UNITED STATES 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 June 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 1-13780

POWER CONTROL TECHNOLOGIES INC.

(Exact name of registrant as specified in its charter)

Delaware	**02-0423416**
(State or other jurisdiction of incorporation or organization)	(I.R.S Employer Identification No)
35 East 62nd Street, New York, New York	**10021**
(Address of principal executive offices)	(Zip Code)

212-572-8600

(Registrant's telephone number, including area code)

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 √ No ___

The number of shares of Common Stock outstanding at August 7, 1996 was 20,656,502

Power Control Technologies Inc. and Subsidiaries
Consolidated Statements of Income
(Dollars in millions, except per share data)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	1996	1995	1996	1995
General and administrative expense	$ (0.3)	$ (5.0)	$ (0.6)	$ (10.9)
Operating expense	(0.3)	(5.0)	(0.6)	(10.9)
Interest expense	-	-	-	(0.4)
Other income, net	3.2	3.0	3.8	7.7
Income (loss) from continuing operations	2.9	(2.0)	3.2	(3.6)
Discontinued operations				
Income from operations of discontinued aerospace business, net of foreign income taxes	-	4.0	4.4	8.0
Gain on sale of discontinued aerospace business	153.7	-	153.7	-
Income before extraordinary loss	156.6	2.0	161.3	4.4
Extraordinary loss	-	-	-	(1.6)
Net income	156.6	2.0	161.3	2.8
Preferred stock dividend	(0.4)	(0.1)	(0.8)	(0.1)
Net income available to common shareholders	$ 156.2	$ 1.9	$ 160.5	$ 2.7

	Three Months Ended June 30,		Six Months Ended June 30,	
	1996	1995	1996	1995
Income (loss) per common share and common equivalent share				
Continuing operations	$ 0.12	$ (0.10)	$ 0.12	$ (0.18)
Discontinued operations	7.44	0.20	7.62	0.40
	7.56	0.10	7.74	0.22
Extraordinary loss	-	-	-	(0.08)
Net income	$ 7.56	$ 0.10	$ 7.74	$ 0.14
Fully diluted income (loss) per common share				
Continuing operations	$ 0.13	$ (0.10)	$ 0.14	$ (0.18)
Discontinued operations	6.64	0.20	6.80	0.40
	6.77	0.10	6.94	0.22
Extraordinary loss	-	-	-	(0.08)
Net income	$ 6.77	$ 0.10	$ 6.94	$ 0.14

See Notes to Consolidated Financial Statements

Power Control Technologies Inc. and Subsidiaries
Consolidated Balance Sheets
(Dollars in millions, except per share data)
(unaudited)

	June 30, 1996		December 31, 1995	
ASSETS				
Current assets				
Cash and cash equivalents	$	198 5	$	-
Prepaid expenses and other		0 9		1.2
Total current assets		199.4		1 2
Other assets		12.9		11 3
Net assets held for sale		-		38.8
	$	212 3	$	51.3
LIABILITIES AND STOCKHOLDERS' EQUITY				
Accrued expenses	$	4.9	$	4 4
Long-term liabilities		4 4		4 4
Total liabilities		9.3		8 8
Convertible preferred stock		20.0		20.0
Commitments and contingencies				
Stockholders' equity.				
Common stock, par value $ 01, 250,000,000 shares authorized, 20,656,502 shares issued and outstanding		0.2		0.2
Additional paid-in capital		26.7		26 7
Retained earnings (accumulated deficit)		156.1		(4 4)
Total stockholders' equity		183 0		22 5
	$	212 3	$	51.3

See Notes to Consolidated Financial Statements

Power Control Technologies Inc. and Subsidiaries
Consolidated Statements of Cash Flows
(Dollars in millions)
(unaudited)

	Six Months Ended June 30,	
	1996	1995
Cash flows from operating activities		
Net income	$ 161.3	$ 2.8
Adjustments to reconcile net income to total cash provided by (used in) operating activities		
Income from discontinued aerospace business	(4 4)	(8 0)
Gain on discontinued aerospace business	(153 7)	-
Extraordinary loss	-	1 6
Depreciation	-	1.1
Changes in working capital, net of assets and liabilities of discontinued operations		
Other current assets	0.3	2.3
Other assets	(1 6)	(2.0)
Accrued liabilities	0.5	(24 9)
Other long-term liabilities	-	9.5
Cash provided by (used in) operating activities	2.4	(17 6)
Cash flows from investing activities		
Proceeds from sale of aerospace business, net of transaction costs	196 9	-
Transfer of cash	-	(181.2)
Cash provided by (used in) financing activities	196.9	(181.2)
Cash flows from financing activities		
Debt payments, net	-	(31.1)
Preferred dividends	(0 8)	(0 1)
Cash used in financing activities	(0 8)	(31.2)
Net increase (decrease) in cash and cash equivalents	198 5	(230.0)
Cash and cash equivalents at beginning of period	-	230.0
Cash and cash equivalents at end of period	$ 198.5	$ 0.0

See Notes to Consolidated Financial Statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Dollars in thousands, except share data)
(Unaudited)

NOTE 1. BASIS OF PRESENTATION

The accompanying unaudited consolidated financial statements of Power Control Technologies Inc. (the "Company") have been prepared in accordance with generally accepted accounting principles for interim financial information and the rules and regulations of the Securities and Exchange Commission. 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. Results for interim periods are not necessarily indicative of the results which might be expected for a full year The unaudited consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's 1995 annual report on Form 10-K and proxy statement for the Company's 1996 Annual Meeting of Stockholders. All terms used but not defined elsewhere herein have the meanings ascribed to them in the Company's 1995 annual report on Form 10-K.

On April 15, 1996, the Company sold substantially all of its operating assets and related liabilities (see Note 4). Accordingly, the consolidated financial statements for all periods presented reflect such assets and liabilities and related results of operations as discontinued operations.

NOTE 2. INCOME (LOSS) PER COMMON SHARE

Income (loss) per common share for the three-month and six-month periods ended June 30, 1995 is based on 19.9 million and 19.8 million shares of common stock, respectively. Income (loss) per common share for the three-month and six-month periods ended June 30, 1996 is based on 20 7 million outstanding shares of common stock. In connection with the Aerospace Sale (see Note 4), all of the outstanding stock options were canceled in April 1996.

Fully diluted income per common share assumes the conversion of preferred stock into 2.5 million common shares from June 15, 1995.

NOTE 3. INCOME TAXES

At December 31, 1995 the Company had available federal net operating loss carryforwards of approximately $172.0 million and therefore the Company has not provided for federal income taxes for the three-month and six-month periods ended June 30, 1996.

NOTE 4. SALES AND DISPOSITIONS OF ASSETS AND LIABILITIES

On April 15, 1996, the Company received the necessary approval from its stockholders and consummated the Aerospace Sale pursuant to the terms of the Master Asset Purchase Agreement for aggregate cash consideration of $201 1 million, before estimated transaction costs of approximately $4.2 million. The Company recorded a gain of $153.7 million related to this sale, net of estimated transaction costs. In connection with the Aerospace Sale, Parker-Hannifin assumed the operating liabilities of the Aerospace Business, including the existing debt of the Company. For additional information regarding the Aerospace Sale, readers are referred to the proxy statement for the Company's 1996 Annual Meeting of Stockholders.

POWER CONTROL TECHNOLOGIES INC. AND SUBSIDIARIES

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

General

As a result of the April 15, 1996 sale of the Aerospace Business to Parker-Hannifin, the Company has classified those operations as discontinued in the accompanying consolidated financial statements

Results of Operations

Three Months Ended June 30, 1996 Compared to the Three Months Ended June 30, 1995

General and administrative expenses from continuing operations were $0.3 million for the three months ended June 30, 1996, compared to $5 0 million for the three months ended June 30, 1995. The 1996 expenses primarily relate to on-going corporate costs. The 1995 expenses primarily relate to costs associated with the former Hampton, NH office of Abex before the Abex Transfer and the Merger.

Other income was $3.2 million for the three months ended June 30, 1996, compared to $3.0 million for the three months ended June 30, 1995. Other income during the 1996 period represents interest income on cash proceeds received from the Aerospace Sale and income recognized on the Company's overfunded pension plan. Other income during the 1995 period relates primarily to interest income on cash held by Abex before the Abex Transfer and Merger and income recognized on overfunded pension plans.

The Company recorded a gain of $153.7 million related to the Aerospace Sale, net of estimated transaction expenses, in the three months ended June 30, 1996. There were no income taxes provided in connection with the sale as the tax bases of the assets and liabilities sold approximated the net proceeds

Six Months Ended June 30, 1996 Compared to the Six Months Ended June 30, 1995

General and administrative expenses from continuing operations were $0.6 million for the six months ended June 30, 1996, compared to $10.9 million for the six months ended June 30, 1995. The 1996 expenses primarily relate to on-going corporate costs The 1995 expenses primarily relate to costs associated with the former Hampton, NH office of Abex before the Abex Transfer and the Merger.

Other income was $3.8 million for the six months ended June 30, 1996, compared to $7.7 million for the six months ended June 30, 1995. Other income during the 1996 period reflects interest income on cash proceeds received from the Aerospace Sale and income recognized on the Company's overfunded pension plans. Other income during the 1995 period relates primarily to interest income on cash held by Abex before the Abex Transfer and Merger and income recognized on overfunded pension plans.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Income from operations of discontinued aerospace business was $4 4 million in the six months ended June 30, 1996 and $8.0 million in the six months ended June 30, 1995. The 1996 period represents aerospace operations through the date of sale while the 1995 period represents aerospace operations for the full period.

The Company recorded a gain of $153.7 million related to the Aerospace Sale in the six months ended June 30, 1996 There were no income taxes provided in connection with the sale as the tax bases of the assets and liabilities sold approximated the net proceeds

Financial Condition, Liquidity and Capital Resources

The Company had cash and cash equivalents of $198.5 million at June 30, 1996.

In connection with the Aerospace Sale, on April 15, 1996, the Company terminated its existing Credit Agreement with Chemical Bank and Bank of America (the "Credit Agreement") and entered into an agreement with Chemical Bank pursuant to which certain letters of credit granted by Chemical Bank on behalf of the Company pursuant to the Credit Agreement will remain outstanding.

On February 5, 1996, the Company, through Pneumo Abex, entered into a Reimbursement Agreement with Chemical Bank and Mafco Consolidated. The Reimbursement Agreement provides for letters of credit totaling $20.8 million covering certain environmental issues not related to the Company's former Aerospace Business. In connection with the Abex Transfer, Mafco Consolidated has agreed to indemnify the Company for these contingent liabilities, which are generally paid by third party indemnitors and insurers, including the cost of the letters of credit.

At December 31, 1995, the Company had available federal net operating loss carryforwards of approximately $172.0 million.

The Company is considering alternatives for the investment of the net proceeds of the Aerospace Sale consistent with the Company's goal of enhancing shareholder value.

PART II - OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits.

Exhibit	Description
27*	Financial Data Schedule.

*filed herein

(b) Reports on Form 8-K

A report on Form 8-K was filed on April 30, 1996 to provide the information required by Item 7(a) in connection with the Aerospace Sale

SIGNATURE

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.

POWER CONTROL TECHNOLOGIES INC.
(Registrant)

Date August 7, 1996

By: /s/Irwin Engelman
Irwin Engelman
Executive Vice President and
Chief Financial Officer

Date: August 7, 1996

By: /s/Laurence Winoker
Laurence Winoker
Vice President and Controller
(Principal Accounting Officer)