

Securities and Exchange Commission
Washington, D. C. 20549

QUARTERLY REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
(Mark One)

X QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
For the quarter ended March 30, 1996

OR

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

Commission File Number 0-19687

SYNALLOY CORPORATION
(Exact name of registrant as specified in its charter)

Delaware 57-0426694
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification Number)

Post Office Box 5627
Croft Industrial Park
Spartanburg, South Carolina 29304
(Address of principal executive offices) (Zip Code)

Registrant's Telephone Number, Including Area Code (864) 585-3605

Not Applicable
(Former name, former address and former
fiscal year, if changed since last year.)

Indicate by check mark whether the registrant (1) has filed all reports
required to be filed by Section 13 or 15(d) of the Securities Exchange Act of
1934 during the preceding 12 months (or for such shorter period that the
registrant was required to file such reports) and (2) has been subject to such
filing requirements for the past 90 days.

Yes X No _____

Indicate the number of shares outstanding of each of the issuer's classes of
Common Stock, as of the latest practical date.

Title of Class	Number of Shares Outstanding As of March 30, 1996
Common Stock, \$1.00 Par Value	6,975,098

- - 1 -

Synalloy Corporation

Index

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements (unaudited)

Condensed consolidated balance sheets - March 30, 1996 and
December 30, 1995

Condensed consolidated statements of income - Three months ended
March 30, 1996 and April 1, 1995

Condensed consolidated statements of cash flows - Three months

ended March 30, 1996 and April 1, 1995

Notes to condensed consolidated financial statements -
March 30, 1996

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

PART II. OTHER INFORMATION

- Item 1. Legal Proceedings
- Item 2. Changes in Securities
- Item 3. Defaults upon Senior Securities
- Item 4. Submission of Matters to a Vote of Security Holders
- Item 5. Other Information
- Item 6. Exhibits and Reports on Form 8-K

- - 2 -

PART 1. FINANCIAL STATEMENTS

<TABLE>
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Synalloy Corporation
Condensed Consolidated Balance Sheets

	March 30, 1996 (Unaudited) <C>	December 30, 1995 (Note) <C>
<S>		
Assets		
Current assets		
Cash and cash equivalents	\$ 60,308	\$ 267,061
Accounts receivable, less allowance for doubtful accounts	20,158,032	17,616,246
Inventories:		
Raw materials	10,154,453	10,574,040
Work-in-process	6,239,691	6,095,136
Finished goods	18,044,605	21,860,833
Total inventories	34,438,749	38,530,009
Deferred income taxes	218,000	218,000
Prepaid expenses and other current assets	881,970	119,592
Total current assets	55,757,059	56,750,908
Cash value of life insurance	1,650,879	1,632,029
Investment	743,100	543,100
Property, plant & equipment, net of accumulated depreciation of \$22,649,936 and \$21,950,069	21,397,664	20,341,645
Deferred charges and other assets	926,311	957,891
Total assets	\$80,475,013	\$80,225,573
Liabilities and Shareholders' Equity		
Current liabilities		
Notes payable	\$ 7,760,000	\$ 4,740,000

Accounts payable	6,046,251	4,833,405
Income taxes	1,636,877	233,977
Accrued expenses	2,903,455	5,082,212
Current portion of environmental reserves	336,707	486,521
Current portion of long-term debt	276,923	276,923
Total current liabilities	18,960,213	15,653,038
Long-term debt, less current portion	12,600,000	12,619,231
Environmental reserves	1,702,800	1,702,800
Deferred compensation	1,266,952	1,267,353
Deferred income taxes	620,000	620,000
Contingencies		
Shareholders' equity		
Common stock, par value \$1 per share - authorized and issued 8,000,000 shares	8,000,000	8,000,000
Capital in excess of par value	81,746	417,030
Retained earnings	46,124,354	43,774,332
Less Common Stock in treasury	(8,881,052)	(3,828,211)
Total shareholders' equity	45,325,048	48,363,151
Total liabilities and shareholders' equity	\$80,475,013	\$80,225,573

Note: The balance sheet at December 30, 1995 has been derived from the audited financial statements at that date. See accompanying notes to condensed consolidated financial statements
</TABLE>

<TABLE>
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Synalloy Corporation
Condensed Consolidated Statements of Income

(Unaudited)	Three Months Ended	
	March 30, 1996	April 1, 1995
<S>	<C>	<C>
Net sales	\$36,658,505	\$34,575,967
Cost of sales	29,228,982	27,401,191
Gross profit	7,429,523	7,174,776
Selling, general and administrative expense	2,560,310	2,586,317
Operating income	4,869,213	4,588,459
Other (income) and expense		
Interest expense	259,727	235,755
Other, net	7,456	3,947
Income before taxes	4,602,030	4,348,757
Provision for income taxes	1,680,000	1,587,000
Net income	\$ 2,922,030	\$ 2,761,757
Net income per common share	\$.41	\$.38
Dividends paid per common share	\$.08	\$.07
Average shares outstanding	7,150,808	7,347,769

See accompanying notes to condensed consolidated financial statements
</TABLE>

<TABLE>
<CAPTION>
Synalloy Corporation
Condensed Consolidated Statements of Cash Flows

(Unaudited)	Three Months Ended	
	March 30, 1996	April 1, 1995
<S>	<C>	<C>
Operating activities		
Net income	\$ 2,922,030	\$ 2,761,757
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	729,809	636,645
Deferred compensation	(401)	(245)
Provision for losses on accounts receivable	(196,171)	255,971

Gain on sale of property, plant and equipment	(650)	(8,500)
Cash value of life insurance	(18,850)	(18,850)
Environmental reserves	(149,814)	(90,468)
Changes in operating assets and liabilities:		
Accounts receivable	(2,345,615)	(5,169,576)
Inventories	4,091,260	(6,024,350)
Other assets	(962,378)	(802,673)
Accounts payable and accrued expenses	(965,911)	5,049,774
Income taxes payable	1,402,900	1,535,534
Net cash provided by (used in) operating activities	4,506,209	(2,079,306)
Investing activities		
Purchases of property, plant and equipment	(1,755,886)	(1,194,313)
Proceeds from sale of property, plant and equipment	650	8,500
Proceeds from notes receivable	1,638	1,482
Net cash (used in) investing activities	(1,753,598)	(1,184,331)
Financing activities		
Proceeds from revolving lines of credit	19,060,000	21,847,231
Payments on revolving lines of credit	(16,040,000)	(17,299,231)
Principal payments on long-term debt	(19,231)	(33,654)
Proceeds from exercised stock options	234,008	71,076
Purchases of treasury stock	(5,622,131)	(1,050,979)
Dividends paid	(572,010)	(483,973)
Net cash (used in) provided by financing activities	(2,959,364)	3,050,470
Decrease in cash and cash equivalents	(206,753)	(8,842)
Cash and cash equivalents at beginning of year	267,061	20,770
Cash and cash equivalents at end of period	\$ 60,308	\$ 11,928

See accompanying notes to condensed consolidated financial statements
</TABLE>

Synalloy Corporation
Notes To Condensed Consolidated Financial Statements
(Unaudited)

March 30, 1996

NOTE 1--BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three-month period ended March 30, 1996, are not necessarily indicative of the results that may be expected for the year ending December 28, 1996. For comparative purposes, certain amounts in the 1995 financial statements have been reclassified to conform with the 1996 presentation. For further information, refer to the consolidated financial statements and footnotes thereto included in the Company's annual report on Form 10-K for the period ended December 30, 1995.

NOTE 2--INVENTORIES

Inventories are stated at the lower of cost (first-in, first-out method) or market.

NOTE 3--LEGAL MATTERS

The Company is from time to time subject to various claims, other possible legal actions for product liability and other damages, and other matters arising out of the normal conduct of the Company's business. Management believes that based on present information, it is unlikely that liability, if any, exists that would have a materially adverse effect on the consolidated operating results or financial position of the Company.

NOTE 4--NET INCOME PER COMMON SHARE

Income per share is computed using the weighted average shares of common stock and dilutive Common Stock equivalents (options) outstanding during the respective periods. Stock options in the aggregate reduce earnings per share by less than three percent in all years presented, therefore diluted per share amounts are not disclosed.

NOTE 5--SHAREHOLDERS' EQUITY

On April 28, 1995, the Board of Directors of the Company declared a three-for-

two split of the Company's common stock. This was paid in the form of a stock dividend on June 12, 1995 to shareholders of record May 22, 1995. Accordingly, all share and per share information throughout the consolidated financial statements has been restated to reflect this split. The par value for the additional shares issued was transferred from capital in excess of par to common stock.

- - 6 -

Synalloy Corporation

Management's Discussion And Analysis Of The Financial
Condition And Results Of Operations

The following is management's discussion of certain significant factors which affected the Company during the quarter ended March 30, 1996

Consolidated sales and net income were \$36,659,000 and \$2,922,000, respectively, for the quarter reflecting 6 percent increases over the same period one year ago. Earnings per share of \$.41 increased eight percent over the same period one year ago reflecting the impact of the purchase of 324,000 shares of the Company's common stock as discussed below.

Chemical Segment sales were \$11,167,000 for the quarter reflecting a 15 percent decline compared to the same period one year ago. Operating income declined 16 percent to \$1,167,000 for the quarter compared to the same period one year ago. Specialty chemicals showed good improvement in the first quarter compared to last year contributing 41 percent of operating income compared to 29 percent for the same period one year ago. Conditions in the textile dye market over the past two quarters, which represent the bulk of the chemical business, have been the worst the Company has experienced in many years. Sales and profits for the quarter from these products were down approximately 26 and 16 percent, respectively, from the same period one year ago. Under these conditions, management is pleased with the solid profitability from dyes and pigments, and believes the Company is well-positioned to benefit from the inevitable cyclical recovery in this business. Several of the major dye producers have recently gone through mergers and/or spin-offs that will probably have the ultimate effect of reducing world-wide capacity. Many of the larger producers are losing money or are marginally profitable in their dyestuff businesses. This leads us to believe that the current low prices are unsustainable and should show improvement in the future.

Metals Segment sales were \$25,492,000 for the quarter reflecting a 19 percent increase over the same period one year ago. Operating income increased 14 percent to \$4,063,000 for the quarter over the same period one year ago. The sales increase resulted from higher average selling prices while unit volume was essentially unchanged from last year's record first quarter level. During the first quarter, production was cut back in order to reduce intentionally high inventory levels maintained in 1995. The Company chose not to have temporary layoffs in connection with this planned decrease in production. This necessarily led to negative volume variances that reduced operating income. Demand continues to be very good from most of the industries using these products. However, raw material costs and selling prices have been trending downward for the past several months, and current selling prices are below the level experienced in the second quarter of last year. In addition, the Company will not benefit from the inventory profits experienced in the second quarter of last year. Based on this, we do not expect sales and profits in the second quarter to equal the levels obtained in the second quarter of last year. The new 16-inch continuous pipe mill is now installed and should be in routine production by May 1 enhancing the Company's already leading position among stainless pipe producers.

Selling and administrative expense for the quarter was approximately seven percent of consolidated sales which is consistent with prior year's amount. Interest expense increased ten percent over last year's amount due to increased borrowings needed for working capital requirements and to fund the repurchase of the Company's common stock.

- -7-

Synalloy Corporation

Management's Discussion And Analysis Of The Financial
Condition And Results Of Operations - Continued

Cash flows from operations totaled \$4,506,000 during the first quarter compared to a \$2,079,000 decrease in cash flows during the same period one

year ago. The increase reflects the Company's planned reduction of inventories by \$4,100,000 from year end levels. During the quarter, the Company purchased 324,000 shares of its common stock for the treasury for \$5,622,000, including \$4,980,000 for 289,000 shares purchased under a previously announced \$5,000,000 buyback program. The Company expects that available cash and existing lines of credit will be sufficient to meet normal operating requirements, including capital expenditures and payment of dividends over the near term.

- - 8 -

PART II: OTHER INFORMATION

Synalloy Corporation

Item 1. Legal Proceedings

None

Item 2. Change In Securities

None

Item 3. Defaults Upon Senior Securities

None

Item 4. Submission Of Matters To A Vote Of Security Holders

None

Item 5. Other Information

None

Item 6. Exhibits And Reports On Form 8-K

The following exhibits are included herein:

None

The Company did not file any reports on Form 8-K during the
three months ended March 30, 1996

- - 9 -

Synalloy Corporation

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.

SYNALLOY CORPORATION
(Registrant)

Date: May 8, 1996 /s/ James G. Lane, Jr.
James G. Lane, Jr., Chairman and
Chief Executive Officer

Date: May 8, 1996 /s/ Gregory M. Bowie
Gregory M. Bowie
Vice President, Finance

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