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

FORM 10-QSB

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

For the quarterly period ended September 30, 1997

OR

[ ] TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _______ to _______

Commission file number 1-12694

SOLIGEN TECHNOLOGIES, INC.

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

WYOMING	**95-4440838**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

19408 Londelius Street
Northridge, California 91324
(Address of principal executive offices, including zip code)

(818) 718-1221
(Issuer's telephone number, including area code)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the issuer was required to file such reports), and (2) has been subject to filing requirements for the past 90 days. Yes [X] No [ ]

Number of shares of issuer's common stock outstanding as of November 3, 1997: 32,682,338

Transitional Small Business Disclosure Format: Yes [ ] No [X]

SOLIGEN TECHNOLOGIES, INC.
FORM 10-QSB

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PART I: FINANCIAL INFORMATION

Item 1: Consolidated Financial Statements

SOLIGEN TECHNOLOGIES, INC.
CONSOLIDATED BALANCE SHEETS

	September 30, 1997 (unaudited)	March 31, 1997
ASSETS		
Current assets:		
Cash	$ 361,000	$ 506,000
Accounts receivable	577,000	723,000
Inventories	156,000	160,000
Prepaid expenses	98,000	49,000
Total current assets	1,192,000	1,438,000
Property, plant and equipment	2,099,000	2,112,000
Less allowance for depreciation and amortization	1,129,000	1,004,000
Net property, plant and equipment	970,000	1,108,000
Other assets	40,000	34,000
Total assets	$ 2,202,000	$ 2,580,000
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Notes payable	$ 394,000	$ 360,000
Trade accounts payable	192,000	251,000
Payroll and related expenses	116,000	146,000
Accrued expenses	153,000	105,000
Deferred revenue	102,000	131,000
Total current liabilities	957,000	993,000
Notes payable, net of current portion	59,000	100,000
Stockholders' equity:		
Common stock, no par value:		
Authorized -- 50,000,000 shares;		
Issued and outstanding: 32,660,115 at September 30 and 31,434,283 at March 31	10,136,000	9,776,000
Accumulated deficit	(8,950,000)	(8,289,000)
Total stockholders' equity	1,186,000	1,487,000
Total liabilities and stockholders' equity	$ 2,202,000	$ 2,580,000

The accompanying notes are an integral part of these financial statements.

SOLIGEN TECHNOLOGIES, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS (unaudited)

	Three Months Ended September 30,		Six Months Ended September 30,	
	1997	1996	1997	1996
Revenues	$1,264,000	$ 750,000	$ 2,497,000	$ 1,293,000
Cost of revenues	890,000	496,000	1,770,000	963,000
Gross profit	374,000	254,000	727,000	330,000
Operating expenses:				
Research and development	256,000	259,000	519,000	543,000
Selling	129,000	171,000	265,000	350,000
General and administrative	302,000	235,000	512,000	496,000
Non-cash compensation	39,000	--	78,000	--
Total operating expenses	726,000	665,000	1,374,000	1,389,000
Loss from operations	(352,000)	(411,000)	(647,000)	(1,059,000)
Other income (expense):				
Interest income	1,000	--	2,000	11,000
Interest expense	(11,000)	(260,000)	(15,000)	(267,000)
Other income	--	13,000	--	103,000
Total other income (expense)	(10,000)	(247,000)	(13,000)	(153,000)
Loss before provision for income taxes	(362,000)	(658,000)	(660,000)	(1,212,000)
Provision for state income taxes ,	--	--	1,000	--
Net loss	$ (362,000)	$ (658,000)	$ (661,000)	$ (1,212,000)
Net loss per share	$ (0.01)	$ (0.02)	$ (0.02)	$ (0.04)

The accompanying notes are an integral part of these financial statements.

SOLIGEN TECHNOLOGIES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS (unaudited)

	Six Months Ended September 30, 1997	Six Months Ended September 30, 1996
Cash flows from operating activities		
Net loss	$ (661,000)	$ (1,212,000)
Depreciation and amortization	197,000	193,000
Non-cash interest expense on convertible debt	--	250,000
Non cash compensation expense	78,000	--
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	146,000	(22,000)
(Increase) decrease in inventories	42,000	(45,000)
(Increase) decrease in prepaid expenses	(49,000)	11,000
Decrease in trade accounts payable	(59,000)	(237,000)
Decease in payroll and related expenses	(30,000)	(38,000)
Increase in accrued expenses	48,000	27,000
Increase (decrease) in deferred revenues	(29,000)	3,000
(Increase) decrease in other assets	(6,000)	7,000
Net cash used for operating activities	(323,000)	(1,063,000)
Cash flows from investing activities:		
Additions in property, plant and equipment	(97,000)	(57,000)
Net cash used for investing activities	(97,000)	(57,000)
Cash flows from financing activities:		
Principal payments under capital lease obligations	(28,000)	(35,000)
Payments on notes payable	21,000	--
Convertible debentures, net of issuance costs	--	666,000
Exercise of warrants and sale of common stock	282,000	--
Net cash provided by financing activities	275,000	631,000
Net decrease in cash	(145,000)	(489,000)
Beginning of period	506,000	1,189,000
End of period	$ 361,000	$ 700,000

The accompanying notes are an integral part of these financial statements.

SOLIGEN TECHNOLOGIES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Basis of Presentation

The financial information included herein for the three and six-month periods ended September 30, 1997 and 1996 is unaudited; however, such information reflects all adjustments consisting only of normal recurring 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. The financial information as of March 31, 1997, is derived from Soligen Technologies, Inc's 1997 Form 10-KSB and 1997 Form 10-KSB/A-1. The interim consolidated financial statements should be read in conjunction with the consolidated financial statements and the notes thereto included in the Company's 1997 Form 10-KSB and 1997 Form 10-KSB/A-1.

The results of operations for the interim periods presented are not necessarily indicative of the results to be expected for the full year.

Accounting Policies

Reference is made to Note 1 of Notes to Financial Statements in the Company's Annual Report on Form 10-KSB for the summary of significant accounting policies.

Inventories

Inventories are stated at the lower of cost or market on a first-in, first-out basis. Inventories consist of the following:

	September 30, 1997
Raw materials	$ 99,000
Work in process	20,000
Finished goods	37,000
Total inventory	$ 156,000

Deferred Revenue

Deferred revenue relates to the DSPC technology profit center. The deferred revenue related to machine revenues results mainly from the Company's issuance of licenses for the use of the machines, or to support the machines in the form of maintenance, rather than the outright sale of machines.

Debt

Notes Payable and Capital Leases

Notes payable and capital leases consist of the following at September 30, 1997:

Notes payable to former owners of A-RPM, collateralized by equipment and furnishings, bearing interest at 8%, interest payable quarterly, $85,000 currently due and $220,000 due in 2000 (see Part II, Item 1).	$ 305,000
Capital leases	130,000
Other notes to non-related parties, due through 1997	18,000
Total capital leases and notes payable	453,000
Less current portion	(394,000)
Long term portion	$ 59,000

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

Forward-Looking Statement and Associated Risks

This Quarterly Report on Form 10-QSB contains certain forward-looking statements. These forward-looking statements are based largely on the Company's current expectations and are subject to a number of risks and uncertainties. including, among others (i) customer acceptance of the Company's "one stop shop" Parts Now program; and (ii) the Company's ability to obtain additional financing required to support its continuing operations and projected revenue growth. Actual results could differ materially from these forward-looking statements. In view of these risks and uncertainties, there can be no assurance that the forward-looking statements contained in this Quarterly Report on Form 10-QSB will in fact transpire.

The following discussion should be read in conjunction with the accompanying Financial Statements of Soligen Technologies, Inc. ("STI") and its wholly-owned subsidiaries Soligen, Inc. ("Soligen") and Altop, Inc. ("Altop") (collectively referred to herein as the "Company") including the notes thereto, included elsewhere in this Quarterly Report.

Overview

The Company has developed a proprietary technology known as Direct Shell Production Casting ("DSPC®

produce ceramic casting molds for casting the metal parts. It provides for a paradigm shift by enabling engineers to postpone the design or the fabrication of production casting tooling until after the designed part has been functionally tested. This ability, in addition to expediting the design verification and testing, enables manufacturers to save time and money by designing the production casting tools, which are required for large production runs, once and most likely correctly on the first attempt. The DSPC System can be also used to produce the production tooling (usually made of steel), required to cast the parts in larger production runs. To capitalize on this advantage, the Company plans to form a network of rapid response production facilities owned either by the Company or by licensed third parties when sufficient capital is available. This network will operate under the trade name Parts Now® service. These facilities will include DSPC production facilities and foundries with in-house machine shops. The Company intends to establish itself as a leading manufacturer of cast metal parts by providing a seamless transition from CAD file to finished part.

The Company is rapidly transitioning from a development stage company towards its goal of being a manufacturing / service company with continuing revenues from operations. The Company operates four major revenue-generating profit centers:

1. **Parts Now Center ("Parts Now"):** Oversees the "one stop shop" production services from receipt of the customer's CAD file through production. Parts Now is responsible for any contract which requires a combination of the DSPC production center and conventional casting and CNC machining expertise. It consists of program managers who oversee the transition from CAD to first article, to tooling, to conventional casting and later to mass production. It acquires services from the DSPC Production Center and the conventional casting center at cost.

2. **DSPC Production Center:** Revenues result from the production and sale of first article and short run quantities of cast metal parts made directly from the customer's CAD file. This center also provides DSPC parts and tool making services to the Parts Now Center. These services are charged to Parts Now at cost. Revenues for this product line were initiated in the quarter ended March 31, 1995.

3. **Conventional Casting Center ("Production Parts"):** Revenues result from the production, and sale of production quantities of cast and machined aluminum parts for industrial customers. The Company began generating revenues in this area through Altop, its aluminum foundry and machine shop, in July 1994. This center is limited to conventional casting of aluminum parts that do not utilize DSPC made tooling.

4. **DSPC Technology Center:** Revenues result from the sale, lease, license or maintenance of DSPC machines and from participation in research and development projects wherein Soligen provides technological expertise.

Results of Operations

Revenues for the three months ended June 30, 1997, and the three and six months ended September 30, 1997 and 1996 were as follows:

	Three Months Ended June 30, 1997	Three Months Ended September 30, 1997	Three Months Ended September 30, 1996	Six Months Ended September 30, 1997	Six Months Ended September 30, 1996
Parts Now®	$ 368,000	$ 118,000	$ 379,000	$ 486,000	$ 467,000
DSPC® production	550,000	612,000	62,000	1,162,000	190,000
Production parts	218,000	229,000	309,000	447,000	600,000
DSPC® technology	97,000	305,000	--	402,000	36,000
Total revenues	$ 1,233,000	$ 1,264,000	$ 750,000	$ 2,497,000	$ 1,293,000

Revenues for the quarter ended September 30, 1997, were $1,264,000, an increase of 69% compared to $750,000 in the quarter ended September 30, 1996. Compared to the comparable period a year ago, combined revenues for Parts Now and DSPC increased $289,000, or 66% reflecting increased acceptance of the Company's core business in the market place. During the past twelve months the Company experienced high fluctuations within its core business, Parts Now and DSPC production. During the past twelve months the Company experienced fluctuations within its Parts Now and DSPC product lines. Since the Company cannot forecast whether or not DSPC business will result in Parts Now production orders, revenue fluctuations will continue within the core business.

Production parts (Altop) revenues increased from $218,000 for the three months ended June 30, 1997, to $229,000 for the quarter ended September 30, 1997. The Company continues to de-emphasize conventional castings, a low profit margin business segment unrelated to Parts Now business strategy. DSPC technologies' revenues increased from $97,000 for the quarter ended June 30,$2 to $305,000 for the quarter ended September 30,$1997. This increase was the result of a $250,000 machine sale.

Gross profit for the three and six months ended September 30, 1997, was $374,000 and $727,000, respectively, as compared to $254,000 and $330,000 for the three and six months ended September 30,$1996. The change represented an increase of $120,000 or 47 percent for the three months ended September 30, 1997, and an increase of $397,000 or 120 percent for the six months ended September 30, 1997. Gross margin as a percentage of revenues decreased to 30 from 34 percent for the three month periods ending September 30, 1997, and 1996, respectively; gross margin as a percentage of revenues increased to 29 from 26 percent for the six months ended September 30, 1997 and 1996, respectively.

Research and development expenses were $256,000 and $259,000 for the quarters ended September 30, 1997 and 1996, respectively. For the six months ended September 30, 1997 and 1996, research and development expenses were $519,000 and $543,000, respectively.

The Company intends to continue development of the DSPC technology and its applications as a key to its business strategy.

Selling expenses decreased to $129,000 for the quarter ended September 30, 1997, from $171,000 for the quarter ended September 30, 1996. For the six months ended September 30, 1997 and 1996, selling expenses deceased to $265,000 from $350,000. The decrease in selling expenses was the result of the consolidation of Altop's and Soligen's sales departments.

General and administrative expenses increased to $302,000 for the quarter ended September 30, 1997 from $235,000 for the quarter ended September 30, 1996. General and administrative expenses increased to $512,000 for the six months ended September 30, 1997 from $496,000 for the six months ended September 30, 1996. The increase in $67,000 of expenses during the quarter ended September 30, 1997, compared to the similar period in 1996 is principally due to non-recurring expenses associated with entering into the agreement with a commercial lender for a revolving line of credit.

The Company issued stock options to non-employees in fiscal 1996 and, according to SFAS 123, non-cash compensation expense is to be recognized over the expected period of benefit. As a result, the Company recognized $39,000 and $78,000, respectively, in the quarter and six months ended September 30, 1997, and expects to recognize approximately $156,000 non-cash compensation expense during fiscal 1998.

Cash and Sources of Liquidity

As of September 30, 1997, the Company had $938,000 in cash and accounts receivable, a decrease from $1,229,000 at March 31, 1997. At September 30, 1997, the Company reported working capital of $235,000 compared to working capital of $445,000 at March 31, 1997. The decrease in working capital from March 31, 1997 to September 30, 1997, was due primarily to $323,000 in net cash used for operations that was partially offset by $282,000 exercise of warrants and sale of common stock.

In August 1997, the Company entered into an agreement with a commercial lender for an up to $1,000,000 revolving line of credit, collateralized by receivable, inventory and fixed assets. The credit facility provides for the advance rate of 75% of eligible accounts receivable.

The Company requires significant funds to continue operations The Company believes the current cash will only be sufficient to meet its working capital and capital expenditures requirements through December 31, 1997. The Company is actively seeking to raise additional funds; however, there can be no assurance to the success of these efforts.

PART II: OTHER INFORMATION

Item 1: Legal Proceedings

A-RPM Lawsuit and Counterclaim

On June 30, 1994, Altop, Inc., a wholly owned subsidiary of the Company, acquired substantially all of the assets of A-RPM Corporation, an aluminum foundry and machine shop located in Santa Ana, California. The assets were acquired pursuant to an Asset Purchase Agreement between Altop, A-RPM, the Company and Leland K. and Nancy B. Lowry, the sole shareholders of A-RPM. As payment for the assets, Altop delivered an initial cash payment in the amount of $100,000 and three promissory notes in the total principal amount of $220,000. Altop also assumed certain liabilities of A-RPM and agreed to deliver an additional payment of up to $100,000 contingent upon determination of certain net asset values according to a formula set forth in the Asset Purchase Agreement. Altop also entered into an Employment Agreement with Leland K. Lowry.

On March 22, 1995, the Company and Altop commenced an action against A-RPM and the Lowrys in the Superior Court for Orange County, California. The complaint in this action seeks damages for breach of the Asset Purchase Agreement, fraud, and negligent misrepresentation. In addition, the Company and Altop are requesting declaratory relief confirming that the Company and Altop have no further obligation to A-RPM and the Lowrys under the Asset Purchase Agreement, the promissory notes and related transactions. The complaint also seeks an award of attorneys' fees and costs.

A-RPM and the Lowrys have filed an answer to the complaint generally denying the allegations of the complaint. In addition, they have filed a cross-complaint stating actions against the Company and Altop for recovery of the entire principal amount and accrued interest on the three promissory notes delivered in connection with the Asset Purchase Agreement. The cross-complaint also seeks foreclosure on the assets of Altop securing the promissory notes, recovery of $85,000 alleged to be due and payable pursuant to the contingent payment provisions of the Asset Purchase Agreement, and attorneys' fees and costs.

The Company and Altop intend to vigorously defend against the allegations of the cross-complaint and to vigorously pursue recovery against A-RPM and the Lowrys. Pending resolution of this dispute, the Company has provided for a $305,000 liability in its consolidated financial statements. A trial date, set for October 27, 1997, was postponed and rescheduled for December 15, 1997.

Item 4: Submission of Matters to a Vote of Security Holders

On September 19, 1997, the Company held its 1997 Annual Meeting of Shareholders, at which the following actions were taken:

1. The Shareholders elected the five nominees for Director to the Board of Directors of the Company. The five Directors elected were Yehoram Uziel, Mark W. Dowley, Kenneth T. Friedman, Patrick J. Lavelle and Darryl J. Yea (22,784,887, 22,800,125, 22,798,825, 22,746,975 and 22,792,725 shares were voted affirmatively and 150,697, 135,459, 136,759, 188,609 and 142,859 shares abstained from voting for each of the nominees named, respectively).

2. The Shareholders approved an amendment to the Company's 1993 Stock Option Plan to increase the aggregate number of shares of common stock that may be issued thereunder from 3,500,000 to 5,000,000 (18,690,373 shares voted affirmatively, 438,064 shares voted negatively and 60,954 shares abstained from voting on this proposal).

3. The Shareholders ratified the selection of Arthur Anderson LLP as independent public accountants of the Company for the fiscal year ended March 31, 1998 (22,865,300 shares were voted affirmatively, 37,865 shares voted negatively and 32,419 shares abstained from voting on this proposal).

Item 6: Exhibits and Reports on Form 8-K

(a) Exhibits

11.1 Computation of Net Loss Per Share

(b) Reports on Form 8-K

None

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed by the undersigned thereunto duly authorized.

SOLIGEN TECHNOLOGIES, INC.

Date: November 12, 1997

By: /s/ Yehoram Uziel
Yehoram Uziel
President, CEO and Chairman of the Board
(Principal executive officer)

Date: November 12, 1997

By: /s/ Robert Kassel
Robert Kassel
Chief Financial Officer
(Principal financial officer)

Exhibit 11.1

SOLIGEN TECHNOLOGIES, INC.

COMPUTATION OF NET LOSS PER SHARE

	Three Months Ended September 30,		Six Months Ended September 30,	
	1997	**1996**	**1997**	**1996**
Weighted average common shares outstanding	32,601,448	29,738,330	32,021,199	29,738,330
Net loss	$ (362,000)	$ (658,000)	$ (661,000)	$ (1,212,000)
Net loss per share	$ (0.01)	$ (0.02)	$ (0.02)	$ (0.04)