

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-QSB

(Mark One)

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: 0-1665

EXTECH CORPORATION

(Exact name of small business issuer as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation or organization)

36-2476480
(I.R.S Employer
Identification No.)

90 Merrick Avenue, East Meadow, New York
(Address of principal executive offices)

11554
(Zip Code)

(516) 794-6300
(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. (X) Yes () No

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY
PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

Indicate by check mark whether the registrant has filed all documents and
reports required to be filed by Sections 12, 13 or 15(d) of the Securities
Exchange Act of 1934 subsequent to the distribution of securities under a plan
confirmed by a court. () Yes () No

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes
of common stock, as of the latest practicable date.

5,591,367 shares as of July 22, 1996

This document consists of 10 sequentially numbered pages.

INDEX

EXTECH CORPORATION AND SUBSIDIARIES

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

Condensed Consolidated Balance Sheet - June 30, 1996
(Unaudited)

Condensed Consolidated Statements of Operations - Six months ended
June 30, 1996 and 1995 (Unaudited)

Condensed Consolidated Statements of Operations - Three months ended
June 30, 1996 and 1995 (Unaudited)

Condensed Consolidated Statements of Cash Flows - Six months ended
June 30, 1996 and 1995 (Unaudited)

Notes to Condensed Consolidated Financial Statements Six months ended
June 30, 1996 and 1995 (Unaudited)

Item 2. Management's Discussion and Analysis or Plan of Operation

PART II. OTHER INFORMATION

- Item 1. Legal Proceedings
- Item 2. Changes in Securities
- Item 3. Defaults upon Senior Securities
- Item 4. Submission of Matters to a Vote of Security Holders
- Item 5. Other Information
- Item 6. Exhibits and Reports on Form 8-K

SIGNATURES

PART I. FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

EXTECH CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEET
(UNAUDITED)

June 30, 1996

ASSETS	
CURRENT ASSETS:	
Cash and cash equivalents	\$ 1,453,818
Accounts receivable	29,682
Notes and other receivables	69,828
Inventories	6,185
Prepaid expenses	15,076

Total current assets	1,574,589

PROPERTY AND EQUIPMENT, net	180,334

OTHER ASSETS:	
Operating equipment, net	10,959
Deposits	10,000

Total other assets	20,959

	\$ 1,775,882
	=====
LIABILITIES AND STOCKHOLDERS' EQUITY	
CURRENT LIABILITIES:	
Accounts payable	\$ 2,630
Accrued expenses	123,647
Debentures payable	154,200
Accrued taxes payable	12,335

	292,812

MINORITY INTEREST	560

STOCKHOLDERS' EQUITY:	
Common Stock, \$.01 par value;	
authorized, 10,000,000 shares;	
issued and outstanding,	
5,591,367 shares	55,914
Capital in excess of par	5,264,950
Deficit	(3,838,354)

	1,482,510

	\$ 1,775,882
	=====

See notes to condensed consolidated financial statements.

EXTECH CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Six months ended June 30,	
	1996	1995
Revenues:		
Rooms	\$ 506,162	\$ 452,671
Other	12,391	25,632
Interest	15,041	8,152
	-----	-----
Total revenues	533,594	486,455
	-----	-----
Costs and expenses:		
General, administrative and sundry	207,687	180,821
Departmental	151,507	148,700
Depreciation and amortization	25,832	25,542
Energy costs	7,311	9,572
Lease rentals	101,231	92,776
Marketing	13,200	12,077
Property operation and maintenance	10,426	8,732
Provision for bad debt	1,200	2,100
	-----	-----
	518,394	480,320
	-----	-----
Net income	\$ 15,200	\$ 6,135
	=====	=====
Income per common share:		
Net income	\$.01	\$.01
	=====	=====
Weighted average number of common shares outstanding	2,866,092	2,391,367
	=====	=====

See notes to condensed consolidated financial statements.

EXTECH CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Three months ended June 30,	
	1996	1995
Revenues:		
Rooms	\$ 204,551	\$ 171,661
Other	5,728	18,948
Interest	8,854	4,768
	-----	-----
Total revenues	219,133	195,377
	-----	-----
Costs and expenses:		
General, administrative and sundry	106,618	83,989
Departmental	70,725	63,870
Depreciation and amortization	12,845	12,771
Energy costs	2,676	4,920
Lease rentals	39,046	37,820
Marketing	5,409	5,633
Property operation and maintenance	5,861	3,986
Provision for bad debt	600	900
	-----	-----
	243,780	213,889
	-----	-----
Net loss	\$ (24,647)	\$ (18,512)
	=====	=====
Income per common share:		
Net loss	\$ (.01)	\$ (.01)
	=====	=====
Weighted average number of common shares outstanding	3,340,818	2,391,367
	=====	=====

See notes to condensed consolidated financial statements.

EXTECH CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Six months ended June 30,	
	1996	1995
Cash flows from operating activities:		
Net income	\$ 15,200	\$ 6,135
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	25,832	25,542
Provision for bad debts	1,200	2,100
Decrease (increase) in assets:		
Accounts receivable	21,539	24,708
Inventories	1,005	3,071
Prepaid expenses	(8,189)	28,506
Notes receivable	(30,648)	-0-
Other assets	1,844	(1,578)
Deposits	(10,000)	-0-
Increase (decrease) in liabilities:		
Accounts payable	(926)	1,427
Accrued expenses	(15,854)	(41,238)
Accrued taxes payable	12,335	10,269
	13,338	58,942
Net cash (used in) investing activities:		
Purchases of property and equipment	(4,476)	(516)
	(4,476)	(516)
Net cash from financing activities:		
Proceeds from issuance of stock	800,000	-0-
	800,000	-0-
Net increase in cash and cash equivalents	808,862	58,426
Cash, beginning of period	644,956	482,359
Cash, end of period	\$ 1,453,818	\$ 540,785

See notes to condensed consolidated financial statements.

EXTECH CORPORATION AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
SIX MONTHS ENDED JUNE 30, 1996 AND 1995 (UNAUDITED)

1. The Condensed Consolidated Balance Sheet as of June 30, 1996, the Condensed Consolidated Statements of Operations for the three and six months ended June 30, 1996 and 1995 and the Condensed Consolidated Statements of Cash Flows for the six months ended June 30, 1996 and 1995 have been prepared by the Company without audit. In the opinion of the Company, the accompanying unaudited condensed consolidated financial statements contain all adjustments necessary to present fairly its financial position as of June 30, 1996, results of operations for the three and six months ended June 30, 1996 and 1995 and cash flows for the six months ended June 30, 1996 and 1995. This report should be read in conjunction with the Company's Annual Report on Form 10-KSB for the year ended December 31, 1995.

2. The results of operations and cash flows for the six months ended June 30, 1996 are not necessarily indicative of the results to be expected for the full year.

EXTECH CORPORATION AND SUBSIDIARIES
MANAGEMENT'S DISCUSSION AND ANALYSIS OR
PLAN OF OPERATION

SIX MONTHS ENDED JUNE 30, 1996 AND 1995

Results of operations:

The Company's net income for the six months ended June 30, 1996 was \$15,200 as compared to a net income of \$6,135 for the six months ended June 30, 1995. Such increased net income was primarily the result of increased room revenues of \$53,491, offset by increased general, administrative and sundry expenses of \$26,866 (primarily due to a one-time \$10,000 appraisal fee incurred in connection with the equity financing discussed under "Liquidity and Capital Resources" below) and decreased other revenues of \$13,241 (primarily due to the receipt during the 1995 period of \$13,468 as a final distribution of proceeds from the sale of the Chicago Executive House Hotel).

Liquidity and Capital Resources:

As of June 30, 1996, the Company had \$1,453,818 in cash and cash equivalents and a working capital surplus of \$1,281,777. As of December 31, 1995, the Company had \$644,956 in cash and cash equivalents and a working capital surplus of \$453,377. The increase in cash and cash equivalents and working capital surplus was primarily the result of an \$800,000 equity investment made in June 1996 by the President and Chairman of the Board of the Company and another investor.

The Company did not have any material commitments for capital expenditures as of June 30, 1996 (see, however, "Prospects" below).

Prospects:

On July 19, 1996, the Company entered into an agreement for the purchase of a professional sports team for a purchase price of \$850,000. The consummation of the purchase, which is scheduled for September, 1996, is subject to, among other conditions, league approval of both the transaction and the relocation of the team to Long Island. Upon execution of the agreement, the Company paid to the seller, as a deposit, the sum of \$250,000, which amount is repayable in the event the transaction is not consummated (other than as a result of a material default by the Company). The repayment of the deposit is secured by the grant of a security interest in all of the seller's assets. The \$600,000 balance of the purchase price is payable at the closing. No assurances can be given that the transaction will be consummated.

The Company is also exploring a number of other business opportunities in connection with the acquisition and/or operation of sports franchises. Although negotiations are occurring, no definitive arrangements are currently in place, and no assurances

can be given that any such transactions will be consummated.

PART II. OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

None

Item 2. CHANGES IN SECURITIES

None

Item 3. DEFAULTS UPON SENIOR SECURITIES

None

Item 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None

Item 5. OTHER INFORMATION

None

Item 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

3(a) Certificate of Incorporation,
as amended (1)

3(b) By-laws, as amended (2)

27 Financial Data Schedule

(b) Reports on Form 8-K

One Report on Form 8-K was filed during the quarter ended
June 30, 1996 as set forth below:

Date of Event: June 3, 1996

Items Reported: 1 and 7

- - - - -

1 Denotes document filed as an exhibit to the Company's Annual Report on Form 10-KSB for the year ended December 31, 1993 and incorporated herein by reference.

2 Denotes document filed as an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 1989 and incorporated herein by reference.

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

EXTECH CORPORATION

Dated: August 14, 1996

By: /s/ Morton L. Certilman

MORTON L. CERTILMAN
President (Chief
Operating Officer and
Principal Financial
Officer)

6-MOS

	Dec-31-1996	
	Jan-01-1996	
	Jun-30-1996	
		1,453,818
		0
		99,510
		0
		6,185
	1,574,589	
		180,334
		0
	1,775,882	
292,812		
		0
0		
		0
		55,914
	1,426,596	
1,775,882		
		0
	533,594	
		0
	518,394	
		0
		0
		0
	15,200	
		0
15,200		
		0
		0
		0
	15,200	
		.01
		.01