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 March 31, 1997

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: 1-6620

GRIFFON CORPORATION
(Exact name of registrant as specified in its charter)

DELAWARE	11-1893410
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
100 JERICHO QUADRANGLE, JERICHO, NEW YORK	11753
(Address of principal executive offices)	(Zip Code)

(516) 938-5544
(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, and (2) has been subject to such filing requirements for the past 90 days.

[X] Yes   [   ] No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. 30,430,000 shares of Common Stock as of April 30, 1997.

FORM 10-Q

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Signature

GRIFFON CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 1997	September 30, 1996
	(Unaudited)	(Note 1)
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 18,820,000	$ 17,846,000
Marketable securities	1,379,000	4,297,000
Accounts receivable, less allowance for doubtful accounts	75,030,000	87,113,000
Contract costs and recognized income not yet billed	29,407,000	33,670,000
Inventories (Note 2)	71,235,000	69,886,000
Prepaid expenses and other current assets	15,932,000	16,203,000
Total current assets	211,803,000	229,015,000
PROPERTY, PLANT AND EQUIPMENT at cost, less accumulated depreciation and amortization of $49,938,000 at March 31, 1997 and $45,010,000 at September 30, 1996	63,277,000	55,706,000
OTHER ASSETS	29,103,000	26,448,000
	$304,183,000	$311,169,000

<FN>

See notes to condensed consolidated financial statements.

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GRIFFON CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 1997	September 30, 1996
	(Unaudited)	(Note 1)
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts and notes payable	$ 38,405,000	$ 47,131,000
Other current liabilities	49,388,000	58,620,000
Total current liabilities	87,793,000	105,751,000
LONG-TERM DEBT AND OTHER LIABILITIES	32,735,000	31,806,000
LIABILITY OF EMPLOYEE STOCK OWNERSHIP PLAN	2,250,000	---
MINORITY INTEREST IN SUBSIDIARY	1,225,000	652,000
SHAREHOLDERS' EQUITY (Note 4):		
Preferred stock, par value $.25 per share, authorized 3,000,000 shares -- Second Preferred Stock, Series I, authorized 1,950,000 shares, issued 1,618,844 shares at September 30, 1996	---	405,000
Common Stock, par value $.25 per share, authorized 85,000,000 shares, issued 30,892,960 shares at March 31, 1997 and 29,253,848 shares at September 30, 1996, and 474,000 shares and 334,896 shares in treasury at March 31, 1997 and September 30, 1996, respectively	7,723,000	7,313,000
Other shareholders' equity	172,457,000	165,242,000
Total shareholders' equity	180,180,000	172,960,000
	$304,183,000	$311,169,000

<FN>
See notes to condensed consolidated financial statements.
</FN>

GRIFFON CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	THREE MONTHS ENDED MARCH 31,	
	1997	1996
Net sales	$160,807,000	$139,109,000
Cost of sales	120,520,000	105,330,000
Gross profit	40,287,000	33,779,000
Selling, general and administrative expenses	33,010,000	27,168,000

Income from operations	7,277,000	6,611,000
Other income (expense):		
Interest expense	(704,000)	(757,000)
Interest income	304,000	279,000
Other, net	80,000	73,000
	(320,000)	(405,000)
Income from continuing operations before income taxes	6,957,000	6,206,000
Provision for income taxes:		
Federal	2,148,000	2,050,000
State and other	426,000	362,000
	2,574,000	2,412,000
Income from continuing operations	4,383,000	3,794,000
Operating income of discontinued operations, net of income tax effect (Note 5)	---	72,000
Net income	$ 4,383,000	$ 3,866,000
Net income per share of common stock (Note 3)	$ .14	$ .12

<FN>
See notes to condensed consolidated financial statements.
</FN>

GRIFFON CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	SIX MONTHS ENDED MARCH 31,	
	1997	1996
Net sales	$342,551,000	$292,472,000
Cost of sales	256,281,000	220,289,000
Gross profit	86,270,000	72,183,000
Selling, general and administrative expenses	66,267,000	55,617,000
Income from operations	20,003,000	16,566,000
Other income (expense):		
Interest expense	(1,479,000)	(1,523,000)
Interest income	627,000	648,000
Other, net	134,000	63,000
	(718,000)	(812,000)
Income from continuing operations before income taxes	19,285,000	15,754,000
Provision for income taxes:		
Federal	6,210,000	5,167,000
State and other	1,172,000	961,000
	7,382,000	6,128,000
Income from continuing operations	11,903,000	9,626,000
Operating income of discontinued operations,		

net of income tax effect (Note 5)	---	103,000
Net income	$ 11,903,000	$ 9,729,000
Net income per share of common stock (Note 3)	$ .38	$ .30

<FN>
See notes to condensed consolidated financial statements.
</FN>

GRIFFON CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	SIX MONTHS ENDED MARCH 31,	
	1997	1996
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$11,903,000	$ 9,729,000
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	5,511,000	4,620,000
Provision for losses on accounts receivable	793,000	547,000
Income from discontinued operations	---	(103,000)
Change in assets and liabilities:		
Decrease in accounts receivable and contract costs and recognized income not yet billed	15,824,000	8,259,000
(Increase) decrease in inventories	245,000	(1,850,000)
(Increase) decrease in prepaid expenses and other assets	(920,000)	2,033,000
Decrease in accounts payable and accrued liabilities	(16,278,000)	(7,675,000)
Other changes, net	367,000	145,000
Total adjustments	5,542,000	5,976,000
Net cash provided by operating activities	17,445,000	15,705,000
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net decrease in marketable securities	2,918,000	8,886,000
Acquisition of property, plant and equipment	(12,448,000)	(4,249,000)
Acquired businesses	(2,232,000)	(21,884,000)
Proceeds from sale of discontinued operation	2,771,000	---
Other, net	(112,000)	5,000
Net cash used in investing activities	(9,103,000)	(17,242,000)

GRIFFON CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
(Unaudited)

	SIX MONTHS ENDED MARCH 31,	
	1997	1996
CASH FLOWS FROM FINANCING ACTIVITIES:		
Purchase of treasury shares	(2,402,000)	(21,574,000)
Proceeds from issuance of long-term debt	1,282,000	34,000,000
Payment of long-term debt	(3,260,000)	(4,269,000)
Decrease in short-term borrowings	(2,605,000)	(1,000,000)
Other, net	(383,000)	101,000

Net cash provided by (used in) financing activities	(7,368,000)	7,258,000
NET INCREASE IN CASH AND CASH EQUIVALENTS	974,000	5,721,000
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	17,846,000	9,656,000
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$18,820,000	$15,377,000

<FN>

See notes to condensed consolidated financial statements.

</FN>

GRIFFON CORPORATION AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

(1) Basis of Presentation -

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. The balance sheet at September 30, 1996 has been derived from the audited financial statements at that date. In the opinion of management, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation have been included. Operating results for the three and six-month periods ended March 31, 1997 are not necessarily indicative of the results that may be expected for the year ended September 30, 1997. For further information, refer to the consolidated financial statements and footnotes thereto included in the Company's annual report to shareholders for the year ended September 30, 1996.

(2) Inventories -

Inventories, stated at the lower of cost (first-in, first-out or average) or market, are comprised of the following:

	March 31, 1997	September 30, 1996
Finished goods	$26,669,000	$23,910,000
Work in process	21,411,000	22,706,000
Raw materials and supplies	23,155,000	23,270,000
	$71,235,000	$69,886,000

(3) Net Income Per Share -

Net income per share is calculated using the weighted average number of shares of common stock, and where dilutive, common stock equivalents outstanding during each period. Shares used in computing per share results were 31,295,000 and 32,563,000 for the three months ended March 31, 1997 and 1996, respectively and 31,267,000 and 32,830,000 for the six months ended March 31, 1997 and 1996, respectively.

Statement of Financial Accounting Standards No. 128, "Earnings per Share" which becomes effective for the fiscal year beginning October 1, 1997, establishes new standards for computing and presenting earnings per share (EPS). The new standard requires the presentation of basic EPS and diluted EPS. Basic EPS is calculated by dividing income available to common shareholders by the weighted average number of shares of common stock outstanding during the period. Diluted EPS is calculated by dividing income available to common shareholders by the weighted average number of common shares outstanding adjusted to reflect potentially dilutive securities. Previously reported EPS amounts must be restated under the new standard when it becomes effective. For the three months ended March 31, 1997 and 1996, basic EPS were $.15 per share and $.12 per share, respectively, and diluted EPS were $.14 per share and $.12 per share, respectively. For the six months ended March 31, 1997 and 1996, basic EPS were $.41 per share and $.31 per share, respectively, and diluted EPS were $.38 per share and $.30 per share, respectively. Basic EPS amounts calculated for periods including and subsequent to March 31, 1997 will be affected by the February 1997 conversion of substantially all of the Second Preferred Stock, Series I into Common Stock (see Note 4), and the inclusion of the newly issued shares of common stock in basic EPS calculations.

(4) Shareholders' Equity -

On February 6, 1997 the company's Board of Directors approved the redemption of the company's Second Preferred Stock, Series I. The redemption price of $10.17 consisted of $10.00 plus accrued and unpaid dividends to the redemption date, March 10, 1997. Holders of 1,524,429 shares of Second Preferred Stock converted their shares into 1,524,429 shares of Common Stock, and 45,165 shares of Second Preferred Stock were redeemed.

(5) Discontinued Operations -

Subsequent to March 31, 1997 the company completed, in a cash transaction, the sale of its specialty hardware business which had been reflected as a discontinued operation last year.

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

RESULTS OF OPERATIONS

Three Months Ended March 31, 1997

Net sales were $160.8 million for the three-month period ended March 31, 1997, an increase of $21.7 million or 15.6% over last year.

Net sales of the building products business were $91.4 million, an increase of $12.0 million or 15.1% over last year, primarily attributable to higher unit sales ($7.0 million) due to strong demand in construction and related retail markets as well as continued internal growth in our service business ($4.7 million). Net sales of the specialty plastic films business were $40.7 million, an increase of $8.1 million or 25.0% over last year. Increased unit sales ($5.6 million), primarily attributable to products for its major customer in the infant diaper market, was the principal reason for the increase. Net sales of the electronic information and communication systems business were $28.7 million, an increase of $1.6 million or 5.9%.

Income from operations for the three-month period ended March 31, 1997 was $7.3 million, an increase of $.7 million or 10.1% compared to last year. Operating income of the building products business, in what has historically been its weakest quarter, increased approximately $1.3 million compared to last year, principally due to the sales growth, continued production efficiencies and lower raw material costs. Operating income of the specialty plastic films segment declined by $.6 million for the quarter compared to last year, but improved significantly over the first quarter of fiscal 1997. As expected, margins in this segment were lower than last year due to development and start-up costs associated with new programs and increased raw material costs. The segment's operational improvement during the second quarter was due to the higher volume and increased manufacturing efficiencies. It is expected that there will be continued improvement in the last half of 1997 as the new programs coming onstream generate additional volume increases and related start-up costs become less significant. Operating income of the electronic information and communication systems business for the quarter was approximately the same as in the prior year.

Six Months Ended March 31, 1997

Net sales were $342.6 million for the six-month period ended March 31, 1997, an increase of $50.1 million or 17.1% over last year.

Net sales of the building products business were $207.6 million, an increase of $29.7 million or 16.7% over last year, primarily due to unit sales increases ($15.2 million), the service business' internal growth ($7.9 million) and acquired businesses ($6.6 million). Net sales of the specialty plastic films business were $79.7 million, an increase of $15.5 million or 24.1% over last year. The increase is due to higher unit sales ($13.8 million), primarily attributable to products for its major customer in the infant diaper market. Net sales of the electronic information and communication systems business were $55.3 million, an increase of $4.9 million or 9.7% compared to last year, principally due to increased funding levels on several programs and higher demand for its integrated circuit products.

Income from operations for the six-month period ended March 31, 1997 was $20.0 million, an increase of $3.4 million or 20.7% compared to last year. Operating income of the building products business increased approximately $5.3 million compared to last year, for the reasons discussed above. Operating income of the specialty plastic films business decreased by $2.2 million compared to last year, the majority of such reduction occurring in the first quarter, due to the reasons discussed above. Operating income of the electronic information and communication systems business increased by $.4 million due primarily to the sales increase in the first quarter.

LIQUIDITY AND CAPITAL RESOURCES

Cash flow provided by operations for the six months was $17.4 million, and working capital was $124.0 million at March 31, 1997.

During the six months the company had fixed asset additions of $12.4 million, including $5 million to upgrade and enhance strategic business systems and construction and equipment costs of $4 million for its 60%-owned specialty plastic films joint venture in Germany. Proceeds of approximately $3 million were received from the sale and liquidation of the company's synthetic batting business which had been reflected as a discontinued operation last year.

On February 6, 1997 the company's Board of Directors approved the redemption of the company's Second Preferred Stock, Series I. The redemption price of $10.17 consisted of $10.00 plus accrued and unpaid dividends to the redemption date, March 10, 1997. Holders of 1,524,429 shares of Second Preferred Stock converted their shares into 1,524,429 shares of Common Stock, and 45,165 shares of Second Preferred Stock were redeemed.

Anticipated cash flows from operations, together with existing cash and marketable securities and lease line availability, should be adequate to finance presently anticipated working capital and capital expenditure requirements and to repay long-term debt as it matures.

The statements contained in this report which are not historical facts are forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ materially from those set forth in or implied by forward-looking statements, including the effect of business and economic conditions; the impact of competitive products and pricing; capacity and supply constraints or difficulties; product development, commercialization or technological difficulties; and other risks and uncertainties.

PART II - OTHER INFORMATION

Item 1 Legal Proceedings

There are no material changes in the information previously reported under this item.

Item 2 Changes in Securities

None

Item 3 Defaults upon Senior Securities

None

Item 4 Submission of Matters to a Vote of Security Holders

(a) The Registrant held its Annual Meeting of Stockholders on February 6, 1997.

(b) Not applicable

(c)(i) Four directors were elected at the Annual Meeting to serve until the Annual Meeting of Stockholders in 2000. The names of these directors and votes cast in favor of their election and shares withheld are as follows:

Name	Votes For	Votes Withheld
Robert Balemian	23,470,198	2,676,310
Harvey R. Blau	23,486,484	2,678,024
Ronald J. Kramer	23,470,877	2,675,631
Lieutenant General James W. Stansberry (Ret.)	23,468,083	2,678,425

(ii) In addition to the election of directors, the stockholders approved a proposal to adopt a 1997 Stock Option Plan; 20,408,086 shares were voted in favor of this proposal, 1,935,668 shares against and 285,050 shares abstained.

Item 5 Other Information

None

Item 6 Exhibits and Reports on Form 8-K

27 -- Financial Data Schedule (for electronic submission only)

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.

GRIFFON CORPORATION

By: Robert Balemian

Robert Balemian
President
(Principal Financial Officer)

Date: May 2, 1997

<ARTICLE> 5
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The schedule contains summary financial information extracted from the
condensed consolidated financial statements for the period ended
March 31, 1997 and is qualified in its entirety by reference to such statements.
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