

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the quarter ended March 31, 1994

Commission File No. 0-2504

MINE SAFETY APPLIANCES COMPANY

(Exact name of registrant as specified in its charter)

Pennsylvania

25-0668780

(State or other jurisdiction of (IRS Employer Identification No.)
incorporation or organization)

121 Gamma Drive
RIDC Industrial Park
O'Hara Township
Pittsburgh, Pennsylvania

15238

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code: 412/967-3000

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

No

As of April 30, 1994, there were outstanding 5,936,233 shares of common stock without par value.

PART I FINANCIAL INFORMATION
MINE SAFETY APPLIANCES COMPANY
CONSOLIDATED CONDENSED BALANCE SHEET
(Thousands of dollars, except shares data)

	March 31 1994	December 31 1993
ASSETS		
Current assets		
Cash	\$ 6,873	\$ 10,953
Temporary investments, at cost plus accrued interest	40,089	35,481
Accounts receivable, less allowance (1994 - \$2,602; 1993 - \$2,516)	82,926	81,897
Inventories:		
Finished products	29,474	30,409
Work in process	18,107	20,001
Raw materials and supplies	26,421	31,044
	-----	-----
Total inventories	74,002	81,454
	-----	-----
Other current assets	15,089	14,824
	-----	-----
Total current assets	218,979	224,609
	-----	-----
Property, plant and equipment	310,086	306,691
Accumulated depreciation	(156,555)	(153,162)
	-----	-----
Net property	153,531	153,529
	-----	-----
Assets of discontinued business	7,245	7,175
Other assets	24,896	22,571
	-----	-----
Total other noncurrent assets	32,141	29,746
	-----	-----
TOTALS	\$ 404,651	\$ 407,884
	=====	=====

LIABILITIES AND SHAREHOLDERS' EQUITY

Current liabilities		
Notes and accounts payable	\$ 23,345	\$ 27,219
Federal, foreign, state and local income taxes	555	(3,474)
Other current liabilities	33,066	36,665
	-----	-----
Total current liabilities	56,966	60,410
	-----	-----
Long-term debt	28,512	27,476
Noncurrent liabilities (principally employee/retiree benefits) and deferred credits	60,466	60,254
Shareholders' equity		
Preferred stock, 4-1/2% cumulative - authorized 100,000 shares of \$50 par value; issued 71,373 shares, callable at \$52.50 per share	3,569	3,569
Second cumulative preferred voting stock - authorized 1,000,000 shares of \$10 par value; none issued		
Common stock - authorized 20,000,000 shares of no par value; issued 6,713,503 (outstanding 5,953,533 and 6,011,628)	8,048	8,048
Cumulative translation adjustments	(5,462)	(5,749)
Retained earnings	288,451	287,286
Less treasury shares, at cost:		
Preferred - 47,675 and 47,268 shares	(1,545)	(1,532)
Common - 759,970 and 701,875 shares	(34,354)	(31,878)
	-----	-----
Total shareholders' equity	258,707	259,744
	-----	-----
TOTALS	\$ 404,651	\$ 407,884
	=====	=====

MINE SAFETY APPLIANCES COMPANY
CONSOLIDATED CONDENSED STATEMENT OF INCOME

(Thousands of dollars, except earnings per share and shares outstanding)

	Three Months Ended March 31	
	1994	1993
Net sales	\$ 109,522	\$ 104,863
Other income	1,432	1,106
	-----	-----
	110,954	105,969
	-----	-----
Costs and expenses		
Cost of products sold	70,513	67,090
Selling, general and administrative	29,587	29,941
Depreciation	4,885	3,951
Interest	608	398
Currency exchange (gains)/losses	656	(76)
	-----	-----
	106,249	101,304
	-----	-----
Income before income taxes	4,705	4,665
Income taxes	2,145	2,149
	-----	-----
Net income	\$ 2,560	\$ 2,516
	=====	=====
Earnings per common share (1)	\$ 0.43	\$ 0.41
	=====	=====
Weighted average number of common shares outstanding	5,990,946	6,101,545
	=====	=====
Dividends paid on preferred stock	\$ 14	\$ 14
	=====	=====

(1) Computed after dividends paid on preferred stock. Common shares reserved for outstanding options under the stock option and incentive plans would have a negligible dilutive effect on earnings per common share.

MINE SAFETY APPLIANCES COMPANY
CONSOLIDATED CONDENSED STATEMENT OF CASH FLOWS
(Thousands of dollars)

	Three Months Ended March 31	
	1994	1993
OPERATING ACTIVITIES		
Net income	\$ 2,560	\$ 2,516
Depreciation	4,885	3,951
Deferred taxes, pensions, and other non-cash charges/(credits)	465	831
Changes in operating assets and liabilities	(2,267)	(6,781)
Other - principally currency exchange adjustments	1,147	(2,502)
	-----	-----
Cash flow from operating activities	6,790	(1,985)
	-----	-----
INVESTING ACTIVITIES		
Property additions	(4,218)	(4,890)
Property disposals	140	36
Acquisitions and other investing	(165)	(31)
	-----	-----
Cash flow from investing activities	(4,243)	(4,885)
	-----	-----
FINANCING ACTIVITIES		
Additions to long-term debt	1,581	413
Reductions of long-term debt	(742)	(545)
Cash dividends	(1,396)	(1,418)
Purchases of company's stock	(2,489)	(443)
Changes in notes payable and short term debt	943	262
	-----	-----
Cash flow from financing activities	(2,103)	(1,731)
	-----	-----
Effect of exchange rate changes on cash	84	(1,355)
	-----	-----
Increase/(decrease) in cash and cash equivalents	528	(9,956)
Beginning cash and cash equivalents	46,434	55,409
	-----	-----
Ending cash and cash equivalents	\$ 46,962	\$ 45,453
	=====	=====

Note 1 - Basis of Presentation

The accompanying unaudited consolidated condensed financial statements include all adjustments, which are, in the opinion of management of the registrant, necessary for a fair statement of the operating results for the three month periods ended March 31, 1994 and 1993. These financial statements have been prepared in accordance with the instructions to Form 10-Q and therefore do not include all information and footnotes necessary for a fair presentation of financial position, results of operations, and changes in cash flows in conformity with generally accepted accounting principles.

MINE SAFETY APPLIANCES COMPANY
MANAGEMENT'S DISCUSSION AND ANALYSIS

The sales increase was mainly due to the inclusion of HAZCO Services, Inc., Dayton, Ohio, which was acquired in the last half of 1993. This acquisition added equipment rental services to the hazardous materials/environmental market. Commercial safety equipment sales in the U.S. were hampered by the adverse effects of severe weather and earthquakes on customers early in the year (which also affected MSA's operations). Such sales strengthened considerably by the end of the quarter. Sales of gas detection and monitoring instruments and specialty chemicals continued robust growth. Shipments of gas masks to the U.S. military were below prior years but are expected to increase as the year continues. International sales declined somewhat, mainly due to continued economic weakness in Germany.

The increase in net income was due to higher U.S. sales and continued cost control. European operations, especially Germany, remain depressed by economic conditions, although improvement is expected as the year goes on as a result of restructuring. Earnings in Brazil were hurt by currency exchange effects from the latest bout of political and economic instability. Earnings per share benefitted from higher net income and reduced shares outstanding as a result of the share repurchase program.

Comparative foreign currency exchange losses charged to income are as follows:

	Three Months Ended March 31	
	1994	1993
	(Thousands of dollars)	
Transaction (gains)/losses	111	(426)
Translation (gains)/losses	545	350
	-----	-----
	656	(76)
	=====	=====

Currency exchange adjustments charged directly to the equity cumulative translation adjustments account are shown below. Significant first quarter 1993 translation losses relate primarily to Germany, Italy and Britain.

	Three Months Ended March 31	
	1994	1993
	(Thousands of dollars)	
Translation (gains)/losses	(287)	3,443

At their meeting on April 27, 1994, the Board of Directors renewed an authorization for the company to repurchase up to 300,000 shares of its common stock from time to time in private transactions and on the over-the-counter market. The shares repurchased will be used for employee stock options and awards and other general business purposes. The timing and amount of the company's purchases will depend upon price and availability of shares.

Available credit facilities along with internal cash resources are adequate to provide for ensuing capital requirements. The company's financial position and liquidity continue to be adequate. The current ratio and term debt in relation to capital as of March 31, 1994 were 3.8 and 11.0%, respectively, as compared to 3.7 and 11.0% at December 31, 1993.

PART II OTHER INFORMATION
MINE SAFETY APPLIANCES COMPANY

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

None

(b) Reports on Form 8-K

No reports on Form 8-K were filed during the quarter ended March 31, 1994.

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.

MINE SAFETY APPLIANCES COMPANY

Date: May 10, 1994

By

S/James E. Herald
James E. Herald
Vice President - Finance;
Principal Financial and
Accounting Officer