SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D. C. 20549

FORM 10-Q

[X] QUARTERLY REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE QUARTER ENDED JUNE 30, 1995

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

NORTH AMERICAN BIOLOGICALS, INC.
(Exact name of registrant as specified in its charter)

Delaware	59-1212264
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

5800 Park of Commerce Boulevard N.W., Boca Raton, FL	33487
(Address of principal executive offices)	(Zip Code)

(Registrant's telephone number, including area code): (407)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 August 8, 1995 was 19,486,910 shares.

QUARTERLY REPORT UNDER SECTION 13 OR 15 (d)
NORTH AMERICAN BIOLOGICALS, INC.

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Part I Financial Information
Item 1 Financial Statements

NORTH AMERICAN BIOLOGICALS, INC.
CONSOLIDATED BALANCE SHEET
($ THOUSANDS, EXCEPT PER SHARE DATA)

	JUNE 30, 1995 (UNAUDITED)	DEC 31, 1994
ASSETS		
CURRENT ASSETS:		
Cash	$ 1,863	$ 1,982
Trade accounts receivable, net	26,047	22,875
Inventories	20,167	20,713
Prepaid expenses and other assets	3,055	2,485
TOTAL CURRENT ASSETS	51,132	48,055
PROPERTY AND EQUIPMENT, NET	24,369	14,225
OTHER ASSETS:		
Excess of acquisition cost over net assets acquired, net	16,407	16,696
Intangible assets, net	9,908	10,616
Other assets	4,610	4,225
TOTAL ASSETS	$106,426	$93,817
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Trade accounts payable	$ 3,863	$ 6,559
Accrued expenses	10,776	10,465
Notes payable	6,471	5,479
TOTAL CURRENT LIABILITIES	21,110	22,503
NOTES PAYABLE	27,007	19,549
TOTAL LIABILITIES	48,117	42,052
COMMITMENTS AND CONTINGENCIES	--	--
STOCKHOLDERS' EQUITY:		
Convertible preferred stock, par value $.10 per share: 5,000 shares authorized; no shares outstanding	--	--
Common stock, par value $.10 per share: 50,000 shares authorized; 19,487 and 19,308 shares issued, respectively	1,949	1,931
Capital in excess of par value	37,701	37,781
Retained earnings	18,659	12,179
	58,309	51,891
Note receivable from stockholder	--	(126)
TOTAL STOCKHOLDERS' EQUITY	58,309	51,765
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$106,426	$93,817

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

NORTH AMERICAN BIOLOGICALS, INC.
CONSOLIDATED STATEMENT OF OPERATIONS
($ THOUSANDS, EXCEPT PER SHARE DATA)

	(UNAUDITED) Three Months Ended June 30,		(UNAUDITED) Six Months Ended June 30,	
	1995	1994	1995	1994
Sales	$46,975	$41,644	$93,452	$77,280
Costs and expenses:				
Cost of products sold	37,066	33,208	74,201	61,507
Selling, general and administrative expenses	2,915	3,208	5,941	6,132
Other operating expenses	1,231	895	2,324	1,863
Operating income	5,763	4,333	10,986	7,778
Interest expense, net	(238)	(929)	(533)	(1,766)
Income before provision for income taxes	5,525	3,404	10,453	6,012
Provision for income taxes	(2,100)	(1,311)	(3,973)	(2,302)
Net income	$ 3,425	$ 2,093	$ 6,480	$ 3,710
Earnings per share	$ 0.17	$ 0.12	$ 0.32	$ 0.22
Weighted average number of shares and common share equivalents (thousands)	20,450	17,077	20,347	16,670

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

NORTH AMERICAN BIOLOGICALS, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
($ THOUSANDS)

	(UNAUDITED) Six Months Ended JUNE 30,	
	1995	1994
CASH FLOW FROM OPERATING ACTIVITIES:		
Net income	$6,480	$3,710
Adjustments to reconcile net income to net cash provided (used) by operating activities:		
Depreciation and amortization	2,229	2,252
Imputed interest and amortization of debt discount	18	568
Provision for doubtful accounts	(116)	134
Compensation under employee stock plan	14	26
Change in assets and liabilities:		
Decrease (increase) in accounts receivable	(3,056)	(1,654)
Decrease (increase) in inventories	546	(2,694)
Decrease (increase) in prepaid expenses	(581)	(1,423)
Decrease (increase) in other assets	(742)	(258)
Increase (decrease) in accounts payable and accrued liabilities	(2,604)	(1,171)
Total adjustments	(4,292)	(4,220)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	2,188	(510)
CASH FLOW FROM INVESTING ACTIVITIES:		
Cash of businesses acquired, net of transaction costs	--	614
Capital expenditures	(11,024)	(1,599)
Collection of note receivable from stockholder	126	166
NET CASH USED BY INVESTING ACTIVITIES	(10,898)	(819)
CASH FLOW FROM FINANCING ACTIVITIES:		
Borrowings under term debt agreement	--	6,125
Repayments of term debt	(1,167)	(5,250)
Net repayments under line of credit agreement	(1,288)	(477)
Borrowings of flexible term notes	9,936	--
Other debt	949	2,007
Contingent purchase price obligation payments	--	(612)
Proceeds from the exercise of options	161	113
NET CASH PROVIDED BY FINANCING ACTIVITIES	8,591	1,906
NET (DECREASE) INCREASE IN CASH	(119)	577
CASH AT BEGINNING OF PERIOD	1,982	824
CASH AT END OF PERIOD	$1,863	$1,401

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

NORTH AMERICAN BIOLOGICALS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 1 -- GENERAL

The consolidated financial statements include the accounts of North American Biologicals, Inc. (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, 1994.

In the opinion of management, the unaudited consolidated financial statements include all adjustments consisting only of normal recurring adjustments necessary to present fairly the Company's consolidated financial position at June 30, 1995 and the consolidated results of its operations for the three and six month periods ended June 30, 1995 and 1994 and its consolidated cash flows for the six months ended June 30, 1995 and 1994. The interim results of operations are not necessarily indicative of the results which may occur for the fiscal year.

NOTE 2 -- INVENTORIES

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

(In Thousands)	JUNE 30, 1995	DECEMBER 31, 1994
Finished goods	$13,912	$15,328
Work in process	2,002	1,343
Raw materials	4,253	4,042
	$20,167	$20,713

NOTE 3 -- PROPERTY AND EQUIPMENT

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

(In Thousands)	JUNE 30, 1995	DECEMBER 31, 1994
Land and buildings	$3,003	$2,998
Furniture and fixtures	2,437	2,287
Machinery and equipment	10,554	9,635
Leasehold improvements	6,478	5,420
Construction in progress	12,025	3,133
Total property and equipment	34,497	23,473
Less accumulated depreciation and amortization	(10,128)	(9,248)
	$24,369	$14,225

Interest capitalized in connection with construction of the Company's biopharmaceutical facility was approximately $318,000 at June 30, 1995 and $40,000 at December 31, 1994.

NOTE 4 -- SUBSEQUENT EVENT

Effective July 21, 1995 the Company acquired certain assets including nine plasma collection centers located in Arizona, Texas and Colorado from Blood Systems, Inc. for $6 million. The acquisition was funded through bank borrowings and will be accounted for by the purchase method. The excess of acquisition cost over net assets acquired arising from the acquisition will be amortized ratably over 25 years.

NOTE 5 -- OTHER MATTERS

In May 1995, the Company was named as a defendant in a civil action in which the plaintiffs seek an unspecified amount of damages and also seek class action status with respect to others similarly situated. The Company denies all allegations against it, and intends to vigorously defend the case. Management believes that the ultimate resolution of this matter will not have a material adverse effect on the Company's financial position or results of operations. For further information regarding this matter, see Part II - Other Information, Item I - Legal Proceedings.

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 six month periods ended June 30, 1995 and 1994. The discussion and analysis should be read in conjunction with the 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 for the respective periods expressed as a percentage of sales:

	THREE MONTHS ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,	
	1995	1994	1995	1994
Sales	100.0%	100.0%	100.0%	100.0%
Cost of products sold	78.9	79.7	79.4	79.6
Gross margin	21.1	20.3	20.6	20.4
Selling, general and administrative expenses	6.2	7.7	6.3	7.9
Other operating expenses	2.6	2.2	2.5	2.4
Operating income	12.3	10.4	11.8	10.1
Interest expense, net	0.5	2.2	0.6	2.3
Income before provision for income taxes	11.8	8.2	11.2	7.8
Provision for income taxes	4.5	3.2	4.3	3.0
Net income	7.3%	5.0%	6.9%	4.8%

The following tables set forth certain information concerning sales by industry segment:

	THREE MONTHS ENDED JUNE 30,			
	1995	%	1994	%
Plasma - Source	$25,727	54.8%	$25,557	61.4%
- Specialty	14,828	31.5	11,696	28.1
	40,555	86.3	37,253	89.5
Therapeutic products	3,989	8.5	2,101	5.0
Diagnostic products and services	2,431	5.2	2,290	5.5
TOTAL	$46,975	100.0%	$41,644	100.0%

		SIX MONTHS ENDED JUNE 30,			
		1995	%	1994	%
Plasma	-Source	$54,172	58.0%	$47,992	62.1%
	-Specialty	28,489	30.5	19,958	25.8
		82,661	88.5	67,950	87.9
Therapeutic products		6,590	7.0	4,142	5.4
Diagnostic products and services		4,201	4.5	5,188	6.7
TOTAL		$93,452	100.0%	$77,280	100.0%

THREE MONTHS ENDED JUNE 30, 1995 VS. 1994

The Company achieved record sales, operating income and net income for the three month period ended June 30, 1995. Operating income rose 33% to $5,763 for the second quarter of 1995 compared to $4,333 in the comparable 1994 quarter. Net income for the second quarter of 1995 was $3,425, or $0.17 per share, compared to $2,093, or $0.12 per share, in the second quarter of 1994.

SALES

Sales for the second quarter of 1995 rose 13% to $46,975 compared to $41,644 for the second quarter of 1994. Increased volume of specialty plasma shipments as well as increased sales of the Company's proprietary therapeutic product, H-BIG(R), were the primary factors for the increase in overall sales.

GROSS MARGIN

The gross margin improved to $9,909 or 21.1% of sales in the second quarter of 1995 compared to a gross margin of $8,436 or 20.3% of sales in the second quarter of 1994. An improved sales mix resulting from increased sales of H-BIG(R) and specialty plasma was primarily responsible for the enhanced gross margin.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSE

Selling, general and administrative expenses were $2,915 or 6.2% of sales for the second quarter of 1995 compared to $3,208 or 7.7% of sales in the second quarter of 1994. The reduction in these expenses reflects the full integration and economies associated with the Premier BioResources, Inc. acquisition in January, 1994 and ongoing cost containment measures.

OTHER OPERATING EXPENSES

Other operating expenses were $1,231 or 2.6% of sales for the 1995 period compared to $895 or 2.2% of sales for the second quarter of 1994. Additional royalties associated with increased sales of H-BIG(R) and freight expenses associated with the increased volume of plasma shipments during the quarter were primarily responsible for the increase in expenses.

INTEREST EXPENSE

Interest expense decreased to $238 or 0.5% of sales in the second quarter of 1995 from $929 or 2.2% of sales in the second quarter of 1994 primarily due to the early retirement of the Company's subordinated and other debt in the fourth quarter of 1994. As reflected in Note 3, interest associated with borrowings to finance construction of the Company's biopharmaceutical facility is being capitalized as project cost until the facility is available for commercial production.

OTHER FACTORS

The effective income tax rates remained stable at 38% and 38.5% for the quarters ended June 30, 1995 and 1994, respectively, and differed from the federal statutory rate principally due to state income taxes and non-deductible foreign losses in 1995, offset by the effects of foreign trade income.

SIX MONTHS ENDED JUNE 30, 1995 VS. 1994

RESULTS OF OPERATIONS

The Company achieved record sales, operating income and net income for the six month period ended June 30, 1995. Operating income rose 41% to $10,986 in the first half of 1995 compared to $7,778 in the comparable 1994 period. Net income for the first six months of 1995 was $6,480, or $0.32 per share versus $3,710 or $0.22 per share in the first six months of 1994.

SALES

Sales for the first half of 1995 rose 21% to $93,452 compared to $77,280 for the first half of 1994. The increase was primarily attributable to increased plasma shipments, primarily specialty plasma, and an increase in H-BIG(R) sales.

GROSS MARGIN

The gross margin of $19,251 or 20.6% of sales in the first half of 1995 compared favorably to a gross margin of $15,773 or 20.4% of sales in the first half of 1994. An improved sales mix resulting from increased sales of H-BIG(R) and specialty plasma accounted for the improved gross margin.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSE

Selling, general and administrative expenses were $5,941 or 6.3% of sales for the first half of 1995 compared to $6,132 or 7.9% of sales in the first half of 1994. The reduction in these expenses reflects the full integration and economies associated with the Premier BioResources, Inc. acquisition in January, 1994 and ongoing cost containment measures.

OTHER OPERATING EXPENSES

Other operating expenses were $2,324 or 2.5% of sales for the first half of 1995 compared to $1,863 or 2.4% of sales for the first half of 1994 primarily as a result of higher royalty expenses associated with increased sales of H-BIG(R) and additional freight expenses associated with the increased volume of sales during the period.

INTEREST EXPENSE

Interest expense decreased to $533 or 0.6% of sales in the first six months of 1995 from $1,766 or 2.3% of sales in the first six months of 1994 primarily due to the early retirement of the Company's subordinated and other debt in the fourth quarter of 1994. As reflected in Note 3, interest associated with borrowings to finance construction of the Company's biopharmaceutical facility is being capitalized as project cost until the facility is available for commercial production.

OTHER FACTORS

The effective income tax rates remained stable at 38% and 38.3% for the first half of 1995 and 1994, respectively, and differed from the federal statutory rate principally due to state income taxes and non-deductible foreign losses in 1995, offset by the effects of foreign trade income.

LIQUIDITY AND CAPITAL RESOURCES

As of June 30, 1995, the Company's current assets exceeded current liabilities by $30 million as compared to a net working capital position of $25.6 million at December 31, 1994. Approximately $8.7 million in a term loan and $6.1 million in revolving credit loans, under the existing $12 million revolving credit facility, were outstanding under a credit agreement with the Company's principal lender at June 30, 1995. On July 27, 1995, the Company amended its existing credit agreement with its principal lender, increasing the availability under the revolving line of credit to $18 million through December 31, 1995. In addition, the Company had $15 million in flexible term notes outstanding, the proceeds of which were used to finance the construction of a new biopharmaceutical facility. The flexible term note agreement provides for a maximum outstanding principal amount of $18 million.

Projected capital expenditures for the remainder of 1995 include the completion of construction of the new biopharmaceutical manufacturing facility, which also includes the Company's executive offices; plasma center renovations and relocations; and recurring improvements and continued automation of the Company's laboratories and warehouse facilities. The Company expects that these expenditures and the Company's working capital requirements will be furnished by a combination of funds on hand, borrowings under the term note agreement, cash flow from operations and bank borrowings, as required, under the Company's credit agreement.

PART II -- OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

On May 23, 1995 a civil action was filed in the Circuit Court of the 11th Judicial Circuit of Dade County Florida (Case No. 95-10489 CA 02) against Bayer Corporation, Armour Pharmaceutical Company, Rhone-Poulenc Rorer Inc., Baxter Healthcare Corporation and Alpha Therapeutic Corporation (the "Drug Companies"), the Company and The National Hemophilia Foundation. The plaintiffs in the case are ten individuals alleging the Company, the Drug Companies and The National Hemophilia Foundation were responsible for the production, sale/or and promotion of defective "coagulation products" used by persons with hemophilia, and that the persons who used such coagulation products consequently developed AIDs. The plaintiffs seek an unspecified amount of damages. The plaintiffs also seek class action status with respect to others similarly situated. On June 23, 1995, the case was removed to the United States District Court for the Southern District of Florida, Miami Division, by the Drug Companies on the theory that the Company was improperly joined as a defendant in this litigation only to circumvent federal diversity jurisdiction. Currently pending is the plaintiffs' motion to remand the case to state court. The Company has not filed an Answer or otherwise responded in the case, but it denies all claims made against the Company, and intends to vigorously defend the case. The Company believes that the claims will not have a material adverse effect on the Company's financial position or results of operations.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

The following matters were approved at the Company's annual stockholders' meeting, which was held on May 26, 1995:

a) Election of the following Board of Directors:

	VOTES	
	FOR	WITHHELD
Paul Bogikes	17,910,254	524,842
David L. Castaldi	17,911,004	524,092
David J. Gury	17,911,754	523,342
Richard A. Harvey, Jr.	17,910,354	524,742
David A. Thompson	17,909,554	525,542

b) Adoption of a Stock Plan for Non-Employee Directors:

VOTES		
FOR	AGAINST	ABSTAINED
16,355,448	1,628,187	451,461

c) Amendment to the Company's 1990 Equity Incentive Plan to increase the total number of shares of Common Stock which may be awarded under such plan by 775,000 shares:

VOTES		
FOR	AGAINST	ABSTAINED
12,559,055	5,748,422	127,619

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

a. Exhibits:

11	Calculations of Earnings Per Share	Page 14
27	Financial Data Schedule (for SEC use only)	

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.

NORTH AMERICAN BIOLOGICALS, INC.

DATE: August 11, 1995

By:/s/ ALFRED J. FERNANDEZ

ALFRED J. FERNANDEZ
Vice President, Finance and
Chief Financial Officer

EXHIBIT 11

NORTH AMERICAN BIOLOGICALS, INC.
CALCULATION OF EARNINGS PER SHARE
(IN THOUSANDS, EXCEPT PER SHARE DATA)

	Three Months Ended JUNE 30,		Six Months Ended JUNE 30,	
	1995	1994	1995	1994
Net Income	$ 3,425	$ 2,093	$ 6,480	$ 3,710
Weighted average number of common shares outstanding during the period	19,464	15,557	19,428	15,147
Add dilutive effect of common stock equivalents:				
Stock options and warrants (as determined by the application of the treasury stock method)	986	1,520	919	1,523
Weighted average number of shares and common share equivalents used in primary earnings per share computations	20,450	17,077	20,347	16,670
Earnings per share	$ 0.17	$ 0.12	$ 0.32	$ 0.22

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED BALANCE SHEET AT JUNE 30, 1995 (UNAUDITED) AND THE CONSOLIDATED STATEMENT OF OPERATIONS FOR THE SIX MONTHS ENDED JUNE 30, 1995 (UNAUDITED) AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000

6-MOS
DEC-31-1995
JAN-01-1995
JUN-30-1995
1,863
0
26,047
0
20,167
51,132
24,369
0
106,426
21,110
27,007
1,949
0
0
56,360
106,426
93,452
93,452
74,201
74,201
8,265
0
533
10,453
3,973
6,480
0
0
0
6,480
0.32
0

Receivables and PP&E represent net amounts.
Loss provision included in other expenses.