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

FORM 10-QSB

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

For the quarterly period ended December 31, 1998

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 such filing requirements for the past 90 days. Yes [X] No [ ]

Number of shares of issuer's Common Stock outstanding as of February 3, 1999: 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

	December 31, 1998 (unaudited)	March 31, 1998
ASSETS		
Current assets:		
Cash	$ 644,000	$ 215,000
Accounts receivable	860,000	1,258,000
Inventories	99,000	118,000
Prepaid expenses	43,000	104,000
Total current assets	1,646,000	1,695,000
Property, plant and equipment	2,279,000	2,197,000
Less: allowance for depreciation and amortization	1,644,000	1,350,000
Net property, plant and equipment	635,000	847,000
Other assets	22,000	37,000
Total assets	$ 2,303,000	$ 2,579,000
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Notes payable	$ 557,000	$ 566,000
Trade accounts payable	195,000	485,000
Payroll and related expenses	215,000	186,000
Accrued expenses	364,000	184,000
Deferred revenue	154,000	97,000
Total current liabilities	1,485,000	1,518,000
Notes payable, net of current portion	14,000	25,000
Stockholders' equity:		
Preferred stock, no par value:		
Authorized – 10,000,000 shares		
Issued and outstanding – 2,000 shares at December 31, 1998	957,000	--
Common stock, no par value:		
Authorized – 90,000,000 shares		
Issued and outstanding – 32,682,338 shares		
at December 31, 1998 and at March 31, 1998	10,478,000	10,294,000
Accumulated deficit	(10,631,000)	(9,258,000)
Total stockholders' equity	804,000	1,036,000
Total liabilities and stockholders' equity	$ 2,303,000	$ 2,579,000

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

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

	Three Months Ended December 31,		Nine Months Ended December 31,	
	1998	**1997**	**1998**	**1997**
Revenues	$ 1,317,000	$ 1,188,000	$ 4,124,000	$ 3,685,000
Cost of revenues	1,025,000	818,000	3,189,000	2,588,000
Gross profit	292,000	370,000	935,000	1,097,000
Operating expenses:				
Research and development	251,000	261,000	758,000	780,000
Selling	179,000	143,000	551,000	408,000
General and administrative	233,000	278,000	739,000	790,000
Non-cash compensation	38,000	39,000	114,000	117,000
Total operating expenses	701,000	721,000	2,162,000	2,095,000
Loss from operations	(409,000)	(351,000)	(1,227,000)	(998,000)
Other income (expense):				
Interest income	5,000	--	10,000	2,000
Interest expense	(49,000)	(8,000)	(160,000)	(23,000)
Other income	--	152,000	8,000	152,000
Total other income (expense)	(44,000)	144,000	(142,000)	(131,000)
Loss before provision for income taxes	(453,000)	(207,000)	(1,369,000)	(867,000)
Provision for state income taxes	2,000	--	4,000	1,000
Net loss	$ (455,000)	$ (207,000)	$(1,373,000)	$ (868,000)
Basic and diluted net loss per share	$ (0.01)	$ (0.01)	$ (0.04)	$ (0.03)

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

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

	Nine Months Ended December 31, 1998	Nine Months Ended December 31, 1997
Cash flows from operating activities		
Net loss	$ (1,373,000)	$ (868,000)
Depreciation and amortization	294,000	293,000
Non-cash interest expense	105,000	--
Non-cash compensation expense	114,000	117,000
Changes in assets and liabilities:		
Decrease in accounts receivable	398,000	76,000
Decrease in inventories	19,000	63,000
(Increase) decrease in prepaid expenses	26,000	(7,000)
Increase (decrease) in trade accounts payable	(290,000)	159,000
Increase in payroll and related expenses	29,000	5,000
Increase in accrued expenses	180,000	4,000
Increase in deferred revenues	57,000	38,000
(Increase) decrease in other assets	15,000	(6,000)
Net cash used for operating activities	(426,000)	(126,000)
Cash flows from investing activities:		
Additions in property, plant and equipment	(82,000)	(126,000)
Net cash used for investing activities	(82,000)	(126,000)
Cash flows from financing activities:		
Principal payments under capital lease obligations	(42,000)	(27,000)
Payments on notes payable	(187,000)	(4,000)
Cancellation of notes payable to former owners of A-RPM	--	(205,000)
Exercise of warrants and sale of common stock	--	291,000
Net borrowings under revolving line of credit	179,000	--
Proceeds from issuance of notes payable	30,000	220,000
Preferred stock, net of issuance costs	957,000	--
Net cash provided by financing activities	937,000	275,000
Net increase (decrease) in cash	429,000	23,000
Cash – beginning of period	215,000	506,000
Cash – end of period	$ 644,000	$ 529,000

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 nine month period ended December 31, 1998 and 1997 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, 1998, is derived from Soligen Technologies, Inc.'s Annual Report on Form 10-KSB for the fiscal year ended March 31, 1998. The interim consolidated financial statements should be read in conjunction with the consolidated financial statements and the notes thereto included in the Company's 1998 Form 10-KSB.

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 fiscal year ended March 31, 1998 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:

	December 31, 1998
Raw materials and parts	$ 90,000
Work in process	1,000
Finished goods	8,000
Total inventories	$ 99,000

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 consists of the following at December 31, 1998:

Notes to various investors and related parties, bearing interest at 12 percent, due in April 1999	$ 170,000
Note to GMAC, bearing interest at ½ percent, due in August 2001	21,000
Revolving line of credit, secured by certain assets bearing interest at the bank's prime rate (7 ¾ percent at December 31, 1998) plus 3 percent	325,000
Capital leases	55,000
	571,000
Less – current portion	(557,000)
	$ 14,000

In December 1997, the Company's Board of Directors approved a short-term subordinated promissory note and warrant financing. The offering was completed in a private placement transaction to accredited investors only pursuant to Regulation D and Rule 506 thereunder. A total of six investors loaned a total of $220,000 to the Company in December 1997, and one investor loaned an additional $40,000 to the Company in January 1998. Each investor received a promissory note in the principal amount of the amount loaned, bearing interest at the rate of 12% per annum and due six months from the date of the promissory note. In addition, for each dollar loaned to the Company the investors received a common stock purchase warrant exercisable for two shares of the Company's common stock (resulting in the issuance of warrants exercisable for a cumulative total of 520,000 shares of the Company's common stock). The warrants are exercisable for a period of five years at $0.50 per share. A finder's fee in the amount of $17,000 was paid to a non-employee member of the Company's Board of Directors in consideration of services provided in connection with the financing. One of the investors was a non-employee member of the Company's Board of Directors, one investor was an employee member of the Company's Board of Directors, and the remaining five investors were private investors. On June 12, 1998, the Company extended $220,000 notes payable under the same terms and conditions for an additional 45 days. In connection with this extension, warrants exercisable for 110,000 shares of the Company's common stock were issued to the investors. On July 27, 1998, the Company extended $210,000 notes payable under the same terms and conditions for an additional 90 days. In connection with this extension, warrants exercisable for 210,000 shares of the Company's common stock were issued to the investors. On October 25, 1998, the Company extended $140,000 notes payable for an additional six months under the same terms and conditions except for a change in the exercise price of the issued warrants. In connection with this extension, warrants exercisable for 280,000 shares of the Company's common stock exercisable at $0.375 per share were issued to the investors.

In December 1998, the Company's Board of Directors approved an additional subordinated promissory note and warrant financing in the principal amount of up to $500,000. The offering is for accredited investors only pursuant to Regulation D and Rule 506 thereunder. Such notes are to bear interest at 12% per annum and to be due April 25, 1999 and each such note purchaser to receive warrants to purchase four shares of the Company's Common Stock exercisable at $0.375 per share for each dollar of principal loaned to the Company per year of the term of the note, pro-rated to the stated term of the note. Pursuant to this financing, one investor loaned $30,000 to the Company in November 1998, resulting in the issuance of warrants exercisable for a total of 50,000 shares of the Company's common stock. The warrants are exercisable for a period of five years.

Preferred Stock

On April 24, 1998, the Company entered into a Series A Convertible Preferred Stock Purchase Agreement providing for the private placement of up to 3,000 shares of a newly authorized series of preferred stock. The Company received gross proceeds of $800,000 in April 1998, $100,000 in July 1998 and $100,000 in September 1998 from the sale of 1,600, 200 and 200 shares, respectively, of Series A Preferred Stock to three private investors pursuant to the Series A Convertible Preferred Stock Purchase Agreement

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

Forward-Looking Statements 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; (ii) the possible emergence of competing technologies; and (iii) 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 subsidiary Soligen, Inc. ("Soligen") (collectively referred to herein as the "Company" including the notes thereto, included elsewhere in this Quarterly Report. On December 31, 1998, Altop, Inc., a wholly-owned subsidiary of Soligen Technologies, Inc., was merged into Soligen, Inc. and will operate as Soligen – Santa Ana Division.

Overview

The Company has developed a proprietary technology known as Direct Shell Production Casting ("DSPC®"). This technology is embodied in the Company's DSPC 300 System (the "DSPC System"), which produces ceramic casting molds directly from Computer Aided Design ("CAD") files. These ceramic molds are used to cast metal parts, which conform to the CAD design. This unique capability distinguishes the DSPC System from rapid prototyping technologies that are characterized by the ability to produce non-functional, three-dimensional representations of parts from CAD files.

The Company's DSPC System is based upon proprietary technology developed by the Company and certain patent and other proprietary rights licensed to Soligen, a wholly-owned subsidiary of the Company, by the Massachusetts Institute of Technology ("MIT") pursuant to a license agreement (the "License") dated October 18, 1991, as amended. Pursuant to the License, MIT granted Soligen an exclusive, world-wide license until October 1, 2006 to develop, manufacture, market and sell products utilizing certain technology and processes for the production of ceramic casting molds for casting metal parts. The license continues on a non-exclusive basis thereafter until the expiration of the last patent relating to the licensed technology. The exclusive period may be extended by mutual agreement of both parties.

The Company believes that the rapid mold production capabilities of the DSPC System provide a substantial competitive advantage over existing producers of cast metal parts. Use of the DSPC System eliminates the need to produce tooling (patterns and core boxes) for limited runs of metal parts, thereby reducing both the time and the labor otherwise required to 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, with very little chance for error, on the first attempt.

The DSPC System can also be 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. 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 operates the following 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.

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 generates revenues in this area through its aluminum foundry and machine shop division in Santa Ana, CA. This center is limited to conventional casting and machining 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 September 30, 1998 and the three and nine months ended December 31, 1998 and 1997 were as follows:

	Three Months Ended September 30,	Three Months Ended December 31,		Nine Months Ended December 31,	
	1998	1998	1997	1998	1997
Parts Now®	$ 467,000	$ 601,000	$ 457,000	$ 1,783,000	$ 1,081,000
DSPC® production	419,000	482,000	472,000	1,501,000	1,496,000
Production parts	231,000	204,000	188,000	723,000	635,000
DSPC® technology	50,000	30,000	71,000	117,000	473,000
Total revenues	$ 1,167,000	$ 1,317,000	$ 1,188,000	$ 4,124,000	$ 3,685,000

Combined revenues for Parts Now and DSPC increased 22% to $1,083,000 in the third quarter ended December 31, 1998 from $886,000 for the quarter ended September 30, 1998. Parts Now and DSPC combined revenues increased 17% to $1,083,000 in the third quarter ended December 31, 1998 from $929,000 in the similar quarter last year. Combined revenues for Parts Now and DSPC for the nine months ended December 31, 1998 increased to $3,284,000 from $2,577,000 or 27% over the nine months ended December 31, 1997 reflecting increased acceptance of the Company's core business in the market place.

Production parts revenues decreased to $204,000 for the quarter ended December 31, 1998 or 12% from $231,000 for the quarter ended September 30, 1998. Production parts revenues increased to $204,000 for the three months ended December 31, 1998 from $188,000 or 9% for the similar period last year and revenues increased to $723,000 for the nine months ended December 31, 1998 from $635,000 or 14% for the similar period last year.

DSPC Technology revenues decreased to $30,000 for the quarter ended December 31, 1998 from $50,000 for the quarter ended September 30, 1998. In addition, DSPC Technology revenues decreased to $30,000 from $71,000 for the quarters ended September 30, 1998 and 1997, respectively, and decreased to $117,000 from $473,000 for the nine months ended December 31, 1998 and 1997, respectively. The nine months period ended December 31, 1997 included a $250,000 machine sale. The sale of a DSPC machine is an unusual event and is part of the Company's support of MIT's licensees. Future sales of machines to other MIT licensees will depend on the development of their business.

The Company's total revenues increased to $1,317,000 or 13% for the third quarter ended December 31, 1998 from $1,167,000 for the second quarter ended September 30, 1998. Total revenues for the quarter ended December 31, 1998 increased 11% to $1,317,000 from $1,188,000 for the similar quarter last year. Total revenues for the nine months ended December 31, 1998 increased 12% to $4,124,000 from $3,685,000 for the nine months ended December 31, 1997.

Gross profit decreased to $292,000 for the quarter ended December 31, 1998 from $370,000 in the similar quarter last year. For the nine months ended December 31, 1998, gross profit decreased to $935,000 from $1,097,000 for the similar period last year. During fiscal 1998, the Company assembled a manufacturing capacity to produce at revenue levels in excess of $7 million per annum. The manufacturing capacity was in place during the second quarter of fiscal 1999 during which time a slowdown for prototype parts occurred. This created idle capacity with redundant costs in place. The Company reviewed its cost structure and during the third quarter of fiscal 1999 has taken action to bring costs more in line with production. As a result, gross margin for the quarter ended December 31, 1998 increased to 22% from 8% for the quarter ended September 30, 1998 on an increased revenue of 13% during similar periods.

Research and development expenses were $251,000 and $261,000 for the quarters ended December 31, 1998 and 1997, respectively. For the nine months ended December 31, 1998 and 1997, research and development expenses were $758,000 and $780,000, respectively. The Company intends to continue development of the DSPC technology and its applications as a key to its business strategy.

Selling expenses increased to $179,000 for the quarter ended December 31, 1998 from $143,000 in the similar quarter last year and increased to $551,000 for the nine months ended December 31 1998, from $408,000 in the similar period last year. The increase in selling expenses was the result of costs associated with expansion of the mid-west sales force.

General and administrative expenses decreased to $233,000 for the quarter ended December 31, 1998 from $278,000 for the quarter ended December 31, 1997. General and administrative expenses decreased to $739,000 for the nine months ended December 31, 1998 from $790,000 for the nine months ended December 31, 1997.

The Company issued stock options to non-employees in fiscal 1996 and, according to SFAS No. 123 (Accounting for Stock-Based Compensation), non-cash compensation expense is to be recognized over the expected period of benefit. As a result, the Company recognized $38,000 and $114,000 non-cash compensation expense, in the quarter and nine months ended December 31, 1998 and $39,000 and $117,000 in the quarter and nine months ended for similar periods last year. The Company expects to recognize approximately $150,000 non-cash compensation expense during fiscal 1999.

Interest expense increased to $49,000 in the quarter ended December 31, 1998 from $8,000 in the similar quarter ended last year. For the nine months ended December 31, 1998 and 1997, interest expense increased to $160,000 from $23,000. The Company issued warrants to the short-term debt investors and, according to SFAS No. 123, non-cash interest expense related to the warrants is to be recognized over the expected period of the loan. As a result, the Company recognized $35,000 and $105,000 non-cash interest expense, respectively, in the quarter and nine months ended December 31, 1998. The Company expects to recognize approximately $134,000 non-cash interest expense during fiscal 1999. The additional interest expense in the amount of $14,000 and $55,000 for the quarter and nine months ended December 31, 1998 was the result of payments made for capital leases, other notes payable, short-term debt investors and the commercial lender associated with the revolving line of credit.

Cash and Sources of Liquidity

At December 31, 1998, working capital decreased to $161,000 compared to working capital of $438,000 at September 30, 1998, $838,000 at June 30, 1998 and $177,000 at March 31, 1998. At December 31, 1998, the Company had $1,504,000 in cash and accounts receivable, compared to cash and accounts receivable of $1,430,000 at September 30, 1998, $1,758,000 at June 30, 1998 and $1,473,000 at March 31, 1998.

In April 1998, the Company received net proceeds of $775,000 from the sale of 1,600 shares of Series A Preferred Stock to two private investors. The Series A Convertible Preferred Stock Purchase Agreement, as amended, between the Company and these investors, permitted additional sales of Series A Preferred Stock to be completed prior to September 8, 1998. In July 1998, the Company received additional net proceeds of $88,000 from the sale of 200 shares of Series A Preferred Stock to the same two private investors pursuant to the Series A Convertible Preferred Stock Purchase Agreement. In addition, in September 1998, the Company received additional net proceeds of $94,000 from the sale of 200 shares of Series A Preferred Stock to a third investor pursuant to the Series A Convertible Preferred Stock Purchase Agreement.

In August 1997, the Company entered into an agreement with a commercial lender for an up to $1 million revolving line of credit, collateralized by accounts receivable, inventory and fixed assets. The credit facility provides for an advance rate of 75% of eligible accounts receivable. In July 1998, the agreement was extended for an additional year to provide the $1 million revolving line of credit at an advance rate of 80% of eligible accounts receivable. At December 31, 1998, the Company had $746,000 accounts receivables, net of Soligen’s Santa Ana Division accounts receivables; historically 35% to 45% accounts receivable have been eligible for borrowing from the commercial lender.

The Company requires significant funds to expand and continue operations. Based upon current projections the Company believes the current cash on hand and its revolving line of credit will be sufficient to meet its working capital and capital expenditures requirements through August 1999. The Company is actively seeking to raise additional funds; however, there can be no assurance as to the success of these efforts.

Impact of Year 2000

The Company reviewed its hardware and related software used for operations and financial management and made necessary changes to become Year 2000 compliant. The incremental costs to become compliant did not have a material effect on the Company's consolidated financial statements. The Company has and continues to contact major vendors and other third parties that do business with the Company to check on the status of their efforts to resolve any Year 2000 issues. The Company will prepare a contingency plan, where possible and as necessary, based on Year 2000 readiness of major vendors and customers. The Company is presently unable to assess the likelihood that it will experience significant operational problems due to unresolved third party issues; there can be no assurance that these entities will achieve timely Year 2000 compliance and therefore could have a material impact on the Company's operations.

PART II: OTHER INFORMATION

Item 2. Changes in Securities and Use of Proceeds

On April 24, 1998, the Company entered into a Series A Convertible Preferred Stock Purchase Agreement providing for the private placement of up to 3,000 shares of a newly authorized series of preferred stock. The Company received gross proceeds of $800,000 in April 1998, $100,000 in July 1998 and $100,000 in September 1998 from the sale of 1,600, 200 and 200 shares, respectively, of Series A Preferred Stock to three private investors pursuant to the Series A Convertible Preferred Stock Purchase Agreement.

In December 1997, the Company's Board of Directors approved a short-term subordinated promissory note and warrant financing. The offering was completed in a private placement transaction to accredited investors only pursuant to Regulation D and Rule 506 thereunder. A total of six investors loaned a total of $220,000 to the Company in December 1997, and one investor loaned an additional $40,000 to the Company in January 1998. Each investor received a promissory note in the principal amount of the amount loaned, bearing interest at the rate of 12% per annum and due six months from the date of the promissory note. In addition, for each dollar loaned to the Company the investors received a common stock purchase warrant exercisable for two shares of the Company's common stock (resulting in the issuance of warrants exercisable for a cumulative total of 520,000 shares of the Company's common stock). The warrants are exercisable for a period of five years at $0.50 per share. A finder's fee in the amount of $17,000 was paid to a non-employee member of the Company's Board of Directors in consideration of services provided in connection with the financing. One of the investors was a non-employee member of the Company's Board of Directors, one investor was an employee member of the Company's Board of Directors, and the remaining five investors were private investors. On June 12, 1998, the Company extended $220,000 notes payable under the same terms and conditions for an additional 45 days. In connection with this extension, warrants exercisable for 110,000 shares of the Company's common stock were issued to the investors. On July 27, 1998, the Company extended $210,000 notes payable under the same terms and conditions for an additional 90 days. In connection with this extension, warrants exercisable for 210,000 shares of the Company's common stock were issued to the investors. On October 25, 1998, the Company extended $140,000 notes payable for an additional six months under the same terms and conditions except for a change in the exercise price of the issued warrants. In connection with this extension, warrants exercisable for 280,000 shares of the Company's common stock exercisable at $0.375 per share were issued to the investors.

In December 1998, the Company's Board of Directors approved an additional subordinated promissory note and warrant financing in the principal amount of up to $500,000. The offering is for accredited investors only pursuant to Regulation D and Rule 506 thereunder. Such notes are to bear interest at 12% per annum and to be due April 25, 1999 and each such note purchaser to receive warrants to purchase four shares of the Company's Common Stock exercisable at $0.375 per share for each dollar of principal loaned to the Company per year of the term of the note, pro-rated to the stated term of the note. Pursuant to this financing, one investor loaned $30,000 to the Company in November 1998, resulting in the issuance of warrants exercisable for a total of 50,000 shares of the Company's common stock. The warrants are exercisable for a period of five years.

Item 5. Other Information

1. See Notes to Consolidated Financial Statements and Management's Discussion and Analysis of Financial Condition and Results of Operations – Cash and Sources of Liquidity above for description of sale of additional shares of Series A Preferred Stock that occurred in April, 1998, July 1998 and September 1998.

2. The Nasdaq-Amex staff has notified the Company of their determination to proceed with the filing of an application with the SEC to strike the Company's Common Stock from listing and registration on the Emerging Company Marketplace of the Exchange. This determination is based on the Company not meeting the continued listing guidelines. This notification indicated that with a stock of $0.31 per share and shareholders' equity of $1,200,000 at September 30, 1998, the Company did not meet the continued listing guideline requiring shareholders' equity of $2,000,000 (if the market price of a company's common shares is below $1.00 per share). The Company has appealed this determination and a hearing is to be held March 29, 1999. In the event the Company's Common Stock is delisted from the American Stock Exchange's Emerging Company Marketplace, trading in the Company's Common Stock would thereafter be conducted in the over-the-counter market in the so-called "pink sheets" published by the National Quotation Bureau or the OTC Bulletin Board of the National Association of Securities Dealers, Inc. and on the Vancouver Stock Exchange under the symbol SGT. As a consequence of such delisting by Nasdaq-Amex, the Company

may find it more difficult to raise additional funds.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits: The following exhibits are filed as part of this report:

Exhibit Number	Description
11.1	Computation of Net Loss Per Share
27	Financial Data Schedule for the Quarter Ended December 31, 1998

(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: February 10, 1999

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

Date: February 10, 1999

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 December 31,		Nine Months Ended December 31,	
	1998	**1997**	**1998**	**1997**
Weighted average number of shares outstanding	32,682,000	32,679,000	32,682,000	32,240,000
Net loss	$ (455,000)	$ (207,000)	$ (1,373,000)	$ (868,000)
Net loss per share – basic and diluted	$ (0.01)	$ (0.01)	$ (0.04)	$ (0.03)