FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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

For the quarterly period 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 number: 0-11676

BEL FUSE INC.
(Exact name of registrant as specified in its charter)

New Jersey	22-1463699
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

198 Van Vorst Street
Jersey City, New Jersey 07302
(Address of principal executive offices)
(Zip Code)

201-432-0463
(Registrant's telephone number, including area code)

- ---
(Former name, former address and former fiscal year, if changed since last report)

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 practicable date.

At August 1, 1995, there were 5,019,070 shares of Common Stock, $.10 par value, outstanding.

BEL FUSE INC.

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PART I. Financial Information

Item 1. Financial Statements

Certain information and footnote disclosures required under generally accepted accounting principles have been condensed or omitted from the following consolidated financial statements pursuant to the rules and regulations of the Securities and Exchange Commission, although the registrant believes that the disclosures are adequate to insure that the information presented is not misleading. It is suggested that the following consolidated financial statements be read in conjunction with the year-end consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 1994.

The results of operations for the three and six month periods ended June 30, 1995, are not necessarily indicative of the results to be expected for the entire fiscal year or for any other period.

BEL FUSE INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

ASSETS

	June 30, 1995 (unaudited)	December 31, 1994
Current Assets:		
Cash and equivalents	$ 2,694,924	$ 2,842,894
Marketable securities	6,885,314	7,508,304
Accounts receivable, less allowance for doubtful accounts of $82,000 and $70,000	11,091,587	8,079,971
Inventories	9,778,309	8,766,203
Prepaid expenses and other current assets	425,435	959,764
Total Current Assets	30,875,569	28,157,136
Property, plant and equipment--net	26,543,173	22,226,076
Unamortized excess of cost over fair value of assets acquired	156,582	166,925
Other assets	1,055,019	1,102,898
TOTAL ASSETS	$58,630,343	$51,653,035

(Continued)

See notes to consolidated financial statements.

BEL FUSE INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

LIABILITIES AND STOCKHOLDERS' EQUITY

	June 30, 1995 (unaudited)	December 31, 1994
Current Liabilities:		
Note payable	$ --	$ 300,000
Accounts payable	4,257,157	3,171,408
Accrued expenses	3,205,173	1,987,536
Income taxes payable	191,844	--
Deferred income taxes	321,000	28,000
Total Current Liabilities	7,975,174	5,486,944
Deferred income taxes	326,000	240,000
Total Liabilities	8,301,174	5,726,944
Stockholders' Equity:		
Preferred stock, no par value-- authorized 1,000,000 shares; none issued	--	--
Common stock, par value $.10 per share-- authorized 10,000,000 shares; outstanding 5,017,820 and 4,965,195 shares	501,782	496,520
Additional paid-in capital	6,500,575	6,288,987
Retained earnings	42,987,538	40,017,231
Net unrealized gain (loss) on marketable securities	339,274	(876,647)
Total Stockholders' Equity	50,329,169	45,926,091
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 58,630,343	$ 51,653,035

See notes to consolidated financial statements.

BEL FUSE INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

	Six Months Ended June 30,		Three Months Ended June 30,	
	1995	1994	1995	1994
Sales	$33,960,253	$19,534,290	$18,110,282	$10,110,328
Costs and Expenses:				
Cost of sales	25,027,402	16,077,646	13,389,470	8,322,507
Selling, general and administrative expenses	5,770,437	6,660,987	3,089,462	4,123,378
	30,797,839	22,738,633	16,478,932	12,445,885
Income (loss) from operations	3,162,414	(3,204,343)	1,631,350	(2,335,557)
Other income--net	115,004	342,436	63,609	169,739
Interest expense	3,111	471	224	68
Earnings (loss) before income taxes	3,274,307	(2,862,378)	1,694,735	(2,165,886)
Income tax provision	304,000	10,000	198,000	41,000
Net earnings (loss)	$ 2,970,307	$(2,872,378)	$ 1,496,735	$(2,206,886)
Earnings (loss) per common share	$.60	$(.58)	$.30	$(.45)
Weighted average number of common shares outstanding	4,981,293	4,938,816	4,992,864	4,941,777

See notes to consolidated financial statements.

BEL FUSE INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

	Six Months Ended June 30, 1995	Six Months Ended June 30, 1994
Cash flows from operating activities:		
Net income (loss)	$ 2,970,307	$(2,872,378)
Adjustments to reconcile net income (loss) to net cash provided from operating activities:		
Depreciation and amortization	1,345,912	1,113,017
Deferred income taxes	86,000	(154,000)
Bad debt reserve	12,000	--
Inventory obsolescence reserve	180,000	--
Net (gain) loss on sale of marketable securities	95,086	6,236
Changes in operating assets and liabilities	(1,480,784)	92,501
Net Cash Provided by Operating Activities	3,208,521	(1,814,624)
Cash flows from investing activities:		
Purchase of property, plant and equipment	(5,652,667)	(3,025,439)
Purchase of marketable securities	--	(2,598,034)
Proceeds from sale of marketable securities	2,364,826	1,956,836
Proceeds from repayment by contractor	14,500	14,500
Net Cash (used in) Investing Activities	(3,273,341)	(3,652,137)
Cash flows from financing activities:		
Proceeds from exercise of stock options	216,850	26,025
Repayment of borrowings	(300,000)	(2,331)
Net Cash Provided by (used in) Financing Activities	(83,150)	23,694
Net Decrease in Cash and Cash Equivalents	(147,970)	(5,443,067)
Cash and Cash Equivalents--Beginning of Period	2,842,894	8,102,768
Cash and Cash Equivalents--End of Period	$ 2,694,924	$ 2,659,701

(Continued)

See notes to consolidated financial statements.

BEL FUSE INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(Continued)
(unaudited)

	Six Months Ended June 30, 1995	Six Months Ended June 30, 1994
Changes in operating assets and liabilities consist of:		
(Increase) decrease in accounts receivable	$(3,035,616)	$ 141,424
(Increase) decrease in inventories	(1,192,106)	389,554
(Increase) decrease in prepaid expenses and other current assets	519,829	(332,391)
Decrease in refundable income taxes	--	12,000
Increase (decrease) in other assets	47,879	(206,100)
Increase (decrease) in accounts payable	1,085,749	(39,869)
Increase in accrued expenses	901,637	615,514
Increase (decrease) in income taxes payable	191,844	(487,631)
	$(1,480,784)	$ 92,501
Supplementary information:		
Cash paid during the period for:		
Interest	$ 3,111	$ 471
Income taxes	$ 13,000	$ 639,000
Supplemental disclosures of non-cash activities:		
Unrealized gains (losses) on marketable securities	$ 1,215,921	$(414,000)
Investment advisory fee	$ 316,000	$ --

See notes to consolidated financial statements.

BEL FUSE INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

1. The consolidated balance sheet as of June 30, 1995, and the consolidated statements of operations and cash flows for the six months ended June 30, 1995 and 1994 have been prepared by the Company and are unaudited. In the opinion of management, all adjustments (consisting solely of normal recurring adjustments) necessary to present fairly the financial position, results of operations and cash flows for all periods presented have been made. Certain items in the June 30, 1994 financial statements have been reclassified to conform to June 30, 1995 classifications.

2. Earnings (Loss) Per Share--Earnings (loss) per common share are computed using the weighted average number of common shares outstanding during the period. The dilutive effect of outstanding options at June 30, 1995 was not material and were not considered at June 30, 1994 as their effect is antidilutive.

3. Inventories consist of the following:

	June 30, 1995	December 31, 1994
Raw materials	$7,027,485	$ 6,552,826
Work-in-process	333,761	35,897
Finished goods	2,417,063	2,177,480
	$9,778,309	$ 8,766,203

4. Property, plant and equipment consists of the following:

	June 30, 1995	December 31, 1994
Land	$ 686,987	$ 686,987
Buildings and improvements	13,779,836	10,121,169
Machinery and equipment	28,998,661	27,004,662
Idle property held for sale	935,000	935,000
	44,400,484	38,747,818
Less accumulated depreciation and amortization	17,857,311	16,521,742
Net property, plant and equipment	$26,543,173	$22,226,076

5. INCOME TAXES

Financial Accounting Standards Board Statement No. 109, "Accounting for Income Taxes" (SFAS 109), provides for the recognition of deferred assets subject to a valuation allowance. At December 31, 1994, the Company established a valuation allowance equal to the full amount of the tax effect of the net operating loss carryforward. For the six months ended June 30, 1995 and 1994, the Company recognized approximately $208,000 and $-0-, respectively as a reduction of United States and Far East tax expense.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

a. Results of Operations

The following table sets forth, for the periods indicated, the percentage relationship to net sales of certain items included in the Company's consolidated statements of operations and the percentage increase for such items.

	Percentage of Net Sales			
	Six Months Ended June 30,		Three Months Ended June 30,	
	1995	1994	1995	1994
Net sales	100.0%	100.0%	100.0%	100.0%
Cost of sales	73.7	82.3	73.9	82.3
Selling, general and administrative expenses	17.0	34.1	17.1	40.8
Other income, net of interest expense	.3	1.7	.4	1.7
Earnings (loss) before income tax provision	9.6	(14.7)	9.4	(21.4)
Income tax provision	.9	--	1.1	.4
Net earnings (loss)	8.7	(14.7)	8.3	(21.8)

The following table sets forth, for the periods indicated, the percentage increase or decrease of items included in the Company's consolidated statements of operations.

	Increase (Decrease) from Prior Period	
	Six Months Ended June 30, 1995 compared with 1994	Three Months Ended June 30, 1995 compared with 1994
Net sales	73.8%	79.1%
Cost of sales	55.7	60.9
Selling, general and administrative expenses	(13.4)	(25.1)
Other income--net	(66.4)	(62.6)
Earnings (loss) before income tax provision	214.4	178.2
Income tax provision	*	382.9
Net earnings (loss)	203.4	167.8

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* Percentage not meaningful

Six Months 1995 vs. Six Months 1994

Sales

Net sales increased 73.8% from $19,534,290 during the first six months of 1994 to $33,960,253 during the first six months of 1995. The Company attributes this increase primarily to increases in sales of packaged modules and transformers.

Cost of Sales

Cost of sales as a percentage of net sales decreased 8.6% from 82.3% during the first six months of 1994 to 73.7% during the first six months of 1995. The decrease in the cost of sales percentage is primarily attributable to increased sales, which resulted in better absorption of labor and overhead despite higher material costs associated with the manufacture of packaged modules, and the move to lower cost manufacturing facilities in the Far East.

Selling, General and Administrative Expenses

The percentage relationship of selling, general and administrative expenses to net sales decreased from 34.1% for the first six months of 1994 to 17.0% for the first six months of 1995. The Company attributes the decrease primarily to the decrease in the absolute dollar amount of such expenses and to the increase in sales. Selling, general and administrative expenses decreased in dollar amount by 13.4%. The Company attributes the decrease in the dollar amount of such expenses primarily to a $1,190,000 charge related to severance costs and moving expenses associated with a certain subsidiary's move to lower cost production facilities during the first six months of 1994, offset in part by increases in commissions and other sales related expenses due to higher sales and the write off of certain expenses related to the unrealized acquisition of Pulse Engineering, Inc. during the first six months of 1995.

Other Income and Expenses

Other income, consisting of earnings on cash equivalents and marketable securities offset by net realized losses on the sale of marketable securities, decreased by approximately $227,000 from the first six months of 1994 to the first six months of 1995. This decrease is primarily due to the Company's and its Far East subsidiary's realizing approximately $95,000 of losses from the sale of marketable securities during the first six months of 1995, lower earnings on invested funds due to lower average balances, and certain non-income generating securities owned in 1995.

Provision for Income Taxes

The provision for income taxes increased from $10,000 for the first six months of 1994 to $304,000 for the first six months of 1995. The Company attributes this change primarily to the earnings before income tax for the first six months of 1995 versus the loss before income tax during the first six months of 1994. The utilization of the United States and Far East net operating loss carryforward in 1995 reduced income taxes by approximately $208,000 and had no impact in 1994.

Provision for Income Taxes (Continued)

The Company's effective tax rate has been lower than the statutory United States corporate rate primarily as a result of the lower tax rates in Hong Kong and Macau and the utilization of tax benefits arising from the operating loss carryforward in the United States and the Far East.

Three Months 1995 vs. Three Months 1994

Sales

Net sales increased 79.1% from $10,110,328 during the second quarter of 1994 to $18,110,282 during the second quarter of 1995. The Company attributes this increase primarily to those reasons set forth in the six month analysis.

Cost of Sales

Cost of sales as a percentage of net sales decreased 8.4% from 82.3% during the second quarter of 1994 to 73.9% during the second quarter of 1995. The Company attributes this decrease primarily to those reasons set forth in the six month analysis.

Selling, General and Administrative Expenses

The percentage relationship of selling, general and administrative expenses to net sales decreased 23.7% from the second quarter of 1994 to the second quarter of 1995 and selling, general and administrative expenses decreased in dollar amount by 25.1%. The Company attributes these decreases to those reasons set forth in the six month analysis.

Other Income and Expenses

Other income for the second quarter of 1995 compared to the second quarter of 1994 decreased in dollar amount by 62.6% due to those reasons set forth in the six month analysis.

Provision for Income Taxes

The provision for income taxes increased from $41,000 for the second quarter of 1994 to $198,000 for the second quarter of 1995 due primarily to those reasons set forth in the six month analysis.

Liquidity and Capital Resources

Historically, the Company has financed its capital expenditures through operating cash flows. In addition, the capital base was enhanced in prior years as a result of public offerings of common stock by the Company and, in 1992, by the sale of a facility in Hong Kong. Management believes that the cash flow from operations, combined with its existing capital base and the Company's available lines of credit, will be sufficient to fund its operations for the near term.

The Company has lines of credit, all of which were unused at June 30, 1995, in the aggregate amount of $5,000,000, of which $3,000,000 is from domestic banks and $2,000,000 is from foreign banks.

From October 3, 1994 through November 8, 1994, the Company acquired in the market 531,400 Class A Voting Common Shares of Pulse Engineering, Inc. ("Pulse"), representing approximately 9.7% of Pulse's outstanding shares at a cost of $2,464,839.

On April 19, 1995 the Company proposed, subject to a definitive merger agreement, to acquire all of Pulse's common stock. The Company's offer involved the issuance of stock (0.73 shares of the Company's Common Stock for each Pulse share) and contingent value rights (assuring that such 0.73 share interest would produce at least $8.00 of value within three years) and the partial spin-off of certain assets associated with Pulse's Spectrum business.

On July 20, 1995, Pulse announced that its Board of Directors had accepted a revised offer from Technitrol, Inc. ("Technitrol"), to acquire all of Pulse's outstanding common stock at a per share price of $4.25 per share in cash plus .2906 shares of Technitrol common stock, subject to certain adjustments. Pulse and Technitrol have signed a definitive agreement, although that transaction has not closed.

As of the date hereof, the Company had made no decision regarding the steps that it may take with respect to its Pulse shares.

During June, 1995, the Company's Far East subsidiary acquired 22,000 square feet of additional production facilities for approximately $3,200,000 in cash. The Company estimates that approximately $195,000 will be required to refurbish the facility.

During the first six months of 1995, the Company's cash and cash equivalent position declined by $148,000, principally reflecting $5.7 million in purchases of fixed assets (including the above mentioned production facilities) and repayment of $300,000 of long-term debt, offset by $3.2 million provided by operating activities, the proceeds of approximately $2.4 million from the sale of marketable securities and $217,000 from the exercise of stock options.

Liquidity and Capital Resources (Continued)

The Company has historically followed a policy of reinvesting the earnings of foreign subsidiaries in the Far East. If the unrepatriated funds were distributed to the parent corporation, such funds would be subject to United States federal income taxes. No funds were repatriated during the first six months of 1995 or 1994.

The Company's shareholders' equity increased by $4.4 million from December 31, 1994 to June 30, 1995, reflecting the Company's first six months profit of $3.0 million, a reduction of the net unrealized loss on marketable securities of $1.2 million and the exercise of incentive stock options.

Cash, accounts receivable and marketable securities comprised approximately 35.3% and 35.7% of the Company's total assets at June 30, 1995 and December 31, 1994, respectively. The Company's current ratio (i.e., the ratio of current assets to current liabilities) was 3.9 to 1 and 5.1 to 1 at June 30, 1995 and December 31, 1994, respectively.

PART II. Other Information

Item 4. Submission of Matters to a Vote of Security Holders

The Company's annual meeting of security holders was held on May 25, 1995. At the meeting, the Board's nominees were elected to the Board of Directors for a term of three years. The votes were cast as follows:

Daniel Bernstein: 4,112,100 votes for, 38,059 withheld

David Olsan: 4,106,490 votes for, 43,669 withheld

There were -0- abstentions and -0- broker non-votes.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits: None

(b) There were no Current Reports on Form 8-K filed by the registrant during the quarter ended June 30, 1995.

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.

BEL FUSE INC.

By: /s/ DANIEL BERNSTEIN

Daniel Bernstein, President
Principal Financial and
Accounting Officer)

Dated: August 11, 1995

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM BEL FUSE INC. AND SUBSIDIARIES FINANCIAL STATEMENTS AT JUNE 30, 1995 AND THE SIX MONTHS THEN ENDED AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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YEAR
DEC-31-1995
JUN-30-1995
2,694,924
6,885,314
11,173,587
82,000
9,778,309
30,875,569
44,400,484
17,857,311
58,630,343
7,975,174
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501,782
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49,827,387
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