost of sales in the first quarter of fiscal 1995. The principal cause was a \$10.6 million increase in raw material costs for grain. Other manufacturing costs increases were due to higher maintenance and repair costs which were associated mainly with work on expanded production facilities at the Company's Pekin, Illinois plant, equipment rental and depreciation of buildings and equipment.

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MIDWEST GRAIN PRODUCTS, INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

THREE MONTHS ENDED SEPTEMBER 30, 1995

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses in the first quarter of fiscal 1996 were down approximately \$966,000 compared to the same period the prior year. This principally was due to a decrease of almost \$800,000 resulting from reductions in compensation, commissions and accruals for the Company's management and employee incentive programs. These and other reductions helped to more than offset increases which were incurred in a minor segment of the expense categories.

The consolidated effective income tax rates were consistent for the periods.

The general effects of inflation were minimal.

NET INCOME

As a result of the foregoing factors, the Company experienced a pre-tax loss of \$3,925,000 in the first quarter of fiscal 1996. After a credit of \$1,548,000 for income taxes, the resulting net loss was \$2,377,000 compared to net income of \$2,756,000 in the first quarter of fiscal 1995.

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MIDWEST GRAIN PRODUCTS, INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 1995

LIQUIDITY AND CAPITAL RESOURCES

The following table is presented as a measure of the Company's liquidity and financial condition:

	September 30, 1995	June 30, 1995
	-----	-----
	(in thousands)	
Cash, cash equivalents	\$ 339	\$ 460
Note payable and long-term debt	46,908	38,908
Working capital	32,656	26,955

The Company's improvement in working capital is primarily due to increased borrowings of long-term debt. The loss for the current quarter combined with increased inventories caused a negative cash flow from operations. The increased inventories were caused by a high level of fuel grade alcohol to be sold over the late fall and winter months and higher unit costs for raw materials in inventory. Due to the current downturn in operations and cash flow needs, dividends for the first quarter were suspended.

At September 30, 1995, the Company has only \$2.0 million to spend on capital improvement projects, primarily relating to improvements and replacements of existing equipment.

The Company has approximately \$10 million available under existing lines of credit.

Management believes the available lines of credit, combined with existing working capital and working capital to be generated from future operations, will allow the Company to complete its capital improvement projects and meet its expanded working capital needs.

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PART II

OTHER INFORMATION

Item 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

- 4(a) Copy of Second Amended Line of Credit Loan Agreement providing for the Issuance of a Line of Credit Note in the amount of \$27,000,000.
- 4(b) Copy of Line of Credit Note Under Second Amended Line of Credit Loan Agreement.
- (15) Letter from independent public accountants pursuant to

paragraph (d) of Rule 10-01 of Regulation S-X
(incorporated by reference to Independent Accountants'
Review Report at page 2 hereof).

(20) Report to Stockholders for the three months ended
September 30, 1995 (without financial statements).

(27) Financial Data Schedule for the quarter ended September
30, 1995.

(b) Reports on Form 8-K

The Company has filed no reports on Form 8-K during the quarter
ended September 30, 1995.

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.

MIDWEST GRAIN PRODUCTS, INC.

November 13, 1995	/s/Ladd M. Seaberg
-----	By -----
Date	Ladd M. Seaberg
	President and
	Chief Executive Officer
November 13, 1995	/s/Robert G. Booe
-----	By -----
Date	Robert G. Booe, Vice President
	and Chief Financial Officer

EXHIBIT 99

EXHIBIT INDEX

Exhibit Number	Description
4 (a)	Copy of Second Amended Line of Credit Loan Agreement providing for the Issuance of a Line of Credit Note in the amount of \$27,000,000.
4 (b)	Copy of Line of Credit Note Under Second Amended Line of Credit Loan Agreement.
(15)	Letter from independent public accountants pursuant to paragraph (d) of Rule 10-01 of Regulation S-X (incorporated by reference to Independent Accountants' Review Report at page 2 hereof).
(20)	Report to Stockholders for the three months ended September 30, 1995 (without financial statements).
(27)	Financial Data Schedule for the quarter ended September 30, 1995.

Exhibit (4) (b)

LINE OF CREDIT NOTE

\$27,000,000

September _____, 1995

FOR VALUE RECEIVED, the undersigned, MIDWEST GRAIN PRODUCTS, INC., a Kansas corporation ("Borrower") hereby promises to pay to the order of Commerce Bank of Kansas City, N.A. ("Bank") at its offices in Kansas City, Missouri, the aggregate unpaid principal amount and accrued interest of all borrowings hereunder. The aggregate unpaid principal amount shall also become immediately due and payable, without demand or further action on the part of Bank upon the occurrence of an event of default as set forth in Section 4.1 of the Line of Credit Loan Agreement, as amended, dated November 30, 1993 (the "Agreement").

Interest on this note shall be calculated on the actual number of days on the basis of a year of 360 days. If the outstanding balance is less than \$500,000, the line of credit shall bear interest at a per annum rate equal to the Prime Rate. If the outstanding balance is \$500,000 or greater, the line of credit shall bear interest at the greater of either (1) the Prime Rate, minus 1%, or (2) the Federal Funds Rate plus 1.50%.

Interest will be payable monthly, in arrears, and at maturity, whether by acceleration or otherwise, beginning October 1, 1995, and on the first day of each month thereafter. Interest will be computed on the actual days outstanding based upon a year consisting of 360 days. If any interest payment on this note shall become due and payable on a day which is not a business day of Bank, payment shall be made on the next succeeding business day of Bank.

"Prime Rate" means the Prime Rate of interest established from time to time by Commerce Bank and designated as such for its internal convenience, and no representation is made that the Prime Rate is the best, the lowest or a favored rate of interest. The rate of interest, if tied to the Prime Rate, shall

change with and be effective on the date of each change in the Prime Rate.

"Federal Funds Rate" means the effective Federal Funds Rate as quoted by the Federal Reserve Bank of New York on a daily basis. The Federal Funds Rate is adjusted daily.

So long as the Agreement has not been terminated, Borrower may, from the date of this note through October 1, 1997 borrow, repay and reborrow sums, at any one time outstanding, not to exceed \$27,000,000. All advances and repayments hereunder shall be endorsed on the reverse hereof (or an attached schedule) by the Bank or holder, and between the undersigned and Bank, such endorsements and the balances derived from such endorsements shall be conclusively presumed to reflect the amounts advanced and repaid hereunder and the then outstanding and unpaid balance of sums advanced or readvanced hereunder.

The undersigned hereby waives presentment, protest, demand and notice of dishonor or default.

This note is issued pursuant to the terms of the Agreement, to which Agreement, and any amendments thereto, reference is hereby made for a statement of the terms and conditions under which this borrowing was made, and is to be repaid.

MIDWEST GRAIN PRODUCTS, INC.

By: /s/ Ladd M. Greenberg

Title: President & CEO

By: /s/ Robert G. Booe

Title: VP - CFO

Exhibit (4) (b)

LINE OF CREDIT NOTE

\$27,000,000

September _____, 1995

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The undersigned hereby waives presentment, protest, demand and notice of dishonor or default.

This note is issued pursuant to the terms of the Agreement, to which Agreement, and any amendments thereto, reference is hereby made for a statement of the terms and conditions under which this borrowing was made, and is to be repaid.

MIDWEST GRAIN PRODUCTS, INC.

By: /s/ Ladd M. Greenberg

Title: President & CEO

By: /s/ Robert G. Booe

Title: VP - CFO

EXHIBIT 20

Letter To Our Stockholders
November 9, 1995

Dear Stockholder:

I am encouraged by improvements we currently are experiencing in our operational cash flow as the result of widespread cost-saving measures and strategies. However, as anticipated in a previous announcement, our earnings performance in the beginning months of fiscal 1996 has been severely affected by a combination of exceptionally high raw material costs for grain, stiff competition from European wheat gluten producers and softness in the fuel alcohol market. As a result, we experienced a first quarter pre-tax loss of almost \$4,000,000. After the credit for income taxes, the resulting net loss was \$2,377,000, or \$0.24 per share on sales of \$47,160,000. For the first quarter of fiscal 1995, we had net income of \$2,756,000, or \$0.28 per share on sales of \$45,984,000.

Prices for wheat, which we mill into flour and then process into vital wheat gluten and premium wheat starch, have reached their highest levels since 1974. Our cost for wheat in this year's first quarter averaged \$1.10 more per bushel compared to the prior year's first quarter. Our costs for corn and milo, which are used in our distillery operations, increased an average of 42 cents per bushel compared to a year ago.

The higher wheat prices put an additional squeeze on our ability to compete cost effectively in the wheat gluten market, which continues to be flooded by gluten imports from the European Union (E.U.). This tide of imports is being sustained by a lopsided tariff structure and government incentive programs which greatly benefit E.U. wheat gluten and wheat starch producers. These inequities presently are being addressed by the office of U.S. Trade Representative Mickey Kantor. To help keep this issue a priority, I ask you to

assist the efforts of our employees and many others, including several U.S. Senators and Representatives, by writing to Ambassador Kantor and urging him to level the playing field. His address is: Office of the U.S. Trade Representative, 600 17th Street N.W., Washington, D.C. 20506.

In the meantime, as we reported in our recent Annual Report to Stockholders, we will continue to place emphasis on the development of specialty wheat gluten and wheat starch products for value-added market niches. This approach in the wheat starch area has been especially successful and has increasingly contributed to our steady growth in total wheat starch sales.

Demand for our food grade alcohol for beverage, industrial and commercial applications remains strong, while conditions in our fuel grade market remain flat in the face of high grain costs. As a result, we will continue to gear our distillery operations toward maximizing the production of food grade alcohol.

These strategies complement an intense cash management plan we have in place to trigger a turnaround, both short term and long-term. The recent decision by our Board of Directors not to declare a cash dividend on the Company's common stock for the first quarter coincides with multiple measures we have implemented to improve cash flow.

In closing, I would like to reiterate that we are seeing strong indications that these measures and strategies are working. When grain costs and selling prices return to more normal levels, we will be prepared to increase production and sales in all three of our principal product areas and to realize significant long-term growth.

Sincerely,

/s/ Ladd M. Seaberg
Ladd M. Seaberg
President and CEO

<TABLE> <S> <C>

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EXHIBIT 27

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM MIDWEST GRAIN PRODUCTS, INC. CONDENSED CONSOLIDATED STATEMENTS OF INCOME FOR THE THREE MONTHS ENDED SEPTEMBER 30, 1996 AND CONDENSED CONSOLIDATED BALANCE SHEET AS AT SEPTEMBER 30, 1996, AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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<EXTRAORDINARY>	0
<CHANGES>	0
<NET-INCOME>	(2,377)
<EPS-PRIMARY>	(.24)
<EPS-DILUTED>	(.24)
<FN>	
<F1>After deduction of allowances and addition of Notes Receivable.	
<F2>See Note F1.	
<F3>Reflects Retained Earnings and Additional Paid In Capital.	
<F4>Reflects net sales plus Other Operating Loss and Other Income.	
<F5>Consists of Selling, General and Administrative Expenses.	
<F6>Total revenues includes "Other Income." Other Income reflects excess Other	
Income after deducting interest expense.	
</FN>	

</TABLE>