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

Form 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): OCTOBER 3, 1997

APPLIED POWER INC.
(Exact name of Registrant as specified in its charter)

WISCONSIN	1-11288	39-0168610
(State of incorporation)	(Commission File No.)	(I.R.S. Employer Id. No.)

13000 WEST SILVER SPRING DRIVE
BUTLER, WISCONSIN 53007
MAILING ADDRESS: P.O. BOX 325, MILWAUKEE, WISCONSIN 53201
(Address of principal executive offices) (Zip Code)

(414) 781-6600
(Registrant's telephone number, including area code)

ITEM 2. ACQUISITION OR DISPOSITION OF ASSETS.

On October 6, 1997, Applied Power Inc. ("Applied Power") announced that its wholly owned subsidiary TVPA Corp., a Delaware corporation (the "Purchaser"), had accepted for payment all shares of common stock, par value $.01 per share (the "Common Stock"), including the associated rights to purchase Series A Junior Participating Preferred Stock (together with the Common Stock, the "Shares"), of Versa Technologies, Inc., a Delaware corporation ("Versa/Tek"), which had been tendered pursuant to the Purchaser's tender offer (the "Offer") to purchase all outstanding Shares at a price of $24.625 per Share, net to the seller in cash, without interest thereon. The Offer expired, as scheduled, on October 3, 1997. Pursuant to the Offer, the Purchaser (and Applied Power through its ownership of the Purchaser) acquired approximately 95% of the outstanding Shares. As a result of the merger (the "Merger") of the Purchaser with and into Versa/Tek effective October 9, 1997 (the "Effective Date"), in which each outstanding Share not tendered pursuant to the Offer was converted into the right to receive $24.625 per Share in cash (without interest) and each outstanding share of common stock of the Purchaser was converted into one share of Common Stock of Versa/Tek, Versa/Tek became a wholly owned subsidiary of Applied Power.

The Offer and the Merger

The Offer was made and the Merger was effected pursuant to the Agreement and Plan of Merger, dated as of September 2, 1997, among the Purchaser, Applied Power and Versa/Tek (the "Merger Agreement"). Because the Purchaser owned more than 90% of the outstanding Shares after consummation of the Offer, the Merger was effected as a "short-form merger" under Section 253 of the Delaware General Corporation Law (the "DGCL") by action of the Purchaser's Board of Directors and sole stockholder, Applied Power, without a vote of the stockholders of Versa/Tek, upon the filing of a Certificate of Ownership and Merger with the Delaware Secretary of State on the Effective Date. The purpose of the Merger was to complete the acquisition of the entire equity interest in, and control of, Versa/Tek by Applied Power pursuant to the Merger Agreement.

The $24.625 per Share cash price in the Offer and the Merger, and the other terms of the Merger Agreement, were the result of arms-length

negotiations between Applied Power and Versa/Tek prior to the execution of the Merger Agreement and the consummation of the Offer. A total of 5,719,608 outstanding Shares were acquired as a result of the Offer and the Merger for a total purchase price of approximately $140,845,000. Former holders of Shares who do not wish to accept the $24.625 per Share cash payment pursuant to the Merger have the right under the DGCL to dissent from the Merger and to seek an appraisal of, and be paid the "fair value" for, their Shares as provided in the DGCL.

As contemplated by the Merger Agreement, promptly following the purchase by the Purchaser of Shares pursuant to the Offer, a majority of the members of the Board of Directors of Versa/Tek resigned and the remaining Board members filled the positions vacated with persons designated by Applied Power. Also, certain officers of Versa/Tek resigned, and the Board of Directors of Versa/Tek, as so reconstituted, elected designees of Applied Power as officers of Versa/Tek.

Upon consummation of the Merger, when Versa/Tek became a wholly owned subsidiary of Applied Power, the Shares were delisted from trading on The Nasdaq Stock Market, Inc.'s National Market, and a filing was made with the Securities and Exchange Commission (the "Commission") to suspend Versa/Tek's reporting obligations and terminate the registration of the Shares under the Securities Exchange Act of 1934, as amended.

Versa/Tek's Annual Report on Form 10-K for the fiscal year ended March 31, 1997 described Versa/Tek's business as follows:

> The Company comprises three business segments serving diverse markets. The Electronics Segment designs and manufactures custom electronic and electrical systems for a broad range of applications. The Engineered Materials Segment fabricates custom components from elastomers for special applications requiring
>
> a high degree of engineering expertise and product quality. The Fluid Power Segment manufactures custom engineered cylinders; hydraulic devices that raise, lower, stabilize, or level semitrailers, trucks, recreational vehicles and a variety of off-highway vehicles and equipment; and electrically powered systems that serve as drive mechanisms for slideout rooms on trailers and recreational vehicles.

Applied Power is undertaking a thorough review of Versa/Tek's operations and studying the manner in which the operations of the two companies can best be optimized, and intends to take such actions as a result of this review as may be deemed appropriate under the circumstances. Applied Power currently intends to continue the primary business operations of Versa/Tek, and to continue to use the Versa/Tek physical assets of such primary business operations for that purpose, while integrating such operations with its own.

Financing of the Offer and the Merger

The total amount of funds required to consummate the Offer and the Merger is currently estimated to be approximately $144 million, including related fees and expenses. The Purchaser obtained all of the funds it expended from Applied Power. To provide the necessary funds, Applied Power entered into a Credit Agreement (the "Credit Agreement") with Bank of America National Trust and Savings Association ("BoA"), as Agent, and the other financial institutions from time to time party thereto (initially BoA and PNC Bank, National Association), providing for a $140 million 364-day revolving credit facility (the "Facility"). The Credit Agreement was arranged by BancAmerica Securities, Inc. ("BASI").

Applied Power has executed a commitment letter dated September 24, 1997 (the "September Commitment Letter") issued by BoA, and by BASI as arranger, providing for the refinancing of Applied Power's current $170 million revolving credit facility with a new $350 million 5-year revolving credit facility (the "New Facility"). Applied Power intends to repay its borrowings under the Facility using funds received under the New Facility when this financing is finalized. The New Facility is to be used to finance the remaining expenses of the Offer and the Merger, to refinance existing indebtedness (including the Facility), and for other general corporate purposes. Pending finalization of the New Facility, funds required for the Offer and the Merger in excess of the proceeds of the Facility have been or will be provided by Applied Power from working capital and the existing $170 million revolving credit facility.

Additional Information

Further information concerning the Offer, the Merger and the financing thereof is contained in the Tender Offer Statement on Schedule 14D-1 filed by Applied Power and the Purchaser with the Commission on September 5, 1997, as amended (the "Schedule 14D-1"), which includes the Offer to Purchase dated September 5, 1997 (the "Offer to Purchase"), and in the Solicitation/Recommendation Statement on Schedule 14D-9, dated September 5, 1997 (the "Schedule 14D-9"), filed by Versa/Tek in connection with the Offer.

The Merger Agreement, the Credit Agreement, the September Commitment Letter, the Offer to Purchase and certain related documents are described in and filed as exhibits to the Schedule 14D-1 and are incorporated herein by reference. The descriptions thereof herein do not purport to be complete and are qualified in their entirety by reference to the provisions of the respective documents.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

(a) Financial Statements of Businesses Acquired:

The following financial statements of Versa/Tek (Commission File No. 0-5240) are incorporated herein by reference to pages 13 through 25 of Versa/Tek's 1997 Annual Report to Shareholders (such financial statements having been incorporated by reference in Versa/Tek's Annual Report on Form 10-K for the fiscal year ended March 31, 1997 from the 1997 Annual Report to Shareholders):

Consolidated Statements of Earnings for the years ended March 31, 1997, 1996 and 1995

Consolidated Balance Sheets as of March 31, 1997 and 1996

Consolidated Statements of Shareholders' Equity for the years ended March 31, 1997, 1996 and 1995

Consolidated Statements of Cash Flows for the years ended March 31, 1997, 1996 and 1995

Notes to Consolidated Financial Statements

Independent Auditors' Report

The following unaudited consolidated financial statements of Versa/Tek are incorporated herein by reference to pages 3 through 7 of its Quarterly Report on Form 10-Q for the quarterly period ended June 30, 1997:

Consolidated Balance Sheet as of June 30, 1997

Consolidated Statements of Earnings for the three months ended June 30, 1997 and 1996

Consolidated Statements of Cash Flows for the three months ended June 30, 1997 and 1996

Notes to Financial Statements

(b) Pro Forma Financial Information:

It is impracticable to provide the required pro forma financial information at the time this report is being filed. Appropriate pro forma financial information relating to Applied Power Inc. will be filed as soon as practicable as an amendment to this report, and in any event not later than December 17, 1997.

(c) Exhibits:

See the Exhibit Index following the Signature page of this report, which is incorporated herein by reference.

SIGNATURE

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.

APPLIED POWER INC.

Date: October 20, 1997

By: /s/Robert C. Arzbaecher

Robert C. Arzbaecher,
Vice President and
Chief Financial Officer

APPLIED POWER INC.
(COMMISSION FILE NO. 1-11288)

EXHIBIT INDEX
TO
FORM 8-K CURRENT REPORT
Date of Report: October 3, 1997

<TABLE>
<CAPTION>

EXHIBIT	DESCRIPTION	INCORPORATED HEREIN BY REFERENCE TO	FILED HEREWITH
<S>	<C>	<C>	<C>
Exhibit 2	Agreement and Plan of Merger, dated as of September 2, 1997, among Applied Power Inc., TVPA Corp. and Versa Technologies, Inc.	Exhibit (c)(1) to Applied Power Inc.'s Tender Offer Statement on Schedule 14D-1 filed on September 5, 1997 (the "Schedule 14D-1") (File No. 5-13342)	
Exhibit 4.1	Credit Agreement, dated as of October 3, 1997, among Applied Power Inc., Bank of America National Trust and Savings Association, as Agent, and the other financial institutions party thereto	Exhibit (b)(2) filed with Amendment No. 3 to the Schedule 14D-1 on October 6, 1997	
Exhibit 4.2	Commitment Letter between Bank of America National Trust and Savings Association, BancAmerica Securities, Inc. and Applied Power Inc. dated September 24, 1997 (including the Summary of Terms and Conditions attached thereto)	Exhibit (b)(3) filed with Amendment No. 3 to the Schedule 14D-1 on October 6, 1997	

</TABLE>

<TABLE>
<CAPTION>

EXHIBIT	DESCRIPTION	INCORPORATED HEREIN BY REFERENCE TO	FILED HEREWITH
<S>	<C>	<C>	<C>
Exhibit 23	Consent of Deloitte & Touche LLP		X
Exhibit 99.1	Consolidated balance sheets of Versa Technologies, Inc. and subsidiaries as of March 31, 1997 and 1996 and related consolidated statements of earnings, shareholders' equity and cash flows for each of the three years in the period ended March 31, 1997, and the notes thereto and auditors' report thereon, incorporated by reference in Item 7(a) of this report		X
Exhibit 99.2	Unaudited consolidated balance sheet of Versa		X

	Technologies, Inc. and subsidiaries as of June 30, 1997 and the related consolidated statements of earnings and cash flows for the three months ended June 30, 1997 and 1996, and the notes thereto, incorporated by reference in Item 7(a) of this report	
Exhibit 99.3	Offer to Purchase, dated September 5, 1997	Exhibit (a)(1) to the Schedule 14D-1

</TABLE>

EXHIBIT 23
(10/3/97 8-K)

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in the Registration Statements of Applied Power Inc. on Forms S-8 No. 33-18140, No. 33-21250, No. 33-24197, No. 33-38719, No. 33-38720 and No. 33-62658 of our report dated May 9, 1997 incorporated by reference in the Annual Report on Form 10-K of Versa Technologies, Inc. for the year ended March 31, 1997.

DELOITTE & TOUCHE LLP
Milwaukee, Wisconsin
October 20, 1997

EXHIBIT 99.1

CONSOLIDATED STATEMENTS OF EARNINGS

Versa Technologies, Inc.
(Dollars in Thousands, except per share amounts)
<TABLE>
<CAPTION>

Years Ended March 31	1997	1996	1995
<S>	<C>	<C>	<C>
Net Sales	$87,596	$70,699	$66,965
Cost of Sales	64,249	51,190	45,180
Gross Profit	23,347	19,509	21,785
Selling and Administrative Expenses	13,385	11,300	11,793
Operating Income	9,962	8,209	9,992
Other Income (Deductions):			
Interest expense	(160)	(35)	(9)
Interest income	356	848	753
Miscellaneous, net	163	117	35
Loss on sale of businesses	(778)		
	(419)	930	779
Earnings Before Income Taxes	9,543	9,139	10,771
Income Taxes	3,840	3,240	3,965
Net Earnings	$5,703	$5,899	$6,806
Net earnings per weighted average common shares outstanding	$1.02	$0.99	$1.13
Weighted average common shares outstanding	5,601	5,970	6,039

</TABLE>

See notes to consolidated financial statements.

CONSOLIDATED BALANCE SHEETS

Versa Technologies, Inc.
(Dollars in Thousands, except share and per share amounts)
<TABLE>
<CAPTION>

March 31	1997	1996
<S>	<C>	<C>
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 1,127	$ 14,746
Receivables, less allowance of $231 in 1997, and $207 in 1996	13,203	11,410
Inventories	11,501	7,743
Other current assets	1,467	1,183
Total current assets	27,298	35,082
Property, Plant, and Equipment - at cost:		
Land	752	591
Buildings	10,159	9,196
Machinery and equipment	38,035	36,286
	48,946	46,073
Less accumulated depreciation	25,570	25,556
	23,376	20,517
Intangibles	11,127	1,530
Other Non-Current Assets	190	309
	$61,991	$57,438
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Short-term debt	$ 2,981	$ -
Accounts payable	3,843	3,691
Accrued expenses	4,682	3,391
Income taxes	317	87
Employee stock purchase and payroll savings plan	47	-
Total current liabilities	11,870	7,169

Deferred Income Taxes	2,059	820
Deferred Pension, Deferred Compensation and Postretirement Benefit Expense	2,936	2,465
Shareholders' Equity:		
Preferred Shares -- authorized 1,000,000, $.01 par value; none issued	--	--
Common Shares -- authorized, 10,000,000, $.01 par value; issued 6,063,200 in 1997 and 1996	61	61
Additional paid-in capital	18,648	18,681
Retained earnings	32,968	31,471
	51,677	50,213
Less treasury stock, at cost - 482,667 shares in 1997 and 234,036 in 1996	6,551	3,229
Total shareholders' equity	45,126	46,984
	$61,991	$57,438

</TABLE>

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
Versa Technologies, Inc.
(Dollars in Thousands, except share and per share amounts)
<TABLE>
<CAPTION>

Years Ended March 31, 1997, 1996, and 1995	Common Stock Shares	Common Stock Amount	Additional paid in capital
Balance at March 31, 1994	6,063	$ 61	$ 18,789
Exercise of stock options - 31,122 treasury shares were reissued	--	--	(108)
Tax benefit from exercise of stock options	--	--	29
Purchase of treasury stock -- 42,500 shares	--	--	--
Net earnings	--	--	--
Cash dividends declared -- $.68 per share*	--	--	--
Balance at March 31, 1995	6,063	61	18,710
Exercise of stock options - 34,542 treasury shares were reissued	--	--	(52)
Tax benefit from exercise of stock options	--	--	23
Purchase of treasury stock -- 217,200 shares	--	--	--
Net earnings	--	--	--
Cash dividends declared -- $.74 per share**	--	--	--
Balance at March 31, 1996	6,063	61	18,681
Exercise of stock options - 13,969 treasury shares were reissued	--	--	(50)
Tax benefit from exercise of stock options	--	--	17
Purchase of treasury stock -- 262,600 shares	--	--	--
Net earnings	--	--	--
Cash dividends declared -- $.75 per share***	--	--	--
Balance at March 31, 1997	6,063	$ 61	$ 18,648

<CAPTION>

Years Ended March 31, 1997, 1996, and 1995	Retained earnings	Treasury stock	Total Shareholders' Equity
Balance at March 31, 1994	$ 27,300	$ (590)	$ 45,560
Exercise of stock options - 31,122 treasury shares were reissued	--	459	351
Tax benefit from exercise of stock options	--	--	29
Purchase of treasury stock -- 42,500 shares	--	(569)	(569)
Net earnings	6,806	--	6,806
Cash dividends declared -- $.68 per share*	(4,109)	--	(4,109)
Balance at March 31, 1995	29,997	(700)	48,068
Exercise of stock options - 34,542 treasury shares were reissued	--	472	420

Tax benefit from exercise of stock options	--	--	23
Purchase of treasury stock -- 217,200 shares	--	(3,001)	(3,001)
Net earnings	5,899	--	5,899
Cash dividends declared -- $.74 per share**	(4,425)	--	(4,425)
Balance at March 31, 1996	31,471	(3,229)	46,984
Exercise of stock options - 13,969 treasury shares were reissued	--	187	137
Tax benefit from exercise of stock options	--	--	17
Purchase of treasury stock -- 262,600 shares	--	(3,509)	(3,509)
Net earnings	5,703	--	5,703
Cash dividends declared -- $.75 per share***	(4,206)	--	(4,206)
Balance at March 31, 1997	$ 32,968	$ (6,551)	$ 45,126

</TABLE>

* Includes special cash dividend of $.33 per share.
** Includes special cash dividend of $.35 per share.
*** Includes special cash dividend of $.35 per share.
See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASHFLOWS

Versa Technologies, Inc.
(Dollars in Thousands)
<TABLE>
<CAPTION>

Years Ended March 31	1997	1996	1995
<S>	<C>	<C>	<C>
Cash Flows from Operating Activities:			
Net earnings	$ 5,703	$5,899	$6,806
Adjustments to reconcile to net cash provided by operating activities:			
Depreciation	3,437	3,200	2,922
Amortization	223	34	34
Provision for losses on receivables	(31)	45	52
Provision for deferred income taxes	(92)	402	(119)
(Gain)loss on disposition of plant and equipment	(14)	(18)	15
Loss on sale of businesses	778		
Changes in current assets and liabilities, net of effect of business acquired:			
Receivables	(720)	(2,051)	(221)
Inventories	(2,070)	65	(1,064)
Other current assets	(68)	483	(427)
Accounts payable	(700)	1,941	(483)
Accrued expenses	422	(10)	645
Income taxes payable	(1)	(408)	59
Employee stock purchase and payroll savings plan	47	(119)	83
Deferred pension, postretirement benefits and compensation expense	592	3	369
Net cash provided by operating activities	7,506	9,466	8,671
Cash Flows from Investing Activities:			
Proceeds from disposition of plant and equipment	39	80	37
Capital expenditures	(6,254)	(3,836)	(6,070)
Proceeds from sale of businesses	4,483		
Acquisition of business, net of cash acquired	(14,747)		

Other	37	52	16
Net cash used in investing activities	(16,442)	(3,704)	(6,017)
Cash Flows from Financing Activities:			
Net borrowings under line of credit agreement	2,877		
Proceeds from exercise of common stock options	155	443	380
Purchase of treasury stock	(3,509)	(3,001)	(569)
Dividends paid	(4,206)	(4,425)	(4,109)
Net cash used in financing activities	(4,683)	(6,983)	(4,298)
Net Decrease in Cash and Cash Equivalents	(13,619)	(1,221)	(1,644)
Cash and Cash Equivalents at Beginning of Year	14,746	15,967	17,611
Cash and Cash Equivalents at End of Year	$1,127	$14,746	$15,967
Supplemental Cash Flow Information - cash paid during the year for:			
Interest	$ 93		
Income taxes	$ 3,914	$ 3,244	$ 3,997

</TABLE>

See notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Versa Technologies, Inc.

Years ended March 31, 1997, 1996 and 1995

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation -- The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All significant intercompany items and transactions have been eliminated in consolidation.

Estimates -- The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash Equivalents -- The Company considers all temporary investments purchased with maturities of three months or less to be cash equivalents.

Fair Value of Financial Instruments -- The Company believes the carrying amount of its financial instruments (cash and cash equivalents, accounts receivable, short-term debt and accounts payable) is a reasonable estimate of the fair value of these instruments.

Inventories -- Inventories are stated at the lower of cost or market. Cost is determined by the last-in, first-out (LIFO) method for all inventories excluding the Electronics Segment, which uses first-in-first-out (FIFO) method to determine cost. At March 31, 1997 approximately 77% of total inventories were valued under the LIFO method.

Property, Plant and Equipment -- Property, plant and equipment are carried at cost.

Depreciation is provided over the useful lives of plant and equipment using the straight-line method for financial reporting purposes. Buildings are being depreciated over lives ranging from 20 to 30 years. Machinery and equipment are being depreciated over lives ranging from 3 to 10 years. Accelerated methods are used for income tax purposes. Provision is made for deferred income tax applicable to the difference in depreciation charges.

Intangibles -- Intangibles include $797,000 relating to pre-1970 acquisitions that are not being amortized. Included in intangible assets at March 31, 1997 was $10.3 million which is related to the acquisition of Eder Industries, Inc. (See Note 2). Goodwill of $8.2 million represented the excess of the acquisition cost over the fair value of net assets acquired and is amortized on a straight-line basis over 40 years. Other acquired intangibles (principally customer or employment related items) were $2.1 million and are being amortized on a straight-line basis over periods ranging from 3 to 40 years. Amortization expenses since the date of acquisition (October 30, 1996) to March 31, 1997

for the above items was approximately $206,000. Intangibles are stated net of accumulated amortization of $234,000 at March 31, 1997 and $233,000 at March 31, 1996.

The Company periodically evaluates the carrying value of intangible assets in accordance with SFAS No. 121 "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of".

Pension Plans -- Pension expense recorded under the plans includes normal cost and amortization of past service cost in accordance with Financial Accounting Standards Statement No. 87 "Employers' Accounting for Pensions".

Revenue Recognition -- The Company recognizes revenue on the accrual basis of accounting, upon the shipment of products.

Product Waranties -- The estimated cost for product warranties are accrued for and charged to operations as the related products are shipped.

Accounting Pronouncements -- In February 1997, the Financial Accounting Standards Board issued SFAS No. 128 "Earnings per Share". The Company is currently in the process of evaluating the accounting and disclosure effects of the statement, which is required to be adopted during the third quarter of fiscal 1998.

2. ACQUISITION

On October 30, 1996, the Company acquired 100% of the capital stock of Eder Industries, Inc. ("Eder") for $15,382,000. The funds used to acquire Eder were borrowed ($4.8 million) under a revolving business note agreement, with the balance ($10.6 million) coming from the sale of short term cash investments.

The acquisition was accounted for by the purchase method and, accordingly, Eder's results of operations have been included with the Company's results since the acquisition date. The fair value of assets acquired and liabilities assumed totaled $7.6 million (of which $700,000 was cash) and $2.2 million, respectively. The excess of the purchase price over the fair value of net assets acquired ($8.2 million) is being amortized on a straight-line basis over 40 years.

The unaudited pro forma information below represents combined results of operations as if the acquisition had occurred at the beginning of the respective years presented. The unaudited pro forma information is not necessarily indicative of the results of operations of the combined Company had the acquisition occurred at the beginning of the years presented, nor is it necessarily indicative of future results.

<TABLE>
<CAPTION>

(In thousands, except per share data)	Year Ended March 31,	
	1997	1996
<S>	<C>	<C>
Revenues	$97,977	$87,826
Net Earnings (1)	5,870	5,873
Earnings per share (1)	1.05	.98

</TABLE>

(1) The 1997 period includes a $652,000, or $.115 per share, after-tax loss on the disposition of Moxness Thermoplastics, Inc. and Lovdahl Manufacturing.

3. SALE OF BUSINESSES

During fiscal 1997, the Company sold its two plastic molding operations. The two units, Moxness Thermoplastics, Inc. ("Thermo") and Lovdahl Manufacturing ("Lovdahl") were part of the Engineered Materials Segment. Effective September 1, 1996, 100% of the stock of Thermo was acquired by General Plastics Corporation for $3.4 million. Based on asset values on the effective date of the sale, the sale resulted in an after-tax loss of $498,000 or $0.088 per share, which was recorded in the second quarter. On March 31, 1997, all the assets of Lovdahl were sold to Kurz-Kasch for $1.47 million. Based on asset values on the effective date of the sale, the sale resulted in an after-tax loss of $154,000 or $0.027 per share, which was recorded in the fourth quarter. The decision to divest of both units is consistent with management's strategy to concentrate on the Company's core businesses, moving away from commodity products and focusing on more profitable niche markets.

Combined sales and operating losses for Thermo and Lovdahl for fiscal 1997 were $3.9 million and $240,000 respectively. These results include a full year of operations for Lovdahl and five months for Thermo. For fiscal 1996 the combined sales and operating losses were $5.3 million and $498,000, respectively.

4. INVENTORIES

Inventories at March 31 consisted of the following:

<TABLE>
<CAPTION>

(Dollars in Thousands)	1997	1996
<S>	<C>	<C>
Raw Materials	$ 7,692	$ 5,348
Work in Process	4,527	2,965
Finished Goods	1,201	1,399
FIFO Inventories (approximates current cost)	13,420	9,712
LIFO Reserve (Electronics Segment excluded)	(1,919)	(1,969)
LIFO Inventories	$11,501	$ 7,743

</TABLE>

5. SHORT-TERM DEBT

At March 31, 1997, the Company's borrowings under a $15 million unsecured line of credit agreement were $3.0 million. The line bears interest at a variable rate based on the current thirty-day LIBOR rate plus 75 basis points. The rate at March 31, 1997 was 6.18%. The line of credit renews annually on July 31.

6. CAPITAL STOCK

The Company's Board of Directors has the authority to determine the relative rights and preferences of any series it may establish with respect to the 1,000,000 shares of $.01 par value authorized preferred shares. No preferred stock is issued or outstanding.

On December 13, 1988, the Board of Directors adopted a common stock shareholder rights plan ("Rights") which entitles each shareholder of record on December 21, 1988 to purchase Series A Junior Participating Preferred Stock ("Preferred") upon the occurrence of certain events. The Rights will be exercisable the twentieth business day after a person or group acquires 20% of the Company's common stock, or makes an offer to acquire 30% or more of the Company's common stock. When exercisable, each right entitles the holder to purchase for $60 one one-hundredth of a share of Preferred for each share of common stock owned. Each share of Preferred will be entitled to a minimum preferential quarterly dividend of $5.00 per share, but not less than an aggregate dividend of 100 times the common stock dividend. Each share will have 100 votes, voting together with the common stock. In the event of any merger, each share of Preferred will be entitled to receive 100 times the amount received per share of common stock. The Rights expire on December 21, 1998.

The Company has adopted a program to repurchase up to 900,000 shares or 15% of its common stock.. The shares will be held for issuance under the Company's various stock plans. As of March 31, 1997, 522,300 shares had been repurchased at a cost of $7,080,000.

7. STOCK OPTIONS

Under the Company's 1982 Incentive Stock Option Plan no further options will be granted. However, options previously granted under this Plan will remain outstanding until they are exercised or canceled.

Under the 1992 Versa Technologies, Inc. Employee Incentive Stock Option Plan, options granted have an exercise price equal to 100% of the fair market value at the date of grant. Options granted become exercisable in 25% annual increments beginning one year from the date of grant and have a maximum term of ten years. At the Company's annual shareholders' meeting on July 23, 1996, shareholders ratified an amendment to the plan increasing the number of shares available for grant by 200,000 shares to a total of 500,000 shares.

The Company grants non-qualified stock options to the Company's non-employee directors and secretary. Options granted have an exercise price equal to 100% of the fair market value at the date of grant. Options become exercisable in annual increments of 25% and expire the earlier of ten years from the date of grant or termination as an officer or director of the Company.

A combined summary of changes in options is as follows:

<TABLE>

<CAPTION>

	Shares		
	Incentive	Non-Qualified	Weighted-average exercise price
<S>	<C>	<C>	<C>
Outstanding at March 31, 1994	217,294	25,500	$12.53
Granted	184,500	35,000	14.05
Exercised	(14,550)	(20,300)	11.73
Canceled	(17,400)	(100)	12.96
Outstanding at March 31, 1995	369,844	40,100	13.43
Granted	17,500		13.64
Exercised	(23,450)		11.86
Canceled	(48,000)	(5,000)	13.97
Outstanding at March 31, 1996	315,894	35,100	13.46
Granted	62,500		13.01
Exercised	(13,869)		9.87
Canceled	(10,000)	(5,100)	14.13
Outstanding at March 31, 1997	354,525	30,000	13.49
Exercisable at March 31, 1997	187,703	15,000	13.36
Shares available for future grants at March 31, 1997	214,000		

</TABLE>

The options outstanding at March 31, 1997 have exercise prices between $12.50 - $16.00.

Statement of Financial Accounting Standards (SFAS) No. 123, "Accounting for Stock-based Compensation" encourages, but does not require companies to record compensation for stock-based employee compensation plans at fair value. The Company accounts for stock-based compensation using the intrinsic value method prescribed in Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees". Accordingly, compensation cost for stock options is measured as the excess, if any, of the quoted market price of the Company's stock at the date of grant over the amount an employee must pay to acquire the stock. No compensation cost has been recognized with respect to the issuance of stock options.

If the fair value method of accounting for stock options prescribed by SFAS No. 123 had been used, the expense relating to the stock options would have been $40,000 for 1997 and none for 1996. The change to pro forma net earnings would have been immaterial and there would not have been a change in pro forma earnings per share. The pro forma effect on net earnings is not representative of the pro forma effect on net earnings that will be disclosed in future years because it does not take into consideration pro forma compensation expense relating to grants made prior to 1996. The fair value of each option grant was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: risk-free interest rate of 6.5%; expected dividend yield of 3%; expected lives of 4.2 years and 6 years, respectively for 1997 and 1996; and expected volatility of 30%.

8. EMPLOYEE STOCK PURCHASE AND PAYROLL SAVINGS PLAN

Under the 1993 Employee Stock Purchase and Payroll Savings Plan, 11,092 shares of the Company's common stock at $12.83 per share were issued to employees in the fiscal year ended March 31, 1996. The Plan terminated in January 1996.

At the Company's annual shareholders' meeting on July 23, 1996, shareholders ratified the adoption of the Versa Technologies, Inc. 1996 Employee Stock Purchase and Payroll Savings Plan.

Under the 1996 Stock Purchase and Payroll Savings Plan, options for 35,367 shares of the Company's common stock were subscribed to in December 1996 at a price of $12.27 per share, which was 90% of the closing price of the common stock on May 17, 1996. Payroll savings equal to the total option price will be accumulated over a two-year period ending in December 1998. Interest at an annual rate of 3%, compounded quarterly, is credited to each participant's payroll savings account. Subject to certain restrictions, the Plan permits participants to exercise their option to the extent of accumulated funds in their payroll savings accounts during January 1998 and January 1999, or upon termination of employment. Payroll savings and interest not applied to the purchase of shares by a participant will be paid in cash. A participant may

withdraw from the Plan at any time.

As of March 31, 1997, options for 34,328 shares were outstanding to 235 participants in the Plan. (These options are not included in the table in Note 7.)

9. EMPLOYEE BENEFIT PLANS

The Company maintains two qualified defined contribution plans, which in total cover virtually all employees. Both plans provide for discretionary matching contributions. The expense under these plans for 1997 was $128,000. There was no expense for 1996 of 1995.

The Company has four non-contributory, defined benefit pension plans covering approximately 70% of all employees. (The Electronics Segment employees do not participate.) Three of the plans cover hourly production employees and provide benefits of stated amounts for specific periods of service. The other plan covers all salaried, administrative and clerical employees and provides benefits based on years of service and compensation.

The Company makes actuarially determined contributions to a trust fund for these plans which represents the maximum allowable for deduction in determination of Federal taxable income. Trust assets consist primarily of participating units in common stock and bond funds.

Net pension costs for fiscals 1997, 1996, and 1995 for the defined benefit plans consist of the following:

<TABLE>
<CAPTION>

(Dollars in Thousands)	1997	1996	1995
<S>	<C>	<C>	<C>
Service costs - benefits earned during the period	$ 503	$ 414	$ 482
Interest on projected benefit obligation	793	710	660
Return on plan assets	(939)	(1,491)	(451)
Amortization and deferral of unrecognized amounts	39	685	(279)
Net pension cost	$ 396	$ 318	$ 412

</TABLE>

The defined benefit plans' funded status at March 31, 1997 and March 31, 1996 was as follows:

<TABLE>
<CAPTION>

(Dollars in Thousands)	1997	1996
<S>	<C>	<C>
Actuarial present value of benefit obligations:		
Vested benefit obligation	$ 8,498	$ 7,312
Accumulated benefit obligation	$ 9,046	$ 8,450
Projected benefit obligation	$10,850	$10,279
Plan assets at fair value	11,185	10,592
Plan assets in excess of projected benefits	(335)	(312)
Unrecognized obligations	(75)	(78)
Unrecognized prior service cost	(36)	(27)
Unrecognized net gain	1,840	1,459
Accrued pension cost	$ 1,394	$ 1,041

</TABLE>

The projected benefit obligations assume a 7.75% actuarial discount rates and (for the compensation based plan) 5% average annual salary increases. The expected long term rate of return on plan assets was 8.5%.

In place of participation in any of the above defined benefit pension plans for tool makers employed at one of the Company's manufacturing facilities, the Company makes cash contributions to a labor management (union) multi-employer pension fund based on hours worked, in accordance with a negotiated labor contract.

The Company also has an unfunded supplemental pension agreement with a key executive officer. Actuarially computed provisions for this agreement were $50,000, $48,000 and $48,000 in fiscal 1997, 1996 and 1995, respectively.

The Company provides limited pre-Medicare-eligibility health insurance and minimal life insurance benefits to a small group of retired employees who attain specified age and years of service requirements. The periodic expense

for postretirement benefits was $33,000 and $27,000 for the years ended March 31, 1997 and 1996, respectively. The Company's policy is to fully accrue for its postretirement benefits. This accrual was $531,000 and $499,000 at March 31, 1997 and 1996, respectively.

10. INCOME TAXES

Income tax expense consists of the following components:

<TABLE>
<CAPTION>

(Dollars in Thousands)	1997	1996	1995
<S>	<C>	<C>	<C>
Current:			
Federal	$3,190	$2,234	$3,364
State	742	604	720
	3,932	2,838	4,084
Deferred:			
Federal	(78)	322	(104)
State	(14)	80	(15)
	(92)	402	(119)
	$3,840	$3,240	$3,965

</TABLE>

Deferred income taxes reflect the net tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's net deferred tax liability as of March 31, 1997 and 1996 were as follows:

<TABLE>
<CAPTION>

(Dollars in Thousands)	1997	1996
<S>	<C>	<C>
Deferred tax assets:		
Vacation pay reserve	$ 301	$ 250
Pension accrual	740	610
Inventory related	355	217
Postretirement benefits	199	185
Health insurance reserve	222	161
Deferred compensation	340	191
Other	290	284
	2,447	1,898
Deferred tax liabilities:		
Property plant and equipement	2,463	1,848
Intangible assets	826	-0-
Other	40	50
	3,329	1,898
Net deferred tax liability	$ (882)	$ -0-

</TABLE>

Total income tax expense differs from the amounts computed by applying the Federal income tax rate to earnings before income taxes for the following reasons:

<TABLE>
<CAPTION>

	1997	1996	1995
<S>	<C>	<C>	<C>
Statutory Federal rate	34.0%	34.0%	34.0%
State income taxes, net of Federal income tax benefit	5.2	4.9	4.3
Capital loss on sale of businesses	1.6	--	--
Foreign Sales Corporation (FSC) earnings	(0.4)	(0.3)	(0.3)
Federal tax-exempt bond interest	(0.9)	(2.2)	(1.7)
Research & development credit	--	(1.3)	--
Other	0.7	0.4	0.5

	40.2%	35.5%	36.8%

</TABLE>

11. ACCRUED EXPENSES

Accrued expenses consisted of the following:

<TABLE>
<CAPTION>

(Dollars in Thousands)	1997	1996
<S>	<C>	<C>
Wages & commissions	$1,522	$ 800
Vacations	992	818
Taxes, other than income taxes	326	277
Employee benefits	1,121	717
Other accruals	721	779
Totals	$4,682	$3,391

</TABLE>

12. EARNINGS PER SHARE CALCULATION

Weighted average shares outstanding exclude common stock equivalents because their dilutive effect is not significant.

13. SIGNIFICANT CUSTOMERS

One customer accounted for approximately 18%, 14% and 9.6% of consolidated revenues during fiscal 1997, 1996 and 1995, respectively.

14. INDUSTRY SEGMENT INFORMATION

The Company comprised three business segments serving diverse markets. The Electronics Segment designs and manufactures custom electronic and electrical systems for a broad range of applications. The Engineered Materials Segment fabricates custom components from elastomers for special applications requiring a high degree of engineering expertise and product quality. The Fluid Power Segment manufactures custom engineered cylinders; hydraulic devices that raise, lower, stabilize, or level semitrailers, trucks, recreational vehicles and a variety of off-highway vehicles and equipment; and electrically powered systems that serve as drive mechanisms for slideout rooms on trailers and recreational vehicles. Certain previously reported segment information has been reclassified to conform with the current presentation.

Selected segment information is as follows:

<TABLE>
<CAPTION>

(Dollars in Thousands)	1997	1996	1995
<S>	<C>	<C>	<C>
NET SALES:			
Fluid Power	$48,038	$36,186	$29,055
Engineered Materials	32,195	35,463	39,064
Electronics	8,509(1)	--	--
Intersegment*	(1,146)	(950)	(1,154)
Sales to unaffiliated customers	$87,596	$70,699	$66,965
OPERATING INCOME:			
Fluid Power	$ 9,946	$ 7,620	$ 5,874
Engineered Materials	271	1,361	4,975
Electronics	653(1)	--	--
Unallocated Corp. expenses & consolidating adj. -- net	(908)	(772)	(857)
Total operating income	9,962	8,209	9,992
OTHER INCOME (EXPENSE)--NET	(419)	930	779
INCOME BEFORE INCOME TAXES	$ 9,543	$ 9,139	$10,771
IDENTIFIABLE ASSETS:			
Fluid Power	$18,846	$14,790	$11,651
Engineered Materials	20,322	24,581	25,763
Electronics	18,944	--	--
Corporate	3,879	18,067	19,366
	$61,991	$57,438	$56,780

DEPRECIATION & AMORTIZATION:			
Fluid Power	$ 702	$ 595	$ 550
Engineered Materials	2,466	2,496	2,270
Electronics	340(1)	--	--
Corporate	152	143	136
	$ 3,660	$ 3,234	$ 2,956
CAPITAL EXPENDITURES:			
Fluid Power	$ 2,069	$ 901	$ 1,113
Engineered Materials	3,743	2,766	4,591
Electronics	135(1)	--	--
Corporate	307	169	366
	$ 6,254	$ 3,836	$ 6,070

</TABLE>

(1) Amounts are for the 5 month period October 30, 1996 to March 31, 1997.
* Intersegment sales are priced on a negotiated basis not in excess of competitive market value.

Corporate assets consist primarily of headquarters property and equipment at March 31, 1997. Prior years included cash and cash equivalents.
The Company has no foreign operations and export sales were not significant.

RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Company is responsible for the objectivity of the accompanying consolidated financial statements, which have been prepared in conformity with generally accepted accounting principles. The financial statements of necessity include the Company's estimates and judgments relating to matters not concluded by year-end. Financial information contained elsewhere in the Annual Report is consistent with that included in the financial statements.

The Company maintains a system of internal accounting controls that includes careful selection and development of employees, division of duties and established accounting and operating policies and procedures. Although there are inherent limitations to the effectiveness of any system of accounting controls, the Company believes that its system provides reasonable, but not absolute, assurance that its assets are safeguarded from unauthorized use for disposition and that its accounting records are sufficiently reliable to permit the preparation of financial statements that conform in all material respects with generally accepted accounting principles. Deloitte & Touche LLP, independent auditors, are engaged to render an independent opinion regarding the fair presentation in the financial statements of the Company's financial condition and operating results. Their report appears below. Their examination was made in accordance with generally accepted auditing standards and included a review of the system of internal accounting controls to the extent they considered necessary to determine the audit procedures required to support their opinion.

The Audit Committee of the Board of Directors is composed solely of directors who are not employees of the Company. The Committee meets periodically and privately with the independent auditors, and with the chief financial officer of the Company to review matters relating to the quality of the financial reporting of the Company, the internal accounting controls and the scope and results of audit examinations. The Committee also reviews compliance with the Company's statement of policy as to the conduct of its business, including proper accounting and dealing with auditors. In addition, it is responsible for recommending the appointment of the Company's independent auditors, subject to shareholder ratification.

INDEPENDENT AUDITORS' REPORT

BOARD OF DIRECTORS AND SHAREHOLDERS
VERSA TECHNOLOGIES, INC.
RACINE, WISCONSIN

We have audited the consolidated balance sheets of Versa Technologies, Inc. and subsidiaries as of March 31, 1997 and 1996 and the related consolidated statements of earnings, shareholders' equity and cash flows for each of the three years in the period ended March 31, 1997. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting

principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Versa Technologies, Inc. and subsidiaries as of March 31, 1997 and 1996 and the results of their operations and their cash flows for each of the three years in the period ended March 31, 1997 in conformity with generally accepted accounting principles.

DELOITTE & TOUCHE LLP
Milwaukee, Wisconsin
May 9, 1997

EXHIBIT 99.2

VERSA TECHNOLOGIES, INC.

CONSOLIDATED BALANCE SHEETS*

<TABLE>
<CAPTION>

	JUNE 30, 1997	MARCH 31, 1997
<S>	<C>	<C>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 1,150	$ 1,127
Receivables, net of allowances	14,001	13,203
Inventories	11,876	11,501
Prepaid expenses and taxes	1,262	1,467
Total current assets	28,289	27,298
PROPERTY, PLANT, AND EQUIPMENT**	23,463	23,376
INTANGIBLES	11,005	11,127
OTHER ASSETS	176	190
	$ 62,933	$61,991
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Short-term debt	$ --	$ 2,981
Accounts payable	5,176	3,843
Accrued expenses	4,535	4,682
Income taxes	1,301	317
Employee stock purchase and payroll savings plan	87	47
Total current liabilities	11,099	11,870
DEFERRED INCOME TAXES	2,020	2,059
DEFERRED PENSION, DEFERRED COMPENSATION AND POSTRETIREMENT BENEFITS EXPENSE	3,078	2,936
SHAREHOLDERS' EQUITY	46,736	45,126
	$ 62,933	$61,991

</TABLE>

- ---

* In thousands of dollars. March 31, 1997 figures condensed from audited financial statements.

** Net of accumulated depreciation of $26,460,000 at June 30, 1997 and $25,570,000 at March 31, 1997.

VERSA TECHNOLOGIES, INC.

CONSOLIDATED STATEMENTS OF EARNINGS (UNAUDITED)*

<TABLE>
<CAPTION>

	THREE MONTHS ENDED JUNE 30,	
	1997	1996
<S>	<C>	<C>
NET SALES	$27,057	$19,365
Cost of Sales	19,524	14,000
GROSS PROFIT	7,533	5,365
Selling and administrative expenses	4,107	2,940
OPERATING INCOME	3,426	2,425
OTHER INCOME		
Interest (expense) income	(4)	160
Miscellaneous, net	42	34
	38	194
EARNINGS BEFORE INCOME TAXES	3,464	2,619
INCOME TAXES	1,351	975
NET EARNINGS	$ 2,113	$ 1,644
</TABLE>

NET EARNINGS PER SHARE	$ .38	$ 0.29
Average shares outstanding	5,581	5,729

</TABLE>

- ---
* Amounts are in thousands except earnings per share. Interim results are not necessarily indicative of full year and are subject to audit.

VERSA TECHNOLOGIES, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)*

<TABLE>
<CAPTION>

	THREE MONTHS ENDED JUNE 30,	
	1997	1996
<S>	<C>	<C>
Cash flows from operating activities:		
Net earnings	$ 2,113	$ 1,644
Depreciation	922	848
Amortization	126	9
Provision for losses on accounts receivable	21	15
Increase in deferred liabilities	104	139
(Loss) gain on disposition of equipment	(8)	1
(Increase) decrease in current assets other than cash and cash equivalents	(987)	279
Increase (decrease) in current liabilities	2,210	(207)
Net cash provided by operating activities	4,501	2,728
Cash flows from investing activities:		
Capital expenditures	(1,010)	(1,704)
Other	16	24
Net cash used in investing activities	(994)	(1,680)
Cash flows from financing activities:		
Net payments under line of credit agreement	(2,981)	--
Dividends paid	(558)	(580)
Purchase of treasury stock	--	(3,105)
Sale of stock under option plans	55	109
Net cash used in financing activities	(3,484)	(3,576)
Increase (decrease) in cash and cash equivalents	23	(2,528)
Cash and cash equivalents at beginning of period	1,127	14,746
Cash and cash equivalents at end of period	$ 1,150	$12,218
Supplemental Disclosures of Cash Flow Information		
Cash paid during period for:		
Interest	$ 4	--
Income taxes	$ 405	$ 356

</TABLE>

- ---
* Amounts are in thousands.

VERSA TECHNOLOGIES, INC.

NOTES TO FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES --

The consolidated balance sheet as of June 30, 1997 and the consolidated statements of earnings and cash flows for the three-month periods ended June 30, 1997 and 1996 are unaudited. In the opinion of management, all adjustments necessary for a fair presentation of such financial statements have been included. Such adjustments consisted only of normal recurring items. Interim results are not necessarily indicative of results for a full year.

The financial statements and notes are presented as permitted by Form 10-Q, and do not contain certain information included in the annual financial statements and notes of Versa Technologies, Inc. and subsidiaries for the year ended March 31, 1997.

2. INVENTORIES --

Interim inventories are based on perpetual records which are partially verified by interim physical counts.

3. INTANGIBLES --

Intangibles include $797,000 relating to pre-1970 acquisitions that are not being amortized. Included in intangible assets at June 30, 1997 was $10.2 million which is related to the acquisition of Eder Industries, Inc. (See Note 6). Goodwill of $8.1 million represented the excess of the acquisition cost over the fair value of net assets acquired and is amortized on a straight-line basis over 40 years. Other acquired intangibles (principally customer or employment related items) were $2.1 million and are being amortized on a straight-line basis over periods ranging from 3 to 40 years. Amortization expenses for the quarter ended June 30, 1997 for the above items was approximately $126,000.

4. SHORT-TERM DEBT --

At June 30, 1997, the Company had no borrowings under a $15 million unsecured line of credit agreement. The line bears interest at a variable rate based on the current thirty-day LIBOR rate plus 75 basis points. The line of credit renews annually on July 31.

5. SHAREHOLDERS' EQUITY --

Shareholders' equity is composed of the following elements (in thousands):

<TABLE>
<CAPTION>

	JUNE 30, 1997	MARCH 31, 1997
<S>	<C>	<C>
Common stock, par value $.01 per share.....	$ 61	$ 61
Additional paid-in capital.....	18,649	18,648
Retained earnings.....	34,523	32,968
	53,233	51,677
Less treasury shares at cost.....	6,497	6,551
	$ 46,736	$45,126

</TABLE>

Total shares of common stock outstanding net of treasury shares was 5,584,458 at June 30, 1997 and 5,580,533 at March 31, 1997.

During the three months ended June 30, 1997, 3,905 shares of treasury stock were re-issued under the provision of the Company's 1982 Incentive Stock Option Plan (the 1982 Plan), the Company's 1992 Incentive Stock Option Plan (the 1992 Plan) and the Company's 1996 Employee Stock Purchase and Payroll Savings

Plan (the 1996 Plan). Treasury stock cost basis in excess of the proceeds received was charged to additional paid-in capital.

As of June 30, 1997, 76,650 shares of common stock were reserved for issue under the Company's 1982 Plan; 486,125 shares were reserved for issue under the Company's 1992 Plan; 30,643 shares were reserved for issue under the Company's 1996 Plan; and 30,000 shares were reserved for non-qualified stock options held by outside directors and an outside officer of the Company.

During the three months ended June 30, 1997, retained earnings was credited with net income of $2,113,000 and charged with $558,000 for dividends paid.

6. EARNINGS PER SHARE CALCULATION --

Earnings per share have been computed on the basis of weighted average shares outstanding during the respective interim periods. Common share equivalents were excluded because their dilutive effect is not significant.