FORM 10-Q

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 June 28, 1997

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 incorporation or organization)	(I.R.S. Employer 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 June 28, 1997
Common Stock, $1.00 Par Value	6,975,917

Synalloy Corporation

Index

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements (unaudited)

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

PART 1. FINANCIAL STATEMENTS

<TABLE>
Synalloy Corporation
Condensed Consolidated Balance Sheets

<S>	Jun 28, 1997 (Unaudited) <C>	Dec 28, 1996 (Note) <C>
Assets		
Current assets		
Cash and cash equivalents	$ 113,808	$ 115,828
Accounts receivable, less allowance for doubtful accounts	18,240,620	17,253,534
Inventories		
Raw materials	9,833,401	8,357,884
Work-in-process	4,775,550	5,112,695
Finished goods	12,263,286	16,384,891
Total inventories	26,872,237	29,855,470
Deferred income taxes	130,000	130,000
Prepaid expenses and other current assets	859,639	278,276
Total current assets	46,216,304	47,633,108
Cash value of life insurance	1,772,801	1,733,801
Investment	329,117	329,117
Property, plant & equipment, net of accumulated depreciation of $26,933,000 and $26,128,000	23,309,169	23,627,889
Deferred charges and other assets	3,139,850	3,265,211
Total assets	74,767,241	76,589,126
Liabilities and Shareholders' Equity		
Current liabilities		
Notes payable	1,350,000	1,500,000
Accounts payable	7,558,833	6,252,449
Income taxes	179,950	332,507
Accrued expenses	2,185,804	2,492,660
Current portion of environmental reserves	359,294	359,294
Current portion of long-term debt	200,000	1,400,000
Notes payable to an employee		1,154,805
Total current liabilities	11,833,881	13,491,715
Long-term debt, less current portion	10,400,000	11,200,000
Environmental reserves	1,087,003	1,300,100
Deferred compensation	1,306,953	1,299,176
Deferred income taxes	1,024,000	1,024,000
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	29,745	81,746
Retained earnings	50,216,604	49,074,919
Less cost of Common Stock in treasury	(9,130,945)	(8,882,530)
Total shareholders' equity	49,115,404	48,274,135
Total liabilities and shareholders' equity	$74,767,241	$76,589,126

Note: The balance sheet at December 28, 1996 has been derived from the audited financial statements at that date. See accompanying notes to condensed consolidated financial statements
</TABLE>

<TABLE>
Synalloy Corporation
Condensed Consolidated Statements of Income

(Unaudited)	Three Months Ended		Six Months Ended	
	Jun 28,1997	Jun 29,1996	Jun 28,1997	Jun 29,1996
<S>	<C>	<C>	<C>	<C>
Net sales	$31,204,944	$31,736,916	$62,108,300	$68,395,421
Cost of sales	26,372,631	25,909,347	53,029,893	55,138,329
Gross profit	4,832,313	5,827,569	9,078,407	13,257,092
Selling, general and administrative expense	2,487,610	2,335,056	4,949,487	4,895,366
Operating income	2,344,703	3,492,513	4,128,920	8,361,726
Other (income) & expense				
Interest expense	199,900	152,668	413,027	412,395
Other, net	3,074	3,056	9,812	10,512
Income before taxes	2,141,729	3,336,789	3,706,081	7,938,819
Provision for income tax	756,000	1,218,000	1,309,000	2,898,000
Net income	$ 1,385,729	$ 2,118,789	$ 2,397,081	$ 5,040,819
Net income per common share	$.20	$.30	$.34	$.71
Dividends paid per common share	$.09	$.08	$.18	$.16
Average shares outstanding	7,023,362	7,037,144	7,025,952	7,094,012

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

<TABLE>
Synalloy Corporation
Condensed Consolidated Statements of Cash Flows

(Unaudited) Six Months Ended

<S> <C> <C>

	Jun 28, 1997	Jun 29, 1996
Operating activities		
Net income	$ 2,397,081	$ 5,040,819
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation expense	1,593,832	1,395,949
Amortization of deferred charges	125,855	59,884
Deferred compensation	7,777	4,399
Deferred income taxes	0	0
Provision for losses on accounts receivable	33,443	(147,206)
Loss on sale of property, plant and equipment	95,015	23,271
Cash value of life insurance	(39,000)	(37,700)
Environmental reserves	(213,097)	(225,662)
Changes in operating assets and liabilities:		
Accounts receivable	(1,020,529)	1,694,564
Inventories	2,983,233	964,042
Other assets	(585,522)	(965,463)
Accounts payable and accrued expenses	999,528	119,553
Income taxes payable	(152,557)	(233,977)
Net cash provided by operating activities	6,225,059	7,692,473
Investing activities		
Purchases of property, plant and equipment	(1,379,577)	(2,345,568)
Proceeds from sale of property, plant and equipment	9,450	27,005
Proceeds from notes receivable	3,665	3,318
Net cash (used in) investing activities	(1,366,462)	(2,315,245)
Financing activities		
Proceeds from revolving lines of credit	13,160,000	30,800,000
Payments on revolving lines of credit	(13,310,000)	(29,806,000)
Principal payments on long-term debt	(2,000,000)	(38,462)
Payment of notes payable to employee	(1,154,805)	
Proceeds from exercised stock options	42,458	234,008
Purchases of treasury stock	(342,875)	(5,623,611)
Dividends paid	(1,255,395)	(1,130,011)
Net cash (used in) financing activities	(4,860,617)	(5,564,076)
(Decrease) in cash and cash equivalents	(2,020)	(186,848)
Cash and cash equivalents at beginning of year	115,828	267,061
Cash and cash equivalents at end of period	$ 113,808	$ 80,213

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

Synalloy Corporation
Notes To Condensed Consolidated Financial Statements
(Unaudited)
June 28, 1997

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 and six-month periods ended June 28, 1997, are not necessarily indicative of the results that may be expected for the year ending January 3, 1998. For comparative purposes, certain amounts in the 1996 financial statements have been reclassified to conform with the 1997 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 28, 1996.

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 periods presented; therefore, diluted per share amounts are not disclosed.
In February 1997, the Financial Accounting Standards Board issued Statement No. 128, Earnings Per Share, which is required to be adopted on December 31, 1997. At that time, the Company will be required to change the method currently used to compute earnings per share and to restate all prior periods. Under the new requirements for calculating primary earnings per share, the dilutive effect of stock options will be excluded. The impact of Statement 128 on the calculations of earnings per share and fully diluted earnings per share is not expected to be material.

NOTE 5--LONG-TERM DEBT
In June 1997, the Company entered into an agreement to amend its Revolving Credit/Term Loan Agreement and prepaid $800,000 reducing the balance owed to $10,000,000. The amendment converts the debt from a five year term loan, payable in equal quarterly installments, to a $10,000,000 revolving line of credit expiring five years from the date of the Agreement. Interest is payable quarterly on the outstanding balance at the lower of the bank's prime rate less .25 percent or LIBOR plus .60 percent.

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 that affected the Company during the quarter ended June 28, 1997.

Consolidated sales were $31,205,000 for the quarter and $62,108,000 year-to-date reflecting 2 and 9 percent decreases, respectively, compared to the same periods one year ago. Consolidated net income decreased 35 percent to $1,386,000 for the quarter, or $.20 per share, and decreased 52 percent to $2,397,000 year-to-date, or $.34 per share, compared to the same periods one year ago. The declines resulted primarily from Metals Segment's piping systems and process equipment, which produced $.14 and $.24 per share less net income for the quarter and year-to-date, respectively. However, net income for the quarter was up 37 percent on a one percent increase in sales compared to the previous quarter. Management considers this sequential improvement as an important indication that earnings are back in an uptrend after the depressed results experienced in recent quarters.

Chemicals Segment sales were $14,156,000 for the quarter and $28,511,000 year-to-date reflecting 40 and 34 percent increases, respectively, compared to the same periods one year ago. Operating income increased 21 percent to $1,066,000 for the quarter and increased 24 percent to $2,543,000 year-to-date, compared to the same periods one year ago. The improvement resulted primarily from Manufacturers Chemicals, L.P. which was acquired in October 1996. Excluding the acquired business, sales were up six and three percent and operating income was essentially unchanged for the quarter and year-to-date, respectively, before an $82,000 write-off in the quarter of abandoned equipment. Chemical specialties, bolstered by the acquisition, contributed 40 and 43 percent of sales for the quarter and year-to date, respectively, and a substantially greater percent of operating income. Textile dyes continued to be a very difficult business and are likely to remain so for the foreseeable future. On the other hand, specialties continue to perform well and afford the opportunity for long-term growth.

Metals Segment sales were $17,049,000 for the quarter and $33,597,000 year-to-date reflecting 21 and 29 percent decreases, respectively, compared to the same periods one year ago. Operating income decreased 46 percent to $1,593,000 for the quarter and 69 percent to $2,182,000 year-to-date, compared to the same periods one year ago. The second quarter produced strong unit volume growth, up 16 percent compared to the second quarter of 1996. Pipe unit volume was especially strong, up 34 percent while piping systems and process equipment were only about half of their year earlier levels. Dollar sales were down because of lower sales prices and the shift in product mix. The disappointing results from piping systems and process equipment were exacerbated by customer delays in certain production schedules and $115,000 expensed for the start-up costs of a carbon pipe fabrication shop. These products should produce much better results in the second half since backlog is at a good level, up 84 percent from a year earlier.

Many chemical companies and other process industry businesses will only let suppliers that produce both stainless and carbon piping systems quote on their requirements. By opening a carbon piping shop, the Company expects to significantly expand its customer base for its traditional line of stainless steel piping systems as well as generate profit from the new carbon piping products.

Selling and administrative expense for the quarter was up approximately six percent from the same quarter last year, and totaled eight percent of consolidated sales compared to last year's seven percent. The increase reflects adding selling and administrative costs from Manufacturers Chemical, offset by lower profit-based incentives.

Cash flows from operations totaled $6,225,000 during the first six months compared to $7,692,000 generated during the same period one year ago. The decrease reflects the reduction of net income experienced in the first six months of 1997 compared to the same period in 1996. The Company used part of the cash flows to pay $2,000,000 of long-term debt and $1,155,000 of notes payable to an employee related to the acquisition of Manufacturers Chemicals. 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.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995

The statements contained in this management discussion and analysis that are not historical facts may be forward looking statements. The forward looking statements are subject to certain risks and uncertainties, including without limitation those identified below, which could cause actual results to differ materially from historical results or those anticipated. Readers are cautioned not to place undue reliance on these forward looking statements, which speak only as of their dates. The following factors could cause actual results to differ materially from historical results or those anticipated: adverse economic conditions, the impact of competitive products and pricing, product demand and acceptance risks, raw material and other increased costs, customer delays or difficulties in the production of products, and other risks detailed from time to time in Synalloy's Securities and Exchange Commission filings. Synalloy Corporation assumes no obligation to update the information included herein.

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

A. The Annual Meeting of Shareholders was held April 30, 1997 at the offices of the Company.

B. The following individuals were elected as directors at the Annual Meeting:

	Votes For	Votes Withheld
1. James G. Lane, Jr.	6,147,330	30,597
2. Sibyl N. Fishburn	6,139,536	38,391
3. Richard E. Ingram	6,141,880	36,047
4. Glenn R. Oxner	6,146,880	31,047
5. Carroll D. Vinson	6,146,880	31,047

C. Ernst & Young LLP, independent certified accountants, were selected as independent auditors for the fiscal year ending January 3, 1998 by a vote of 6,138,627 for, 11,779 against and 27,521 abstentions.

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 June 28, 1997.

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: August 8, 1997 /s/ James G. Lane, Jr.
James G. Lane, Jr., Chairman and
Chief Executive Officer

Date: August 8, 1997 /s/ Gregory M. Bowie
Gregory M. Bowie
Vice President, Finance

<TABLE> <S> <C>

<ARTICLE> 5

<S>	<C>
<PERIOD-TYPE>	6-MOS
<FISCAL-YEAR-END>	JAN-3-1998
<PERIOD-END>	JUN-28-1997
<CASH>	114
<SECURITIES>	0
<RECEIVABLES>	18241
<ALLOWANCES>	0
<INVENTORY>	26872
<CURRENT-ASSETS>	46216
<PP&E>	50243
<DEPRECIATION>	26933
<TOTAL-ASSETS>	74767
<CURRENT-LIABILITIES>	11834
<BONDS>	0
<PREFERRED-MANDATORY>	8000
<PREFERRED>	0
<COMMON>	0
<OTHER-SE>	41115
<TOTAL-LIABILITY-AND-EQUITY>	74767
<SALES>	62108
<TOTAL-REVENUES>	62108
<CGS>	53030
<TOTAL-COSTS>	53030
<OTHER-EXPENSES>	4949
<LOSS-PROVISION>	0
<INTEREST-EXPENSE>	413
<INCOME-PRETAX>	3706
<INCOME-TAX>	1309
<INCOME-CONTINUING>	2397
<DISCONTINUED>	0
<EXTRAORDINARY>	0
<CHANGES>	0
<NET-INCOME>	2397
<EPS-PRIMARY>	.34
<EPS-DILUTED>	.34

</TABLE>