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 No. 0-1093

KAMAN CORPORATION
(Exact Name of Registrant)

Connecticut	06-0613548
(State of Incorporation)	(I.R.S. Employer Identification No.)

Blue Hills Avenue
Bloomfield, Connecticut 06002
(Address of Principal Executive Offices)

Registrant's telephone number, including area code: (860)243-7100

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
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Indicate the number of shares outstanding of each of the issuer's classes of common stock as of July 31, 1996:

Class A Common	17,968,009
Class B Common	667,814

KAMAN CORPORATION AND SUBSIDIARIES
PART I - FINANCIAL INFORMATION

Item 1. Financial Statements:

Condensed Consolidated Balance Sheets
(In thousands)

Assets	June 30, 1996		December 31, 1995	
Current assets:				
Cash		$ 4,278		$ 4,078
Accounts receivable (net of allowance for doubtful accounts of $2,572 in 1996, $2,289 in 1995)		198,174		177,878
Inventories:				
Raw materials	$ 9,266		$ 8,761	
Work-in-process	68,846		53,696	
Finished goods	16,222		22,870	
Merchandise for resale	112,189	206,523	107,407	192,734
Other current assets		28,619		30,174
Total current assets		437,594		404,864
Property, plant and equipment, at cost	190,841		189,317	
Less accumulated depreciation and amortization	111,012		106,263	
Net property, plant and equipment		79,829		83,054
Other assets		11,997		12,151
		$529,420		$500,069

Liabilities and Shareholders' Equity

Current liabilities:				
Notes payable		$ 57,779		$ 63,498
Accounts payable		75,027		61,729
Accrued liabilities		40,719		38,151
Other current liabilities		36,131		42,895
Total current liabilities		209,656		206,273
Deferred credits		13,628		13,127
Long-term debt, excluding current portion		86,107		66,386
Shareholders' equity:				
Series 2 preferred stock	$ 57,167		$ 57,167	
Other shareholders' equity	162,862	220,029	157,116	214,283
		$529,420		$500,069

Item 1. Financial Statements, Continued:

Condensed Consolidated Statements of Earnings
(In thousands except per share amounts)

	For the Three Months Ended June 30, 1996	For the Three Months Ended June 30, 1995	For the Six Months Ended June 30, 1996	For the Six Months Ended June 30, 1995
Revenues	$246,525	$221,938	$486,558	$431,954
Costs and expenses:				
Cost of sales	185,716	165,230	363,180	317,396
Selling, general and administrative expense	48,532	46,696	99,545	93,221
Interest expense	2,377	2,250	4,806	4,084
Other expense	134	(45)	289	240
	236,759	214,131	467,820	414,941
Earnings before income taxes	9,766	7,807	18,738	17,013
Income taxes	4,354	3,144	8,124	6,800
Net earnings	$ 5,412	$ 4,663	$ 10,614	$ 10,213
Preferred stock dividend requirement	$ (929)	$ (929)	$ (1,858)	$ (1,858)
Earnings applicable to common stock	$ 4,483	$ 3,734	$ 8,756	$ 8,355
Net earnings per common share:				
Primary	$ .24	$ .20	$ .47	$ .45
Fully diluted	$ .23	$ .20	$ .45	$ .44
Dividends declared per share:				
Series 2 preferred stock	$ 3.25	$ 3.25	$ 6.50	$ 6.50
Common stock	$ .11	$ .11	$ .22	$ .22

Item 1. Financial Statements, Continued:

Condensed Consolidated Statements of Cash Flows
(In thousands)

	For the Six Months Ended June 30, 1996	1995
Cash flows from operating activities:		
Net earnings	$10,614	$10,213
Depreciation and amortization	5,990	5,627
Gain on sale of assets	(295)	(1,773)
Changes in current assets and liabilities	(23,428)	(34,667)
Other, net	652	789
Cash provided by (used in) operating activities	(6,467)	(19,811)
Cash flows from investing activities:		
Proceeds from sale of assets	1,758	3,810
Expenditures for property, plant & equipment	(3,992)	(5,367)
Other, net	(240)	(122)
Cash provided by (used in) investing activities	(2,474)	(1,679)
Cash flows from financing activities:		
Additions(reductions) to notes payable	(5,719)	1,250
Additions to long-term debt	20,000	25,000
Dividends paid	(5,946)	(5,885)
Other, net	806	518
Cash provided by (used in) financing activities	9,141	20,883
Net increase(decrease) in cash	200	(607)
Cash at beginning of period	4,078	3,711
Cash at end of period	$ 4,278	$ 3,104

Item 1. Financial Statements, Continued:

Notes to Condensed Consolidated Financial Statements
(In Thousands)

Basis of Presentation

The December 31, 1995 condensed consolidated balance sheet amounts have been derived from the previously audited consolidated balance sheet of Kaman Corporation and subsidiaries.

The balance of the condensed financial information reflects all adjustments which are, in the opinion of management, necessary for a fair presentation of the financial position, results of operations and cash flows for the interim periods presented and are of a normal recurring nature unless otherwise disclosed in this report.

The statements should be read in conjunction with the notes to the consolidated financial statements included in Kaman Corporation's 1995 Annual Report.

Cash Flow Items

Cash payments for interest were $4,582 and $3,866 for the six months ended June 30, 1996 and 1995, respectively. Cash payments for income taxes for the six months ended June 30, 1996 and 1995 were $6,675 and $1,743, respectively.

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

Results of Operations

Consolidated revenues for the three month and six month periods ended June 30, 1996 were up 11% and 13% respectively, compared to the same periods of 1995. These results reflect increased revenues in both the Distribution and Diversified Technologies segments.

Distribution segment revenues increased approximately 8% for the quarter and six months ended June 30, 1996 compared to the same periods of 1995. Revenue increases in both the industrial distribution (which constitutes 75% of the segment's revenues) and music distribution businesses contributed to these results.

For the quarter and six months ended June 30, 1996, Industrial Distribution sales have continued to increase at a stronger rate than that of industrial production generally. Results are due in part to the company's efforts to expand partnering relationships with suppliers, address the needs of customers who want to consolidate their vendor base, and provide value-added services in areas such as electrical and electronic systems, materials handling, and precision positioning systems. The company currently plans to open several new branch operations during the year in the south and midwest regions of the United States to service new customers and develop additional business. These are geographical regions where the company has not traditionally had a strong presence. In addition, the company is increasingly being given the opportunity to perform an "integrated supply" function for its larger customers, which includes management of the customer's parts inventories and associated personnel as well as selection of suppliers for the facility. Management believes that these initiatives, in combination with enhanced operating efficiencies attained during the past few years, have resulted in increased market share for this business.

Music Distribution sales increased 20% and 14% for the three month and six month periods, compared to the same periods of 1995. These results reflect positive foreign and domestic economic conditions and demand for its products.

Diversified Technologies segment revenues increased approximately 16% for the quarter and 22% for the six months ended June 30, 1996 compared to the same periods of 1995. The increases are primarily attributable to sales of the K-MAX (Registered Trademark) helicopter, SH-2G retrofit work in connection with the Republic of Egypt's acquisition of ten (10) SH-2G helicopters from the U.S. Navy, and to some extent, increases in scientific services.

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

Within the Diversified Technologies segment, management continues initiatives to adapt the corporation's businesses to conditions in defense and commercial aircraft markets. With respect to its SH-2 helicopter, management is pursuing the potential for use of this aircraft by foreign military services. In 1995, the corporation began work pursuant to a letter agreement between the Republic of Egypt and the U.S. Navy for the acquisition of ten (10) SH-2G helicopters. This work, which could have a value of up to $160 million over a three-year period, involves the retrofit of SH-2F helicopters already manufactured for the U.S. Navy into the SH-2G configuration. The contract between the corporation and the U.S. Navy for this work is not yet finalized, however, the corporation has received a contract to provide long lead materials and services in support of the sale in the amount of $56 million. Deliveries are scheduled to begin in the fourth quarter of 1997. The corporation is also seeking other opportunities for foreign sales and has established an office in Australia to coordinate work on competitions in New Zealand, Australia, and Malaysia. Regarding New Zealand's procurement of four (4) to six (6) aircraft, the corporation was the only U.S. company among the two competitors that were invited to enter the Best and Final Offer process, and the corporation's offer has been submitted. The corporation was notified in July by the New Zealand government that there will be a postponement of its award announcement until the November 1996 time frame, after general elections are held in that country. In the U.S., while the corporation is not manufacturing further aircraft for the U.S. Navy, sixteen aircraft are currently in the Naval Reserves and the corporation expects to provide logistics and spare parts support for these aircraft.

As to its advanced technology defense programs, management continues to believe that it is well positioned to compete in the current defense environment where emphasis is being placed upon advanced technology "smart weapons" programs. The corporation has significant experience and expertise with advanced technology programs, having performed a multitude of government contracts over the years. These contracts have involved products and systems, as well as services such as computer software development, intelligence analysis, and research and development. The corporation continues to be successful in maintaining revenues from this type of business, however, competition for these contracts has increased.

The corporation also performs aerospace subcontracting work for several airframe manufacturing programs. This business had been adversely affected by weakness in the domestic aircraft industry for some time, however there has recently been some evidence of renewed health in the industry, with the roll out of the new Boeing 777 and the government's announcement regarding longer term production of the McDonnell Douglas C-17 being good examples.

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

The K-MAX program is now in its second year of commercial operation. K-MAX is a medium to heavy lift "aerial truck" with operating characteristics that distinguish it from other helicopters for use in logging, fire fighting, reforestation, utility power line work, and other applications. The aircraft is now certified in the United States, Canada, Japan, and Switzerland. The special lease program for the first five (5) helicopters has been substantially completed. The corporation continues to lease a few of the aircraft, generally with initial customers. Otherwise, the aircraft is being sold in the United States and abroad. Production of six (6) aircraft is scheduled for 1996. Management continues to take a conservative approach to market introduction of this aircraft and expects that sales and profitability will take some time to achieve. Management also believes that a conservative approach is prudent since the market has been affected by a number of military surplus aircraft that have been (and may be in the future)released to the public at lower cost than new aircraft.

In April 1996 the Military Sealift Command ("MSC"), U.S. Navy, awarded the corporation a contract to provide an extended demonstration of the K-MAX helicopter's vertical replenishment ("VERTREP") capability. That demonstration began in May, with two (2) K-MAX helicopters scheduled to support MSC airborne cargo movement for a period of seven (7) months. The value of the contract is estimated at $5.7 million. The demonstration is being conducted under a charter/lease arrangement whereby the corporation provides the aircraft, crew, and all maintenance and logistics support. This is the second MSC award that the corporation has received for this type of work; the first award was for a two-month VERTREP demonstration in the third quarter of 1995. Management believes that the federal government's continuing evaluation of the charter/lease concept for K-MAX in a non-combat role represents another significant step forward in the process of defense acquisition reform.

Total operating income for the segments increased approximately 19% and 13% for the three month and six month periods ended June 30, 1996 compared to the same periods of 1995. Operating profits for the Diversified Technologies segment increased some 13% and 11% for the quarter and six month periods, from the same periods last year. Results for the first quarter of 1995 included a gain on the sale of land in this segment. If the gain is disregarded, operating profits for the first six months of 1996 increased 23%, due primarily to two aerospace subcontract programs that are in the final stages of completion and work on the SH-2G sale for Egypt. Operating profits for the Distribution segment were up about 27% and 16% respectively for the three month and six month periods ended June 30, 1996, compared to the same periods last year, due to relatively healthy domestic and foreign markets. Work continues in the Music business to address manufacturing costs for its European activities.

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

Interest expense for the first half of 1996 increased almost 18% compared to the same period of 1995, due to increases in average borrowings and higher interest rates.

The consolidated effective income tax rate for the first six months of 1996 was 43.4%. For the same period of 1995, the rate was 40.0%.

Net earnings for the quarter ended June 30, 1996 were $5.4 million, compared to $4.7 million for the same period of 1995. After giving effect to preferred stock dividend requirements, earnings available to common shareholders were $4.5 million for the second quarter of 1996 compared to $3.7 million for the same period of 1995.

Net earnings for the six months ended June 30, 1996 were $10.6 million, compared to $10.2 million for the same period of 1995. After giving effect to preferred stock dividend requirements, earnings available to common shareholders were $8.8 million for the six-month period of 1996 compared to $8.4 million for the same period of 1995. Results for 1995 included a gain of approximately $1.8 million on the sale of real estate within the Diversified Technologies segment. Adjusted to exclude this one-time gain, net earnings for the first six months of 1996 were up approximately 16% over 1995.

Liquidity and Capital Resources

The corporation's cash flow from operations has generally been sufficient to finance a significant portion of its working capital and other capital requirements. In recent periods, the corporation has financed somewhat more of its requirements from bank borrowings.

For general borrowing purposes, the corporation maintains a revolving credit agreement involving twelve domestic and foreign banks. This facility was established in January 1996 and provides a maximum unsecured line of credit of $250 million. It replaces two previous revolving credit arrangements and involves many of the same lenders that participated in those arrangements. The agreement has a term of five years and contains various covenants, including debt to capitalization, consolidated net worth requirements, and limitations on other loan indebtedness that the corporation may incur.

As of June 30, 1996, the corporation's aggregate borrowings were $107.1 million, most of which was borrowed under the revolving credit facility. Average borrowings were $119.0 million for the first six months of 1996, compared to $86.0 million for the same period last year.

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

The corporation has a stock repurchase program under which it may repurchase slightly more than 700,000 Class A shares. As of June 30, 1996, a total of 188,000 Class A shares had been repurchased under the program. The primary purpose of the stock repurchase program is to meet the needs of the Employees Stock Purchase Plan and Stock Incentive Plan.

Management believes that the corporation's cash flow from operations and available unused bank lines of credit under its revolving credit agreement will be sufficient to finance its working capital and other capital requirements for the foreseeable future. These requirements may include working capital requirements for potential foreign sales of the SH-2 helicopter.

Forward Looking Statements

This report includes forward-looking statements that describe the corporation's business prospects. Readers should keep in mind factors that could have an adverse impact on those prospects. These include political, economic, or other conditions, such as recessionary or expansive trends, inflation rates, currency exchange rates, taxes and regulations and laws affecting the business; and standard government contract provisions permitting termination for the convenience of the government; as well as product competition, pricing, the degree of acceptance of new products to the marketplace, and the difficulty of forecasting sales at various times in various markets.

PART II - OTHER INFORMATION

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

(a) Exhibits to Form 10-Q:

(11) Earnings per common share computation

(27) Financial Data Schedule

(b) Reports on Form 8-K:

There have been no reports on Form 8-K filed during the quarter ended June 30, 1996.

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.

KAMAN CORPORATION
Registrant

Date: August 12, 1996 By Charles H. Kaman
President and
Chief Executive Officer
(Duly Authorized Officer)

Date: August 12, 1996 By Robert M. Garneau
Executive Vice President and
Chief Financial Officer

KAMAN CORPORATION AND SUBSIDIARIES

Index to Exhibits

Exhibit 11	Earnings Per Share Common Computation	Attached
Exhibit 27	Financial Data Schedule	Attached

KAMAN CORPORATION AND SUBSIDIARIES
EXHIBIT 11 - EARNINGS PER COMMON SHARE COMPUTATION
(In thousands except per share amounts)

	For the Three Months Ended June 30, 1996	For the Three Months Ended June 30, 1995	For the Six Months Ended June 30, 1996	For the Six Months Ended June 30, 1995
Primary:				
Net earnings applicable to common stock	$ 4,483	$ 3,734	$ 8,756	$ 8,355
Weighted average number of common shares outstanding	18,584	18,306	18,541	18,266
Weighted average shares issuable on exercise of dilutive stock options	141	210	127	192
Total	18,725	18,516	18,668	18,458
Net earnings per common share - primary	$ .24	$ .20	$ .47	$ .45
Fully diluted:				
Net earnings applicable to common stock	$ 4,483	$ 3,734	$ 8,756	$ 8,355
Elimination of interest expense on 6% subordinated convertible debentures(net after taxes)	282	297	570	597
Elimination of preferred stock dividend requirement	929	929	1,858	1,858
Net earnings (as adjusted)	$ 5,694	$ 4,960	$ 11,184	$ 10,810
Weighted avg. no. of shares outstanding including shares issuable on exercise of stock options	18,725	18,516	18,668	18,458
Shares issuable on conversion of 6% subordinated convertible debentures	1,421	1,421	1,421	1,421
Shares issuable on conversion of Series 2 preferred stock	4,551	4,551	4,551	4,551
Additional shares using ending market price instead of average market on treasury method use of stock option proceeds	-	28	8	14
Total	24,697	24,516	24,648	24,444
Net earnings per common share - fully diluted	$ .23	$ .20	$ .45	$ .44

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The schedule contains summary financial information extracted from the corporation's quarterly report to shareholders and is qualified in its entirety by reference to such financial statements.

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JAN-01-1996
JUN-30-1996
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