

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D. C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 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 #0-4829-03

NABI

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

59-1212264

(I.R.S. Employer Identification No.)

5800 Park of Commerce Boulevard N.W., Boca Raton, FL

(Address of principal executive offices)

33487

(Zip Code)

(Registrant's telephone number, including area code): (561) 989-5800

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, and (2) has been subject to such filing requirements for the past 90 days.

YES (X) NO ()

The number of shares outstanding of registrant's common stock at November 8, 1996 was 34,588,910 shares.

QUARTERLY REPORT UNDER SECTION 13 OR 15 (D)
NABI

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NABI
CONSOLIDATED BALANCE SHEET
(IN THOUSANDS, EXCEPT PER SHARE DATA)

	(UNAUDITED) SEPTEMBER 30, 1996	DECEMBER 31, 1995
	-----	-----
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 14,839	\$ 3,991
Investments	12,670	--
Trade accounts receivable, net	40,911	28,213
Inventories, net	25,950	22,646
Prepaid expenses and other assets	4,562	2,380
	-----	-----
TOTAL CURRENT ASSETS	98,932	57,230
PROPERTY AND EQUIPMENT, NET	53,830	42,697
OTHER ASSETS:		
Excess of acquisition cost over net assets acquired, net	18,015	18,882
Intangible assets, net	10,118	11,048
Other, net	10,180	8,118
	-----	-----
TOTAL ASSETS	\$ 191,075	\$ 137,975
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Trade accounts payable	\$ 5,414	\$ 6,758
Accrued expenses	24,207	18,618
Notes payable	5,394	17,164
	-----	-----
TOTAL CURRENT LIABILITIES	35,015	42,540
NOTES PAYABLE	80,947	25,730
OTHER	315	263
	-----	-----
TOTAL LIABILITIES	116,277	68,533
	-----	-----
STOCKHOLDERS' EQUITY:		
Convertible preferred stock, par value \$0.10 per share: 5,000 shares authorized; no shares outstanding	--	--
Common stock, par value \$0.10 per share: 75,000 shares authorized, 34,544 and 33,942 shares issued and outstanding, respectively	3,454	3,394
Capital in excess of par value	135,174	133,100
Accumulated deficit	(63,830)	(67,052)
	-----	-----
TOTAL STOCKHOLDERS' EQUITY	74,798	69,442
	-----	-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 191,075	\$ 137,975
	=====	=====

The accompanying Notes are an integral part of these Financial Statements.

NABI
CONSOLIDATED STATEMENT OF OPERATIONS

(IN THOUSANDS, EXCEPT PER SHARE DATA)

	(UNAUDITED) Three Months Ended September 30,		(UNAUDITED) Nine Months Ended September 30,	
	1996	1995	1996	1995
	-----		-----	
SALES	\$ 58,048	\$ 49,631	\$ 175,869	\$ 146,734
COSTS AND EXPENSES:				
Costs of products sold	44,762	37,271	133,226	111,315
Research and development expense	4,433	5,685	14,341	16,914
Royalty expense	1,182	709	3,514	1,922
Selling, general and administrative expense	5,549	6,302	18,274	17,435
	-----		-----	
OPERATING INCOME (LOSS)	2,122	(336)	6,514	(852)
INTEREST AND OTHER INCOME	290	271	1,076	1,089
INTEREST AND OTHER EXPENSE	(1,271)	(841)	(3,263)	(1,529)
	-----		-----	
INCOME (LOSS) BEFORE PROVISION FOR INCOME TAXES AND EXTRAORDINARY CHARGE	1,141	(906)	4,327	(1,292)
PROVISION FOR INCOME TAXES	(46)	(1,803)	(173)	(5,776)
	-----		-----	
INCOME (LOSS) BEFORE EXTRAORDINARY CHARGE	1,095	(2,709)	4,154	(7,068)
EXTRAORDINARY CHARGE	--	--	(932)	--
	-----		-----	
NET INCOME (LOSS)	\$ 1,095	\$ (2,709)	\$ 3,222	\$ (7,068)
	=====		=====	
EARNINGS (LOSS) PER SHARE:				
Income (loss) before extraordinary charge	\$ 0.03	\$ (0.08)	\$ 0.12	\$ (0.21)
Extraordinary charge	--	--	(0.03)	--
	-----		-----	
Net income (loss)	\$ 0.03	\$ (0.08)	\$ 0.09	\$ (0.21)
	=====		=====	
WEIGHTED AVERAGE NUMBER OF SHARES AND COMMON SHARE EQUIVALENTS	35,548	33,643	35,680	33,518
	=====		=====	

The accompanying Notes are an integral part of these Financial Statements.

NABI
CONSOLIDATED STATEMENT OF CASH FLOWS

(\$ IN THOUSANDS)

	(UNAUDITED) Nine Months Ended September 30,	
	----- 1996 -----	----- 1995 -----
CASH FLOW FROM OPERATING ACTIVITIES:		
Net income (loss)	\$ 3,222	\$ (7,068)
Adjustments to reconcile net income (loss) to net cash used by operating activities:		
Depreciation and amortization	5,838	5,037
Gain on market value of trading securities	--	(163)
Provision for doubtful accounts	505	(71)
Purchase of trading securities	--	(4,036)
Sales and redemptions of trading securities	--	13,907
Extraordinary charge	932	--
Other	341	232
Change in assets and liabilities:		
Decrease (increase) in accounts receivable	(13,203)	(3,778)
Decrease (increase) in inventories	(3,304)	(1,632)
Decrease (increase) in prepaid expenses and other assets	(2,181)	(454)
Decrease (increase) in other assets	(1,048)	(2,375)
Increase (decrease) in accounts payable and accrued liabilities	4,462	369
Total adjustments	(7,658)	7,036
NET CASH USED BY OPERATING ACTIVITIES	(4,436)	(32)
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchases of investments available for sale	(18,190)	--
Proceeds from sale of investments available for sale	5,724	--
Collection on note receivable from stockholder	--	126
Cash consideration for business acquisition	--	(6,075)
Capital expenditures	(14,829)	(18,822)
NET CASH USED BY INVESTING ACTIVITIES	(27,295)	(24,771)
CASH FLOW FROM FINANCING ACTIVITIES:		
Net proceeds from issuance of convertible subordinated notes	77,884	--
Repayments of flexible term notes	(18,000)	--
Borrowings of flexible term notes	--	12,936
Repayments of term debt, net	(10,000)	(2,394)
Repayments under line of credit, net	(6,760)	4,756
Other debt	(2,320)	1,732
Proceeds from the exercise of options and warrants	1,775	542
NET CASH PROVIDED BY FINANCING ACTIVITIES	42,579	17,572
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	10,848	(7,231)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	3,991	12,132
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 14,839	\$ 4,901
	=====	=====

The accompanying Notes are an integral part of these Financial Statements.

NABI
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 1 -- GENERAL

NABI (formerly North American Biologicals, Inc.) is a vertically integrated biopharmaceutical company that supplies human blood plasma and develops and commercializes therapeutic products for the prevention and treatment of infectious diseases and immunological disorders.

On November 29, 1995, Univax Biologics, Inc. ("Univax"), a publicly traded biopharmaceutical company, was merged with and into NABI. Under the terms of the agreement and plan of merger, Univax's common stockholders received .79 of NABI common stock for each Univax share. Additionally, Univax's preferred stockholders received 1.047 shares of NABI common stock for each preferred share. NABI issued an aggregate of 14,173,508 shares of its common stock for the outstanding shares of Univax common and preferred stock. The merger was accounted for as a pooling of interests and accordingly, the prior period financial statements have been combined.

The consolidated financial statements include the accounts of NABI (the "Company") and its subsidiaries. All significant intercompany accounts and transactions are eliminated in consolidation. These statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's Annual Report to Stockholders for the year ended December 31, 1995.

In the opinion of management, the unaudited consolidated financial statements include all adjustments necessary to present fairly the Company's consolidated financial position at September 30, 1996 and the consolidated results of its operations for the three month and nine month periods ended September 30, 1996 and 1995, respectively. The interim results of operations are not necessarily indicative of the results which may occur for the fiscal year.

NOTE 2 -- INVESTMENTS

At September 30, 1996, the Company had approximately \$12.7 million in short-term investments. The investments consist of securities issued or guaranteed by the U.S. Treasury and U.S. Government Agency securities.

The following is a summary of securities available-for-sale as of September 30, 1996:

(In Thousands)	AMORTIZED COST	UNREALIZED		FAIR VALUE
		GAINS	LOSSES	
U.S. Treasury Bill	\$ 4,890	-	\$ 34	\$ 4,856
U.S. Government Agencies	7,832	-	18	7,814
Total	\$ 12,722	-	\$ 52	\$ 12,670
	=====	=====	=====	=====

NOTE 3 -- INVENTORIES

The components of inventories, stated at the lower of cost (FIFO) or market, are as follows:

(In Thousands)	SEPTEMBER 30, 1996	DECEMBER 31, 1995
Finished goods	\$ 22,008	\$ 19,054
Work in process	2,042	1,255
Raw materials	7,450	6,405
	-----	-----
	\$ 31,500	\$ 26,714
Less: valuation allowance	(5,550)	(4,068)
	-----	-----
	\$ 25,950	\$ 22,646
	=====	=====

NOTE 4 -- PROPERTY AND EQUIPMENT

Property and equipment and related allowances for depreciation and amortization are summarized below:

(In Thousands)	SEPTEMBER 30, 1996	DECEMBER 31, 1995
Land and buildings	\$ 5,528	\$ 5,551
Furniture and fixtures	4,288	3,691
Machinery and equipment	21,083	19,443
Leasehold improvements	13,714	12,055
Construction in progress	28,278	18,311
	-----	-----
	72,891	59,051
Less: accumulated depreciation and amortization	(19,061)	(16,354)
	-----	-----
	\$ 53,830	\$ 42,697
	=====	=====

Interest capitalized in connection with construction of NABI's biopharmaceutical facility was \$2,404 and \$932 at September 30, 1996 and December 31, 1995, respectively.

NOTE 5 -- CONVERTIBLE SUBORDINATED NOTES

During the first quarter of 1996, NABI issued \$80.5 million of 6.5% convertible subordinated notes due February 1, 2003 ("Notes") in a private placement. The Notes are convertible into NABI common stock at a conversion price of \$14 per share at any time on or after May 6, 1996, unless previously redeemed or repurchased. At any time on or after February 4, 1999, the Notes may be redeemed at NABI's option without premium. A total of 5,750,000 shares of common stock have been reserved for issuance upon conversion of the Notes. NABI utilized a portion of the net proceeds of the offering to repay a \$10 million term loan, \$18 million in flexible term notes and approximately \$12.2 million under a revolving credit facility.

In connection with the early extinguishment of the bank debt through the application of the net proceeds of the Notes, NABI incurred an extraordinary charge of approximately \$932,000 in the first quarter of 1996.

NOTE 6 -- INCOME TAXES

For the quarter ended September 30, 1996, the provision for income taxes is comprised solely of state income taxes as a result of NABI recognizing net deferred tax benefits equal to its current federal income tax provision.

NOTE 7 -- RECLASSIFICATIONS

Certain items in the consolidated financial statements for the 1995 periods have been reclassified for comparative purposes.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS

The following is a discussion and analysis of the major factors contributing to the Company's financial condition and results of operations for the three and nine month periods ended September 30, 1996 and 1995. The discussion and analysis should be read in conjunction with the condensed consolidated financial statements and notes thereto. All amounts are expressed in thousands of dollars, except per share amounts.

RESULTS OF OPERATIONS

The following table sets forth the Company's results of operations expressed as a percentage of sales:

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	1996	1995	1996	1995
Sales	100.0%	100.0%	100.0%	100.0%
Cost of products sold	77.1	75.1	75.8	75.9
Gross profit margin	22.9	24.9	24.2	24.1
Research and development expense	7.6	11.5	8.1	11.5
Royalty expense	2.0	1.4	2.0	1.3
Selling, general and administrative expense	9.6	12.7	10.4	11.9
Operating income (loss)	3.7	(.7)	3.7	(.6)
Interest and other income	.5	.6	.6	.7
Interest and other expense	(2.2)	(1.7)	(1.8)	(1.0)
Income (loss) before provision for income taxes and extraordinary charge	2.0	(1.8)	2.5	(.9)
Provision for income taxes	(.1)	(3.6)	(.1)	(3.9)
Income (loss) before extraordinary charge	1.9	(5.4)	2.4	(4.8)
Extraordinary charge	--	--	(.6)	--
Net income (loss)	1.9 %	(5.4)%	1.8%	(4.8)%

Information concerning NABI's sales by industry segment, for the respective periods, is set forth in the following table. All dollar amounts set forth in the table are expressed in thousands.

Segment	THREE MONTHS ENDED SEPTEMBER 30,			
	1996	%	1995	%
Plasma -Source	\$ 29,951	51.6%	\$ 25,867	52.1%
-Specialty	19,547	33.7	16,209	32.7
	49,498	85.3	42,076	84.8
Immunotherapeutic products	6,571	11.3	4,186	8.4
Diagnostic products and services	1,566	2.7	1,979	4.0
Research and development	413	.7	1,390	2.8
Total	\$ 58,048	100.0%	\$ 49,631	100.0%

Segment	NINE MONTHS ENDED SEPTEMBER 30,			
	1996	%	1995	%
Plasma -Source	\$ 88,778	50.5%	\$ 79,688	54.3%
-Specialty	63,559	36.1	44,698	30.5
	152,337	86.6	124,386	84.8
Immunotherapeutic products	16,973	9.7	11,440	7.8
Diagnostic products and services	4,559	2.6	6,180	4.2
Research and development	2,000	1.1	4,728	3.2
Total	\$ 175,869	100.0%	\$ 146,734	100.0%

THREE MONTHS ENDED SEPTEMBER 30, 1996 AND 1995

General. During the quarter ended September 30, 1996, NABI recorded a non-recurring charge of approximately \$2 million resulting from its voluntary withdrawal of certain lots of H-BIG(R) distributed prior to 1996. The product withdrawal was in response to implementation of second generation polymerase chain reaction (PCR) testing requirements mandated by the Food and Drug Administration in June 1996. All H-BIG(R) products sold in 1996 have been tested with second generation PCR testing. Sales and net income were adversely affected by approximately \$2 million for the quarter.

Sales. Sales for the quarter rose 17% to \$58 million compared to \$49.6 million for the third quarter of 1995. The increase was primarily attributable to increased volume of shipments and improved pricing for plasma and immunotherapeutic products, partially offset by the effects of the H-BIG(R) withdrawal as discussed above.

Gross profit. Gross profit and related margin for the third quarter of 1996 was \$13.3 million, or 22.9% of sales, compared to \$12.4 million, or 24.9% of sales, in the third quarter of 1995. Profitability was adversely affected primarily by NABI's voluntary withdrawal of certain H-BIG(R) lots as discussed above.

Research and development expense. Research and development expense was \$4.4 million, or 7.6% of sales for the quarter compared to \$5.7 million or 11.5% of sales, in the third quarter of 1995. The decline in research and development expenditures over the comparable period in 1995 is primarily attributed to the discontinuation of clinical trials for HyperGAM+CF TM during June 1996.

Royalty expense. Royalty expense for the quarter was \$1.2 million, or 2% of sales, compared to \$.7 million or 1.4% of sales, in the third quarter of 1995. Increased immunotherapeutic sales during the quarter compared to the third quarter of 1995 accounted for the increase in royalty expense.

Selling, general, and administrative expense. Selling, general and administrative expense was \$5.5 million, or 9.6% of sales, for the quarter compared to \$6.3 million, or 12.7% of sales, in the third quarter of 1995 due primarily to a reduction in personnel related costs, partially offset by an increase in the allowance for doubtful accounts arising from the insolvency of an immunotherapeutics customer.

Net interest expense. Net interest expense for the quarter was \$1.0 million, or 1.7% of sales, compared to net interest expense of \$.6 million, or 1.1% of sales, in the third quarter of 1995. Net interest expense increased primarily due to interest charges associated with the convertible subordinated notes issued during the first quarter of 1996. Capitalized interest associated with construction of NABI's biopharmaceutical facility increased during the quarter as compared to the third quarter of 1995. This partially offset the increase in net interest expense recognized during the quarter when compared to the comparable period in 1995.

Other factors. The provision for income taxes for the quarter was \$46,000 compared to \$1.8 million in the third quarter of 1995. The 4% effective tax rate differs from the statutory rate of 35% primarily due to the reversal of a portion of the valuation allowance associated with NOL carryforwards. The provision for income taxes in the third quarter of 1995 reflects income taxes on NABI's stand-alone pre-tax income which could not be offset by pre-merger losses.

NINE MONTHS ENDED SEPTEMBER 30, 1996 AND 1995

Sales. Sales for the year to date rose 20% to \$175.9 million compared to \$146.7 million for the nine months of 1995. The increase was primarily attributable to increased plasma shipments, primarily specialty plasma, and increased immunotherapeutic sales, partially offset by the effect of NABI's voluntary withdrawal of certain H-BIG(R) lots as discussed above.

Gross profit margin. Gross profit and related margin for the year to date was \$42.6 million or 24.2% of sales, compared to \$35.4 million, or 24.1% of sales, in 1995. An improved sales mix, resulting primarily from increased sales of higher margin specialty plasma and immunotherapeutic products, accounted for the improved profitability, which was partially offset by the withdrawal of certain H-BIG(R) lots as discussed above.

Research and development expense. Research and development expense was \$14.3 million or 8.1% of sales, compared to \$16.9 million or 11.5% of sales in the nine months of 1995. The decline in research and development expenditures in the year to date over the comparable period in 1995 is attributed to the discontinuation of clinical trials for HyperGAM+CF TM during June 1996 and lower development costs incurred during 1996 for WinRho SD(TM) which was commercially launched in mid 1995.

Royalty expense. Royalty expense for the year to date was \$3.5 million, or 2% of sales, compared to \$1.9 million or 1.3% in 1995. Increased immunotherapeutic sales during 1996 compared to 1995 accounted for the increase in royalty expense.

Selling, general and administrative expense. Selling, general and administrative expense was \$18.3 million or 10.4% of sales compared to \$17.4 million or 11.9% of sales in the nine months of 1995. While expenses decreased as a percentage of sales, the dollar increase resulted primarily from an increase in the allowance for doubtful accounts arising from the insolvency of a certain immunotherapeutics customer, additional personnel costs and increased freight expense.

Net interest expense. Net interest expense for the year to date was \$2.2 million, or 1.2% of sales, compared to net interest expense of \$.4 million or .3% in 1995. The increase in net interest expense resulted primarily from interest expense associated with the convertible subordinated notes issued during the first quarter of 1996. Capitalized interest associated with construction of NABI's biopharmaceutical facility increased during 1996 as compared to 1995. This partially offset the increase in net interest expense recognized during 1996 when compared to 1995.

Other factors. The provision for income taxes for the year to date was \$173,000 compared to \$5.8 million in 1995. The 4% effective tax rate differs from the statutory rate of 35% primarily due to the reversal of a portion of the valuation allowance associated with NOL carryforwards. The provision for income taxes for the year to date ended September 30, 1995 reflects income taxes on NABI's stand-alone pre-tax income which could not be offset by pre-merger losses.

The year to date ended September 30, 1996 reflects an extraordinary charge of \$.9 million, or \$.03 per share, due to the immediate recognition and expense of debt issue costs associated with NABI's early extinguishment of its bank debt through the application of a portion of the net proceeds of the convertible subordinated notes issued during the first quarter of 1996.

LIQUIDITY AND CAPITAL RESOURCES

During the first quarter of 1996, NABI issued \$80.5 million of 6.5% convertible subordinated notes due 2003 ("Notes") in a private placement. A portion of the net proceeds was used to repay a majority of NABI's outstanding bank indebtedness aggregating approximately \$22.2 million and \$18 million was used to retire all outstanding flexible term notes.

As of September 30, 1996, the Company's current assets exceeded current liabilities by \$63.9 million as compared to a net working capital position of \$14.7 million at December 31, 1995. The increase in working capital is principally due to the net proceeds from the issuance of the Notes. In addition, NABI's bank credit agreement, as amended through March 31, 1996, provides for a \$20 million revolving credit facility. At September 30, 1996, NABI had no amounts outstanding under this credit facility.

The Company believes that cash on hand, available bank line of credit and cash flow from operations will be sufficient to meet its anticipated cash needs for the remainder of fiscal 1996.

FACTORS TO BE CONSIDERED

NABI's Annual Report on Form 10-K for the year ended December 31, 1995, Item 1, "Business-Factors to be considered," discusses certain factors that could cause NABI's actual results to differ materially from the results projected in forward-looking statements from time to time made by NABI or that otherwise affect NABI's results of operations and financial condition. These factors continue to apply, including those discussed under "--Government Regulation; Uncertainty of Regulatory Approvals" with regard to the Food and Drug Administration ("FDA") and NABI's H-BIG(R) product.

PART II -- OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

NABI is a party to litigation in the ordinary course of business. NABI does not believe that any such litigation will have a material adverse effect on its business, financial position or results of operations.

In addition, NABI is a co-defendant with various other parties in numerous suits filed in the U.S. and Canada brought by individuals or their representatives who claim to have been infected with HIV as a result of either using HIV-contaminated products made by the defendants other than NABI or having familial relations with those so infected. The claims against NABI generally are based on either or both negligence and strict liability. One of the suits, filed in the Circuit Court for the Eleventh Judicial Circuit of Dade County, Florida on May 23, 1995 (Case No. 95-10489 CA 02), purports to be a class action. The defendants in this suit, other than NABI, include Bayer Corporation, Armour Pharmaceutical Company, Rhone-Poulenc Rorer, Inc., Baxter Healthcare Corporation, Alpha Therapeutic Corporation and The National Hemophilia Foundation. The suits filed in Canada seek to impose liability on NABI as the successor to a company acquired by NABI in 1986.

NABI denies all claims against it in these suits and intends to vigorously defend the cases. Although NABI does not believe that any such litigation will have a material adverse effect on its business, financial position or results of operations, the defense of these lawsuits can be expensive and time-consuming, regardless of the outcome, and an adverse result in one or more of these lawsuits could have a material adverse effect on NABI's business, financial condition and results of operations.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

a. Exhibits

11	Calculation of Earnings Per Share.....	14
27	Financial Data Schedule (for SEC use)	

b. Reports on Form 8-K:

None

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.

NABI

DATE: November 12, 1996

By: /s/ Alfred J. Fernandez

ALFRED J. FERNANDEZ
Senior Vice President and Chief
Financial Officer

NABI
 CALCULATION OF EARNINGS PER SHARE
 (IN THOUSANDS, EXCEPT PER SHARE DATA)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	----- 1996 -----	----- 1995 -----	----- 1996 -----	----- 1995 -----
Net income (loss)	\$ 1,095	\$ (2,709)	\$ 3,222	\$ (7,068)
	=====	=====	=====	=====
Weighted average number of common shares outstanding during the period	34,542	33,643	34,321	33,518
Add dilutive effect of common stock equivalents:				
Stock options and warrants (as determined by the application of the treasury stock method)	1,006	--	1,359	--
	-----	-----	-----	-----
Weighted average number of shares and common share equivalents used in primary earnings per share computations	35,548	33,643	35,680	33,518
	=====	=====	=====	=====
Earnings (loss) per share	\$0.03	\$ (0.08)	\$ 0.09	\$ (0.21)
	=====	=====	=====	=====

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED BALANCE SHEET AT SEPTEMBER 30, 1996 (UNAUDITED) AND THE CONSOLIDATED STATEMENT OF OPERATIONS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1996 (UNAUDITED) AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000
U.S. DOLLARS

9-MOS		
	DEC-31-1996	
	JAN-01-1996	
	SEP-30-1996	
	1	14,839
	12,670	
	40,911	
	0	
	25,950	
	98,932	53,830
	0	
	191,075	
35,015		86,341
0		0
		3,454
		71,344
191,075		173,869
	175,869	
		133,226
	133,226	
	36,129	
	0	
	3,263	
	4,327	
		173
4,154		0
	932	
		0
	3,222	
	0.09	
	0	

RECEIVABLES, INVENTORY AND PP&E REPRESENT NET AMOUNTS.
LOSS PROVISION INCLUDED IN OTHER EXPENSES.