FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

Quarterly Report Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

For the quarterly period ended September 30, 1994

Commission file number 1-10716

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

Delaware	38-2687639
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

315 East Eisenhower Parkway, Ann Arbor, Michigan	48108
(Address of principal executive offices)	(Zip Code)

(313) 747-7025
(Telephone number)

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

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

Class	Shares Outstanding at October 31, 1994
Common Stock, $.01 Par Value	36,644,101

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TRIMAS CORPORATION

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

TRIMAS CORPORATION AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEETS

	September 30, 1994 (Unaudited)	December 31, 1993
Assets		
Current assets:		
Cash and cash equivalents	$ 96,200,000	$ 69,770,000
Receivables	70,080,000	58,710,000
Inventories	77,870,000	76,700,000
Prepaid expenses	9,500,000	9,790,000
Total current assets	253,650,000	214,970,000
Property and equipment	166,330,000	162,230,000
Excess of cost over net assets of acquired companies	149,730,000	152,210,000
Notes receivable	9,090,000	8,160,000
Other assets	24,080,000	26,560,000
Total assets	$602,880,000	$564,130,000
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	$ 19,540,000	$ 20,330,000
Accrued liabilities	36,280,000	30,550,000
Current portion of long-term debt	320,000	320,000
Total current liabilities	56,140,000	51,200,000
Deferred income taxes and other	29,250,000	29,190,000
Long-term debt	238,600,000	238,890,000
Total liabilities	323,990,000	319,280,000
Shareholders' equity:		
Common stock, $.01 par value, authorized 100 million shares, outstanding 36.6 million shares	370,000	370,000
Paid-in capital	154,080,000	154,190,000
Retained earnings	125,810,000	91,700,000
Cumulative translation adjustments	(1,370,000)	(1,410,000)
Total shareholders' equity	278,890,000	244,850,000
Total liabilities and shareholders' equity	$602,880,000	$564,130,000

The accompanying notes are an integral part of the consolidated financial statements.

TRIMAS CORPORATION AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF INCOME
(UNAUDITED)

	Nine Months Ended September 30, 1994	Nine Months Ended September 30, 1993	Three Months Ended September 30, 1994	Three Months Ended September 30, 1993
Net sales	$414,990,000	$335,230,000	$133,590,000	$109,710,000
Cost of sales	(280,830,000)	(229,200,000)	(90,010,000)	(74,690,000)
Selling, general and administrative expenses	(63,460,000)	(52,520,000)	(20,710,000)	(17,790,000)
Operating profit	70,700,000	53,510,000	22,870,000	17,230,000
Interest expense	(9,310,000)	(6,250,000)	(3,380,000)	(2,170,000)
Other income (expense), net	2,710,000	2,350,000	1,300,000	820,000
	(6,600,000)	(3,900,000)	(2,080,000)	(1,350,000)
Income before income taxes	64,100,000	49,610,000	20,790,000	15,880,000
Income taxes	25,960,000	20,090,000	8,420,000	6,430,000
Net income	$ 38,140,000	$ 29,520,000	$ 12,370,000	$ 9,450,000
Preferred stock dividends, MascoTech, Inc.		$ 5,250,000		$ 1,750,000
Earnings available for common stock	$ 38,140,000	$ 24,270,000	$ 12,370,000	$ 7,700,000
Earnings per common share:				
Primary	$1.03	$.83	$.33	$.26
Fully diluted	$.97	$.79	$.32	$.25
Dividends declared per common share	$.11	$.085	$.04	$.03
Weighted average number of common and common equivalent shares outstanding:				
Primary	37,033,000	29,165,000	37,022,000	29,189,000
Fully diluted	42,116,000	37,997,000	42,104,000	40,016,000

The accompanying notes are an integral part of the consolidated condensed financial statements.

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

	Nine Months Ended September 30, 1994	1993
CASH FROM (USED FOR):		
OPERATIONS:		
Net income	$38,140,000	$29,520,000
Adjustments to reconcile net income to net cash from operations:		
Depreciation and amortization	15,810,000	13,560,000
Deferred income taxes	1,100,000	750,000
(Increase) decrease in receivables	(12,300,000)	(12,440,000)
(Increase) decrease in inventories	(1,170,000)	3,000,000
Increase (decrease) in accounts payable and accrued liabilities	5,580,000	5,210,000
Other, net	(120,000)	(1,630,000)
Net cash from (used for) operations	47,040,000	37,970,000
INVESTMENTS:		
Capital expenditures	(16,660,000)	(16,130,000)
Net cash from (used for) investments	(16,660,000)	(16,130,000)
FINANCING:		
Issuance of convertible subordinated debt, net		112,050,000
Retirement of long-term debt	(290,000)	(115,070,000)
Preferred stock dividends paid to MascoTech, Inc.		(10,500,000)
Common stock dividends paid	(3,660,000)	(2,310,000)
Net cash from (used for) financing	(3,950,000)	(15,830,000)
CASH AND CASH EQUIVALENTS:		
Increase (decrease) for the period	26,430,000	6,010,000
At beginning of period	69,770,000	64,770,000
At end of period	$96,200,000	$70,780,000

The accompanying notes are an integral part of the
consolidated condensed financial statements.

Notes to Consolidated Condensed Financial Statements

A. Basis of Presentation

The accompanying unaudited consolidated condensed 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 Rule 10-01 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. In the opinion of management, all adjustments considered necessary for a fair presentation have been included, and such adjustments are of a normal recurring nature.

The year-end condensed balance sheet data was derived from audited financial statements, but does not include all disclosures required by generally accepted accounting principles. For further information, refer to the consolidated financial statements and footnotes thereto included in the Company's annual report on Form 10-K for the year ended December 31, 1993. Certain amounts in the 1993 financial statements have been reclassified to conform with the current presentation.

B. Inventories by component are as follows:

	September 30, 1994	December 31, 1993
Finished goods	$41,050,000	$41,950,000
Work in process	12,270,000	12,230,000
Raw material	24,550,000	22,520,000
	$77,870,000	$76,700,000

C. Property and equipment reflects accumulated depreciation of $101.3 million and $92.3 million as of September 30, 1994 and December 31, 1993, respectively.

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

Results of Operations

Net sales during the third quarter of 1994 equaled $133.6 million, exceeding last year's third quarter sales by 21.8 percent. Sales during 1994's first nine months increased 23.8 percent over the comparable period in 1993 to $415.0 million. Both third quarter and year-to-date sales represent records for the relevant periods as all four of the Company's reporting segments experienced increases in sales over the corresponding periods of 1993. Operating results during 1994 include those of Lamons Metal Gasket Co., acquired in November, 1993.

Net sales of the Towing Systems segment increased 9.8 percent in the third quarter of 1994, and 15.7 percent in the first nine months of 1994. Sales for this segment reached $40.8 million for the third quarter of 1994, and $136.2 million for the first nine months of 1994. Factors contributing to these sales increases include a stronger automotive sales cycle, particularly sales of light trucks and sport utility vehicles which are more apt to use towing system products, strong demand for marine OEM and aftermarket products, and continuing new product introductions. Because of the seasonality of the demand for the products provided by this segment, its sales are concentrated in the second and third quarters of each year.

Third quarter 1994 sales by the Specialty Fasteners segment increased 11.0 percent over 1993's level to $34.0 million. For the first nine months of the year, sales increased 13.9 percent to $105.0 million. Increased sales to heavy-duty truck, distribution, and other original equipment industrial markets have favorably impacted the operating results of this segment. As customers in these markets have continued to consolidate their vendor bases, preferred suppliers like the TriMas Specialty Fasteners companies have increased their market shares.

Sales of the Specialty Container Products segment for the third quarter 1994 were $40.9 million, a 57.7 percent increase over the comparable period in 1993. For the first nine months of the year, sales increased 55.2 percent to $122.3 million. In addition to the impact of the Lamons Metal Gasket acquisition which is reflected in 1994's results, sales of specialty container closures and compressed gas cylinders improved as the industrial and commercial markets requiring these products strengthened along with the general economy.

Corporate Companies segment sales were $17.9 million during the 1994 third quarter, an 11.9 percent increase over 1993's third quarter. Sales for the first nine months of 1994 increased 10.6 percent to $51.5 million. Strong demand for cutting tools, specialty industrial tape products and vapor barrier products used in construction applications contributed to the improved performance of this segment.

The Company's consolidated gross margin for the third quarter of 1994 was 32.6 percent compared to 31.9 percent for the third quarter of 1993. For the first nine months of 1994 and 1993, the gross margins were 32.3 percent and 31.6 percent, respectively. The volume sensitive nature of the Company's operations results in improved gross margins as sales increase. Maintaining high gross margins is an important operating strategy of the Company as it helps maximize earnings growth as a result of sales increases.

The Company's consolidated operating profit for the third quarter of 1994 was $22.9 million, a 32.7 percent increase over the similar period of 1993. The operating margins for the three months ended September 30, 1994 and 1993 were 17.1 percent and 15.7 percent, respectively. For the first nine months of 1994, operating profit increased 32.1 percent to $70.7 million and represented an operating margin of 17.0 percent, compared to operating profit of $53.5 million or 16.0 percent of net sales in 1993. All four of the Company's segments reported an increase in operating profit for the third quarter and the first nine months of 1994. This improvement in profit is primarily the result of successful cost reduction programs employed by the operating units, as well as the previously discussed increased sales volumes including the effect of the Lamons acquisition.

Interest expense increased in both the third quarter and first nine months of 1994 compared to last year principally because of the borrowings associated with the Lamons acquisition and higher prevailing interest rates. Higher interest rates and increased average cash balances resulted in more interest income, the major component of other income, in both 1994 periods.

Earnings available for common stock for the nine months and three months ended September 30, 1994 were $38.1 million and $12.4 million respectively, compared to $24.3 million and $7.7 million respectively, after provisions for preferred stock dividends, in last year's comparable periods. Primary earnings per common share equalled $1.03 on 37.0 million shares for the first nine months of 1994 compared to 1993's primary earnings per common share of $.83 on 29.2 million shares. The increase in common shares outstanding was the result of the conversion of the Company's $100 Convertible Participating Preferred Stock in December, 1993. Fully diluted earnings per common share were $.97 on 42.1 million shares versus $.79 on 38.0 million shares for the nine months ended September 30, 1994 and 1993, respectively. The increase in fully diluted shares was the result of the issuance of 5% Convertible Subordinated Debentures in August, 1993. Primary and fully diluted earnings per common share for the third quarter of 1994 were $.33 and $.32, compared to $.26 and $.25 in 1993's third quarter.

Liquidity, Working Capital and Cash Flows

The Company's financial strategies include maintaining a relatively high level of liquidity. Historically, TriMas Corporation has generated sufficient cash flows from operating activities to fund capital expenditures, debt service and dividends, while maintaining its strategic level of liquidity. At September 30, 1994 the current ratio was 4.5 to 1 and working capital equalled $197.5 million, including $96.2 million of cash and cash equivalents. At December 31, 1993 the current ratio was 4.2 to 1 and working capital equalled $163.8 million. At September 30, 1994, the Company had available credit of $228.0 million under its revolving credit facility.

Cash flows from operations provided $47.0 million and $38.0 million during the first nine months of 1994 and 1993, respectively. These operating cash flows were net of increases in receivables of $12.3 million in 1994 and $12.4 million in 1993. This increase in receivables during the first nine months of each year is due mainly to the seasonality of the Towing Systems segment, and increased sales volumes. Capital expenditures equalled $16.7 million and $16.1 million in 1994 and 1993, respectively. The conversion of the Company's Preferred Stock in December, 1993 and an increase in the dividend rate resulted in common stock dividends paid in 1994 of $3.7 million versus $2.3 million in 1993. No preferred stock dividends have been paid in 1994 compared to $10.5 million paid in the first nine months of 1993.

The Company believes its cash flows from operations, along with its borrowing capacity and access to financial markets, are adequate to fund its strategies for future growth, including working capital, expenditures for manufacturing expansion and efficiencies, market share initiatives, and corporate development activities.

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PART II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits:

11 Computation of Earnings Per Common Share
12 Computation of Ratios of Earnings to Fixed Charges
27 Financial Data Schedule

(b) Reports on Form 8-K:

None were filed during the quarter ended September 30, 1994.

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.

TRIMAS CORPORATION

Date: November 9, 1994

By: /s/William E. Meyers
William E. Meyers
Vice President - Controller
(Chief accounting officer
and authorized signatory)

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Exhibit Index

Exhibit Number	Description of Document
11	Computation of Earnings Per Common Share
12	Computation of Ratios of Earnings to Fixed Charges
27	Financial Data Schedule

Exhibit 11

TRIMAS CORPORATION AND SUBSIDIARIES
COMPUTATION OF EARNINGS PER COMMON SHARE
(In Thousands, Except Per Share Amounts)

	Nine Months Ended September 30, 1994	Nine Months Ended September 30, 1993	Three Months Ended September 30, 1994	Three Months Ended September 30, 1993
Primary:				
Net income	$38,140	$29,520	$12,370	$ 9,450
Preferred stock dividend requirement		(5,250)		(1,750)
Earnings available for common stock	$38,140	$24,270	$12,370	$ 7,700
Weighted average common shares outstanding	36,644	28,867	36,644	28,867
Dilution of stock options	389	298	378	322
Weighted average common and common equivalent shares outstanding after assumed exercise of options	37,033	29,165	37,022	29,189
Primary earnings per common share	$1.03	$.83	$.33	$.26
Fully diluted:				
Net income	$38,140	$29,520	$12,370	$ 9,450
Add after tax convertible debenture related expenses	2,760		920	
Net income as adjusted	$40,900	$29,520	$13,290	$ 9,450
Weighted average common shares outstanding	36,644	28,867	36,644	28,867
Dilution of stock options	389	326	377	326
Addition from assumed conversion of convertible preferred stock		7,778		7,778
Addition from assumed conversion of convertible debentures	5,083	1,026	5,083	3,045
Weighted average common and common equivalent shares outstanding on a fully diluted basis	42,116	37,997	42,104	40,016
Fully diluted earnings per common share	$.97	$.79	$.32	$.25

Exhibit 12

TRIMAS CORPORATION AND SUBSIDIARIES
COMPUTATION OF RATIOS OF EARNINGS TO FIXED CHARGES
(Dollar Amounts in Thousands)

	Nine Months Ended September 30, 1994	Nine Months Ended September 30, 1993	Three Months Ended September 30, 1994	Three Months Ended September 30, 1993
Earnings:				
Income before income taxes	$64,100	$49,610	$20,790	$15,880
Fixed charges	10,030	6,840	3,620	2,350
Earnings before fixed charges	$74,130	$56,450	$24,410	$18,230
Fixed Charges:				
Interest	$ 9,490	$6,430	$3,440	$2,230
Portion of rental expense	660	510	220	150
Fixed charges	$10,150	$6,940	$3,660	$2,380
Ratios of earnings to fixed charges	7.3	8.1	6.7	7.7

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM TRIMAS CORPORATION'S 3RD QUARTER 10-Q AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

QTR-3
DEC-31-1994
SEP-30-1994
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