UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-KSB

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended March 31, 1996
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.
(Name of small business issuer in its charter)

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

19408 Londelius St., Northridge, California 91324
(Address of principal executive offices) (Zip Code)
Issuer's telephone number: 818/718-1221

Securities registered under Section 12(b) of the Exchange Act:

Title of each class	**Name of each exchange on which registered**
Common stock without par value	**American Stock Exchange (Emerging Company Marketplace)**

Securities registered under Section 12(g) of the Exchange Act: None

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 registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-B contained in this form, and no disclosure will be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB. [X]

The issuer's revenues for the fiscal year ended March 31, 1996 were $2,815,000.

The aggregate market value of the voting stock held by non-affiliates computed by reference to the price at which the stock was sold, or the average bid and asked price of such stock, as of May 30, 1996 was approximately $29,192,000.

As of May 30, 1996, there were 29,738,330 shares of common stock, no par value, outstanding.

The index to exhibits appears on page 17 of this document.

DOCUMENTS INCORPORATED BY REFERENCE

The Registrant has incorporated into Part III of this Form 10-KSB by reference portions of its Proxy Statement for the 1996 Annual Meeting of Shareholders to be held on July 29, 1996.

SOLIGEN TECHNOLOGIES, INC.
1996 FORM 10-K ANNUAL REPORT
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PART I

ITEM 1. DESCRIPTION OF BUSINESS

Business Development

The Company is a Wyoming corporation which was organized in 1993. The Company's wholly-owned subsidiary, Soligen, Inc. ("Soligen"), is a Delaware corporation which was organized in 1991 and commenced operations in 1992. The Company is the successor to an inactive British Columbia corporation organized in 1988 under the name Pars Resources, Ltd., which name was subsequently changed to WDF Capital Corp. In connection with its reincorporation in Wyoming in 1993, the Company changed its name to Soligen Technologies, Inc. The Company's principal executive office is located at 19408 Londelius Street, Northridge, California 91324, telephone (818) 718-1221. References to the Company include Soligen Technologies, Inc., and it's subsidiaries and predecessors unless the context indicates otherwise.

The Company is transitioning from the development stage to that of a revenue generating company, but has not yet generated sufficient revenues to cover expenses, and has no assurance of the timing and amount of future market opportunities. The Company will need to raise additional capital to fund future operations. See Part II, Item 6, Management's Discussion and Analysis - Sources of Liquidity.

Business of Company

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 molds directly from Computer Aided Design ("CAD") files. These ceramic molds are used to cast metal parts and tooling which conform to the CAD design. The Company's DSPC System is based upon proprietary technology developed by the Company and certain patent and other proprietary rights licensed to Soligen, Inc. ("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 to develop, manufacture, market and sell products utilizing certain technology and processes for the production of metal parts patented by MIT until October 1, 2000, and on a non-exclusive basis thereafter until the expiration of the last patent relating to the licensed technology.

The Company believes that it is the only producer of parts and tooling with access to technology which allows for the rapid creation of ceramic molds directly from CAD files. These ceramic molds are then used to cast fully-functional parts conforming to the CAD design. This unique capability distinguishes the DSPC System from rapid prototyping technologies which are characterized by the ability to produce non-functional, three-dimensional representations of parts from CAD files.

The Company believes that the rapid mold production capabilities of the DSPC System provide a substantial competitive advantage over existing producers of metal parts and tooling. Use of the DSPC System eliminates the need to produce tooling for limited runs of metal parts, thereby reducing both the time and the labor otherwise required to produce the parts. For larger production runs, the DSPC System is used to produce the tooling required to cast the parts. To capitalize on this advantage, the Company's "Parts Now" strategy is to form a network of rapid response production facilities owned either by the

Company or by licensed third parties. These facilities include DSPC production facilities and foundries with in-house machine shops. The Company intends to establish itself as a leading manufacturer of metal parts by providing a seamless transition from CAD file to finished part.

To further its Parts Now strategy, in June 1994 the Company acquired an aluminum foundry and machine shop located in Santa Ana, California. The first DSPC production center for Parts Now has been in operation at the Company's headquarters in Northridge, California since January 1995. At the DSPC production facility, the Company uses CAD files obtained from customers to produce ceramic molds. The CAD file can be transmitted by modem, Internet or delivery of a standard disk or tape. Metal is then cast into the ceramic molds in a foundry to yield metal parts identical to the respective customer CAD files. The parts are cast either at the Company's aluminum foundry or at other foundries.

Parts Now, when fully operational, will vertically integrate rapid response centers (DSPC Centers) which operate the DSPC® technology with pilot production plants which are comprised of conventional foundries with on-site machine shops. Parts Now will produce the first article parts directly from the customer's CAD file without patterns or tooling. The customer is free to experiment with different designs or alloys. To better and more quickly service its customers, the Company has established a Parts Now on-line service on the Company's dedicated computerized bulletin board and a web site on the Internet.

Core Technology

DSPC® is based on Three Dimensional Printing ("3DP™"), a technology invented at the Massachusetts Institute of Technology in Cambridge, Massachusetts. 3DP™ automatically generates solid objects directly from computer-aided design ("CAD") files by selectively gluing together particles of powdered material with a liquid binder.

Objects made with 3DP™ are constructed from hundreds of very thin layers. The fabrication process involves three steps per layer. First, the CAD model is processed to yield a cross-section of the object. Second, a layer of fine powder is spread by a roller mechanism. Third, an ink-jet printhead moves across the layer, depositing binder in regions corresponding to the cross-section. The binder penetrates the pores between the powder particles and adheres the particles together into a rigid structure. Once a given layer is completed, the CAD model is sectioned again at a slightly higher position, and the process is repeated until all layers are formed.

By using ceramic materials similar to those traditionally used for "investment" or "lost wax" castings, 3DP™ technology can be used to directly fabricate a ceramic casting mold, or "shell." This process is known as Direct Shell Production Casting.

Direct Shell Production Casting System

Soligen's Direct Shell Production Casting system consists of two pieces of equipment: a Shell Design Unit (SDU) and a Shell Production Unit (SPU). The SDU is a computer workstation with graphics capability. Using Soligen's proprietary software, the SDU enables the operator to generate the mold design from the CAD file of the desired part. The mold design is then transferred to the SPU. The SPU is a computer-controlled system that generates the ceramic mold.

To create a typical cast part, the part is first designed using commercially available CAD software. Next, the CAD file is transferred to the SDU of Soligen's DSPC system. The part design is the basis for

designing a casting mold. As with all metal casting processes, a gating or "plumbing" system must be created to distribute molten metal from a central pouring cup to the cavities of the casting mold. Several parts may be cast at once, by joining individual molds with gating into a "tree" or multi-cavity structure. With DSPC®, the part or tree is constructed on the screen of the SDU, appearing as a graphical representation, and the design may be adjusted as needed to ensure distribution of the molten metal.

Once a satisfactory mold has been designed, the computer file is used to automatically generate the mold in the Shell Production Unit (SPU). The SPU includes a bin which contains powder. The bin is fitted with a piston which can be moved vertically in precise increments under computer control. Above the piston is a hopper containing finely-divided ceramic powder. A roller located at the upper edge of the bin rotates while moving across the piston. Also above the piston is an ink-jet printhead. The printhead is supplied with a liquid binder and is moved across the piston surface under computer control, ejecting tiny drops of binder downward in a pattern which corresponds to the layer cross-section.

The binder adheres the powder particles into a rigid structure. Once a given layer is completed, the computerized model of the mold is sectioned again, and the cycle is repeated until all layers are formed. The unbound ceramic powder is removed, and the completed ceramic mold is fired and filled with molten metal. Once the metal has cooled and solidified, the mold is broken away from the cast metal part, which can then be finished and inspected.

In summary, the process for creating cast parts or tooling with Soligen's DSPC® system is as follows:

- Designer creates CAD model of desired part on commercially available software
- Design is transferred as computer file to SDU of DSPC system
- Casting mold or "shell" is designed on SDU using Soligen's proprietary software
- Mold design is used by SPU to generate ceramic shell under computer control
- SPU produces ceramic molds from hundreds of very thin ceramic layers
- Mold is cleaned of excessive powder, fired and poured with molten metal
- Mold is broken away from cooled part
- Part is finished (sanded, machined or sandblasted) as needed

A DSPC® mold may contain integral ceramic cores, allowing a hollow metal part to be produced. Virtually any molten metal can be cast in DSPC® molds. Parts have already been manufactured in such materials as aluminum, cobalt-chrome, stainless steel, brass, bronze, copper, zinc, magnesium, ductile iron and inconel (a high-performance nickel alloy).

Markets

The total annual market size for cast parts is approximately $120 billion worldwide, according to the American Foundrymen's Society. The Company believes that approximately 10% of the total casting market consists of metal parts in sizes which can be cast using DSPC® machines. The Company plans to initially focus on producing metal parts that weigh less than 50 pounds, with complex geometry, thin walls and high dollar value per part. Some of the Company's primary customers include companies in industries such as automotive, construction equipment, aerospace, and other Original Equipment Manufacturers ("OEM's"). Customers who could maximize the employment of Soligen's technological competitive advantage typically consist of companies which experience rapid rates of technological innovation, frequent design changes, and requirements to expedite "time to market". Their products consist of metal parts which typically contain complex geometric configurations, especially on the interior of the part.

Another potential market for the DSPC® technology is preforms for complex machined parts. Many metal parts are produced today by cutting away material from a metal block. Parts with complex geometry often require many hours of "rough machining," an operation which removes most of the raw material as a preliminary step before achieving the final dimensions of the part. The Company believes that supplying manufacturers of machined parts with cast parts ready to be machined to finished dimensions will allow those customers to save many machining hours, reduce cost of materials, reduce waste, and cut time to market.

Another potential market is cast tooling, such as molds for producing plastic parts. Tooling is usually made of metal, has complex geometry (sometimes including internal cavities for cooling), and is typically produced in small quantities. The Company believes that utilizing DSPC® technology will enable tooling manufacturers to cut costs and reduce time to market.

Distribution

Sales and distribution activities for the Company are currently handled by management and staff at the Company's facilities in California and in an additional sales office which was opened in fiscal 1996 in Tama, Iowa. The Iowa office directs the Company's sales and technical support requirements to sales representatives in the Midwest. The Company plans to open additional regional sales offices, initially in the USA and later, internationally. To exploit the opportunities in territories which currently are not covered by the Company's sales staff, the Company is in the process of forming a network of independent manufacturer's representatives.

In fiscal 1996, the Company launched its Parts Now on-line service. Parts Now on-line is available through the Company's dedicated bulletin board, as well as on the Internet. With this service, the Company enters electronic commerce environment and enables customers to receive price quotations, order parts, and monitor the progress of their orders via modem.

Current Status

In the first three years, the Company has focused its efforts on the commercialization of the DSPC equipment which is now substantially completed. During this development program, the Company sold and installed developmental DSPC machines (Alpha version) at United Technologies Pratt & Whitney Aircraft Division ("P&W"), Johnson & Johnson ("J&J"), Sandia National Laboratories and Ashland Chemical of Columbus, Ohio (a division of Ashland Oil). These systems were sold pursuant to agreements providing for comprehensive co-development and testing programs which enabled the Company to refine its software and hardware. As a result of this co-development program, the Company completed the development of the DSPC 300 machine. All of the Alpha DSPC machines are now retired from operations. P&W, J&J and Ashland each operate a DSPC 300 machine. In January 1995, the Company established the first DSPC center at the Company's headquarters in Northridge, California.

Five DSPC 300 machines and one DSPC 300G (a new version of the DSPC 300, on which development was completed during fiscal 1996) are operational at the Company's headquarters for production of ceramic molds for the first Parts Now center in Northridge, California, as well as for ongoing testing and development work. This Parts Now service center has been providing a limited number of cast metal parts to industrial customers since its commercial launch in January 1995. Additional DSPC 300 machines are being assembled and tested at Soligen.

The Company is participating in a number of government-funded research consortia and other programs. Soligen is a subcontractor to the Massachusetts Institute of Technology (“MIT”) as part of an Advanced Research Projects Agency (“ARPA”) funded program to produce structural ceramics using molds made by

engineers are designing a new product and building and testing a prototype, manufacturing engineers who are working closely with the selected vendor, are designing the production tools and are assisting the design team with advice on how to lower the production cost of the part.

Another major factor that affects production is avoiding inventories of obsolete parts. Consequently, customers have begun to request Just-in-Time ("JIT") deliveries, a process where the supplier delivers parts to the assembly line in quantities sufficient only to meet the assembly requirements. This minimizes the inventories of parts on-site. In order to avoid delays due to defects, the companies have requested that parts suppliers improve their quality standards. Parts suppliers are expected to closely monitor the part's configuration (minimize variations among parts made from different tooling and closely control implementation of design changes in the part).

Companies are starting to demand "full service supply" which means that they expect mass producers as a part of their production contract to deliver short run production parts at late stages of the production development. This new concept creates the need for out-sourcing. The customer expects the part maker to take responsibility for tool making, and also demands short runs. This forces the mass producer to produce parts on an alternate casting line because the expenses associated with setting up a volume production line for short runs are prohibitive.

DSPC, being an automated, patternless casting process that permits the production of parts without tooling, makes the conventional casting techniques obsolete for creating a first article part. The combination of DSPC technology with traditional casting and machining perfectly positions Parts Now to address competitively the growing need for carrying a new design smoothly from an idea to production, and thereby significantly reduces time to market. Parts Now provides the customer with the ability to improve the part design along with the following advantages:

Designer can rapidly incorporate design changes and concurrently produce and test several versions of any design.
No need to compromise on rapid prototyping, designer can request the same part to be made from different alloys.
Designer can now refer to casting even for short runs.
Design and fabrication of production tools can be delayed until after the design is verified.

Management believes that since DSPC® creates a usable part directly and automatically from the designer's CAD file, it is the only existing fabrication method in which "what you see (on the computer screen) is what you get (as a cast part)." Management believes that, by eliminating tooling, this unique ability reduces the possibility of errors introduced during the course of normal production, thereby improving process quality.

DSPC is loosely related to another technology called rapid prototyping, pioneered several years ago by 3D Systems, Inc. of Valencia, California. Rapid prototyping allows the production of three-dimensional models or prototypes directly from CAD files. DSPC is similar to rapid prototyping in the sense that a solid object is produced directly from a computer-generated model. However, with DSPC, molds of virtually any shape are directly generated from CAD designs by a fast, automated process. These molds are then used to cast conventional metals such as steel and aluminum into functional parts. In the case of rapid prototyping, the end product is not a usable part, but a plastic, wax or paper model or pattern. Therefore, the Company believes that DSPC technology competes with conventional casting and machining processes, and not directly with rapid prototyping processes.

Management believes that the Company's competitive environment consists of three components, differentiated in accordance with the size of the required production runs. Each production level is comprised of distinct competitors and unique characteristics. The three components are large scale, or mass production, medium scale production and small scale production.

Mass production is defined as production series of quantities in excess of a few thousand identical parts annually. Industries which require mass production runs include automotive, construction equipment and OEM suppliers. Their needs are generally met by large foundries which are certified as "approved vendors" for their customers. Mass production contracts are generally awarded during the design phase of a part, and include services ranging from first article parts through toolmaking, short pilot runs and, ultimately, mass production runs.

Industries such as aerospace and capital equipment manufacturing typically utilize medium scale production vendors. These industries generally require parts which are more expensive to produce than components which are mass produced, and are often more complex in design. For certain customers in this category, especially for aerospace companies, certification of compliance with military and federal aerospace standards are required as a pre-requisite to become a vendor. This requirement represents a temporary barrier for competing with foundries who are already certified and approved as vendors to such companies. Traditional foundries which contain in-house machine shops are the primary competitors for these customers.

CNC job shops, model makers and very small job shop foundries provide custom made parts and short production runs. These parts tend to be expensive and time consuming since these industries must still create tools and patterns for small quantities of parts.

The Company believes it offers distinct advantages over all three market segments due to its ability to provide customers with a higher quality product in less time, at a lower cost.

Raw Material Availability and Suppliers

The Company generally attempts to procure materials and components for the DSPC machine from multiple sources. However, the ink-jet printhead which the Company uses in the commercial DSPC machine is commercially available from a single U.S. manufacturer. The Company believes that in case the supplier discontinues this line of printheads, it could develop a printhead using commercially available components from alternative sources without a material effect on the DSPC machine cost or performance. Management believes that such effort would be completed within approximately eight to ten months. The Company has started to acquire printheads for its inventory to enable it to continue its DSPC operations, in the event that the supplier decides to discontinue its printhead line used by the Company's DSPC technology. The Company does not expect any changes in its on-going relationship with this supplier which are in very good standing. An extended interruption in the supply of printheads could have an adverse effect on the Company's results of operations.

Raw materials used in the DSPC process are generally available from several suppliers in the quantities needed. Multiple vendor sources for critical raw materials and supplies have been established over the past two years. Major suppliers for ceramic powder include Norton Chemical and Grand Northern. Liquid binder is currently procured from Eka Noble. Other potential vendor sources are currently being identified and qualified.

The Parts Now service center generally obtains services and supplies for metal casting from a foundry and machine shop in Northridge, California. Multiple alternative vendor sources have been established over the last six months. Multiple vendor sources have also been established over the last six months for post-processing of parts and nondestructive testing of parts.

Raw materials for castings used by Altop are generally available from numerous suppliers in the quantities needed. Major suppliers for aluminum include Alcoa Aluminum and Kaiser Aluminum. Major suppliers for other sand casting supplies include Ashland Chemical and IFSCO.

Major Customers

During Fiscal 1996, the Company had one customer which accounted for 13% of revenues. See Note 1 to the Financial Statements.

Patents, Trademarks, Licenses and Royalties

The Company's DSPC process is based on Three Dimensional Printing (3DP™), which is patented by MIT. Pursuant to the terms of a License Agreement dated October 18, 1991 and amendments thereto (collectively referred to herein as the "License"), MIT granted to Soligen the exclusive worldwide license to exploit its proprietary 3DP technology for the metal casting and sanitary products fields of use. Soligen enjoys the exclusive benefits of the License until October 1, 2007. The Company has received patents for technological improvements to the original MIT process, and has filed additional patent applications to protect its technology.

Under the terms of the License, MIT has the responsibility to apply for, seek prompt issuance of, and maintain during the term of the License the patent rights covered by the License in the United States, Canada, Japan and countries covered by a patent filing in the European Patent Office. MIT has fulfilled its responsibilities in this regard. The License provides that all costs associated with these matters will be borne by licensees. The License also provides that, with respect to any improvements to the technology developed by Soligen, such improvements will be the property of Soligen provided that Soligen will license such improvements to MIT on a royalty-free non-exclusive basis.

Under the terms of the License, Soligen is required to generate the following minimum sales levels:

Period	Amount of Net Sales
October 1991 to October 1994	$ 1,000,000
November 1994 to October 1996	$ 2,500,000
November 1996 to October 1997	$ 7,250,000
November to October thereafter	$ 15,000,000

In addition, Soligen has an obligation to pay MIT a royalty in the amount of 4.5% of "Net Sales" on a quarterly basis, subject to a minimum annual royalty of $50,000 due on December 31, 1994 and December 31 in each year thereafter. The License provides that if Soligen fails to perform the sales minimums or pay the obligations delineated above, such failure will be grounds for MIT to terminate the License on 90 days' notice to Soligen. Soligen has met the requirement for minimum net sales of $1 million for the period

between November 1991 to October 1994, and $2.5 million for the period between November 1994 to October 1996.

In addition to the License, Soligen has developed proprietary software which is integrated into the DSPC system. Soligen has applied for one U.S. patent on a mechanical innovation for the DSPC machine; this application is pending as of the date of this form**.**

The term "3DP" is a trademark of MIT. The terms "DSPC" and "Parts Now" are trademarks of Soligen, registered in the U.S.

Research and Development Expenditures

During the fiscal year ended March 31, 1994, the Company expended approximately $1.3 million on research and development of proprietary technology relating to 3DP™ and the DSPC® machines. During the fiscal year ended March 31, 1995, the Company expended approximately $1.1 million on research and development. During the fiscal year ended March 31, 1996, the Company expended approximately $941 thousand on research and development. Through the license from MIT, Soligen has also obtained the benefit of extensive research and development expenditures at MIT relating to the technology in Soligen's fields of use during these three fiscal years.

The Company continues to devote time and resources to research and development to enhance the capabilities of, and develop new applications for, the DSPC system and Parts Now network. This development effort has resulted in significant advances to the original MIT based technology.

Cost and Effect of Environmental Regulations

The Company is in substantial compliance with all applicable Federal, state and local environmental regulations. The Company generates, as do all casting manufacturers, certain waste materials it must dispose of, including materials for which disposal requires compliance with environmental protection laws. The Company complies with various environmental protection laws regarding disposal of certain waste materials. The Company's cost of waste disposal is not significant in comparison with the Company's revenues.

Employees

Soligen currently employs thirty full-time engineers, scientists, managers and staff. Soligen also employs four temporary employees and two consultants. Soligen has agreements with seven independent sales representatives. Soligen's employees are not covered by any collective bargaining agreement. The Company believes that relations with Soligen's employees are good.

Altop currently employs thirty-one full time employees. Altop's employees are not covered by any collective bargaining agreement. The Company believes that relations with Altop's employees are good.

ITEM 2. DESCRIPTION OF PROPERTY

All of Soligen's manufacturing and administration activities are based in a 10,000 square foot facility and a 900 square foot facility in Northridge, California. Soligen leases these facilities from unrelated third parties. The Company believes that the facilities may not be adequate for planned operations within the next twelve months, and expects to seek larger facilities in fiscal 1997.

All of Altop's manufacturing and administration activities are based in a 20,000 square foot facility in Santa Ana, California. Altop leases this facility from an unrelated third party. The Company believes that this facility will be adequate for planned operations for the next twelve months.

ITEM 3. 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.

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

No matters were submitted to a vote of the Company's security holders during the quarter ended March 31, 1996.

PART II

ITEM 5. MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

As of May 30, 1996, there were approximately 1939 shareholders of record of STI's common stock. STI's common stock is listed for trading on the Vancouver Stock Exchange under the symbol SGT, where trading resumed on April 19, 1993, after completion of the acquisition of Soligen. On March 10, 1994, STI also became listed on the American Stock Exchange's Emerging Company Marketplace under the symbol SGT. Market price information for trading of STI's common stock is set forth in the following table:

Fiscal quarter ended	High sales price ($ U.S.)	Low sales price ($ U.S.)	High sales price ($ Canadian) (2)	Low sales price ($ Canadian) (2)
June 30, 1993 (1)	$2.75 (3)	$1.77 (3)	$3.45	$2.22
Sept. 30, 1993	2.27 (3)	1.78 (3)	3.00	2.35
Dec. 31, 1993	2.19 (3)	1.75 (3)	2.98	2.19
Mar. 31, 1994 -	2.00	1.24	2.75	1.59
June 30, 1994	1.94	0.69	1.89	0.89
Sept. 30, 1994	1.06	0.56	1.44	0.80
Dec. 31, 1994	0.81	0.50	1.09	0.69
Mar. 31, 1995	0.75	0.50	1.00	0.69
June 30, 1995	1.50	0.63	1.35	0.77
Sept. 30, 1995	1.38	0.63	1.51	0.95
Dec. 31, 1995	1.00	0.63	1.29	0.85
Mar. 31, 1996	0.88	0.69	1.15	0.95

(1) Data for quarter ended June 30, 1993 covers trading beginning on April 19, 1993.
(2) Source for sales prices: C. M. Oliver & Co. Ltd., Vancouver, British Columbia, Canada.
(3) U.S. equivalent. Source for exchange rate information: The Los Angeles Times.
(4) Includes trading on the American Stock Exchange's Emerging Company Marketplace after listing on March 10, 1994.

No dividends have been declared or paid for the last three fiscal years. As a condition of concluding the acquisition of Soligen, STI gave an undertaking to the Vancouver Stock Exchange not to declare or pay any dividends on its common stock for the period of time expiring at the earlier of the date upon which the last of the escrow shares are earned out of escrow, or October 31, 1997, being the date of cancellation of any such escrow shares which have not earned out (see Part III, Item 11).

ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

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 Annual Report.

Overview

As of March 31, 1996, the Company is continuing its transition from a development stage company into a manufacturing/service company with continuing revenues from operations. The Company operates three major revenue-generating profit centers:

1. **DSPC Production Profit 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 profit center also provides DSPC part and tool making services to the Parts Now Profit Center. These services are charged to Parts Now at cost. Revenues for this product line were initiated in the quarter ended March 31, 1995.

2. **Conventional Casting Profit Center (“Production Parts”):** Revenues result from the production, and sale of production quantities of cast and machined metal parts for industrial customers. The Company began generating revenues in this area through Altop, its aluminum foundry and machine shop, in July 1994. This profit center also provides conventional casting of aluminum parts utilizing DSPC made tooling, CNC machining, finishing and inspection services to the Parts Now Profit Center. These services are charged to Parts Now at cost.

3. **Parts Now Profit 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 the 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.

Additionally, the Company has another profit center (“DSPC Technology Profit Center”) which combines two peripheral activities that generate revenues:

1. **Machine Revenues** result from the distribution and maintenance of DSPC machines. Part of the Company’s strategy is to enable companies in certain applications to operate DSPC machines in-house. Initially this involved the sale of machines, to be used in a specific application (such as the sale of a DSPC machine to Johnson & Johnson Orthopedics for the sole purpose of producing orthopedic implants), subsequently evolving into the generation of revenues through licensing, maintenance and upgrades.

2. **Engineering Contracts** revenues involve participation in research projects wherein Soligen provides technological expertise. Revenues in this product line were initiated in the quarter ended December 31, 1994 as a part of the Company’s participation in several industrial consortia that included MIT and certain companies seeking to further develop applications in advanced manufacturing. This product line may be discontinued after fiscal year 1996.

Results of Operations

From fiscal year 1995 to fiscal year 1996, operating revenues increased by $1,163,000 from $1,652,000 to $2,815,000, gross margins increased from $417,000 to $872,000 and operating expenses decreased from $2,388,000 to $2,338,000. In fiscal 1996, the Company wrote off goodwill of $657,000 applicable to the A-RPM purchase. In addition, $41,000 related to the development of its Web site was also written off. These write-offs increased the Company's net loss for fiscal 1996 to $2,172,000 compared to a net loss of $1,992,000 for fiscal 1995.

The Company's operating revenues for fiscal 1995 and fiscal 1996, classified by product lines, are as follows (in $000's):

	Fiscal 1995	**Fiscal 1996**
DSPC Production Center/Parts Now	$ 94	$ 797
Production Parts	1,046	1,472
Machine Revenues	383	283
Engineering Contracts	129	263
Total Operating Revenues	$1,652	$2,815

Research and Development expenses decreased by $172,000, from $1,113,000 in fiscal 1995 to $941,000 in fiscal 1996. The reduction was due to costs associated with the DSPC Production Center product line which entered the operational stage in January 1995. Prior to that time, all costs associated with the DSPC product line were wholly developmental in nature.

Selling expenses increased by $250,000 in fiscal 1996. This increase resulted from the formation of a sales staff which was largely responsible for the increase in revenues in the current year. Initial sales were generated from customers who learned about Soligen from trade publications as well as through referrals from satisfied customers. Subsequently, the Company has been training a direct sales force. In some territories, independent sales representatives have been engaged to augment the direct sales force. At the end of fiscal 1996, the Company had three sales representatives (each limited to his own accounts), and four direct sales engineers, two of whom are still in training. The Company is actively seeking a Vice-President of Sales to expand its sales force.

General & Administrative expenses decreased by $128,000, from $1,018,000 to $890,000, from fiscal 1995 to fiscal 1996, largely as a result of the decline in legal expenses associated with the settlement of the DTM Lawsuit. This represents a reduction from 62% of revenues in fiscal 1995 to 32% of revenues in fiscal 1996.

The Company increased capital assets by $408,000 in fiscal 1996, including the construction of two DSPC machines. To meet quality requirements related to DSPC technology and to better support the Parts Now product line, Altop sold four CNC machines and purchased three others.

MIT License: Soligen and the Massachusetts Institute of Technology ("MIT") are parties to an agreement whereby MIT granted Soligen an exclusive license to develop, manufacture, market and sell products utilizing technology and processes patented by MIT. The Company is in the process of negotiating certain amendments to the license agreement. The Company incurred $25,000 as its share of the costs associated

with filing and maintenance of all patent rights in fiscal 1996. There were no royalties paid to MIT in fiscal 1996

Sources of Liquidity

The Company requires significant funds to continue operations. As of March 31, 1996, the Company had working capital of approximately $660,000. Since March 31, 1995, the Company has funded its operations through the private sale of common stock. The Company received net proceeds of $536,000 from the private placement of common stock which was completed in June 1995, net proceeds of $2,211,000 from the private placement of common stock completed in September 1995 and net proceeds of $405,000 from the private placement of common stock completed in January 1996. The Company does not expect current sources of liquidity to be adequate beyond September 30, 1996. Therefore, until the Company operates profitably, as to which no assurance can be given, it will be necessary for the Company to obtain outside funding to fund operations. The Company does not have any bank financing, and it does not believe that financing from a bank or other commercial lender is presently available to it. The Company is pursuing other sources of outside funds. However, no assurance can be given that the Company will be able to obtain the necessary funds when such funds are required, and the failure to obtain necessary funding may have a materially adverse effect upon its business and operations. Furthermore, if the Company is able to raise such funds, the terms on which funds may be made available to the Company may result in substantial dilution or may be otherwise on terms not favorable to the Company.

ITEM 7. FINANCIAL STATEMENTS

See Item 13 below and the index therein for a listing of the financial statements and supplementary data filed as part of this report.

ITEM 8. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

PART III

ITEM 9. DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS; COMPLIANCE WITH SECTION 16(a) OF THE EXCHANGE ACT

The Company will file a definitive proxy statement ("Proxy Statement") relating to its 1996 Annual Meeting of Shareholders pursuant to and in accordance with section 240.14a-101 within 120 days after the end of the fiscal year covered by this form. The information required by this item is incorporated by reference to the Proxy Statement under the headings "Management" and "Compliance with Section 16(a) of the Securities Exchange Act of 1934."

ITEM 10. EXECUTIVE COMPENSATION

The information required by this item is incorporated by reference to the Proxy Statement under the heading "Executive Compensation."

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The information required by this item is incorporated by reference to the Proxy Statement under the heading "Voting Securities and Principal Holders Thereof."

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The information required by this item is incorporated by reference to the Proxy Statement under the heading "Related Party Transactions."

ITEM 13. EXHIBITS, FINANCIAL STATEMENTS, SCHEDULES AND REPORTS ON FORM 8-K

(a) 1. **Financial Statements**

The following financial statements are filed as part of this report:

(b) 2. **Financial Statement Schedules**

All other schedules are omitted because they are not required or the required information is shown in the financial statements or notes hereto.

(a) 3. **Exhibits**

Exhibit 2.1	Share Exchange Agreement and Amendments	*
Exhibit 2.2	MIT Share Acquisition Agreement	*
Exhibit 2.3	Escrow Agreement	*
Exhibit 2.4	Pooling Agreement	*
Exhibit 3.1	Articles of Incorporation of Soligen Technologies, Inc.	*
Exhibit 3.2	Bylaws of Soligen Technologies, Inc.	*
Exhibit 3.3	First Amendment to Bylaws	***
Exhibit 4.1	Modification Agreement (Pooling)	34
Exhibit 4.2	Subscription Agreement for Private Placement	##
Exhibit 4.3	Subscription Agreement for Private Placement	##
Exhibit 10.1	Finder's Fee Agreement	*
Exhibit 10.2	Fiscal Agency Agreement	*
Exhibit 10.3	License Agreement and Amendments	*
Exhibit 10.4	Amendment to License Agreement	#
Exhibit 10.5	Alpha Agreements	*
Exhibit 10.6	Ashland Chemical Marketing Agreement	*
Exhibit 10.7	Stock Option Plans	*
Exhibit 10.8	Subscription Agreement for Private Placement	**

Exhibit 10.9	Letter of Agreement with Consultant	**
Exhibit 11.1	Statement of Per Share Earnings	36
Exhibit 16	Notice and Letters re: Change in Certifying Accountant	****
Exhibit 21.1	Subsidiaries of the Registrant	37
Exhibit 24.1	Power of Attorney of Dr. Mark W. Dowley	38
Exhibit 24.2	Power of Attorney of Patrick J. Lavelle	39
Exhibit 24.3	Power of Attorney of Darryl J. Yea	40

* Incorporated by reference to the Registration Statement on Form 10-SB (Reg. No. 1-12694) filed by the Company on December 20, 1993.

** Incorporated by reference to Amendment No. 1 to the Registration Statement on Form 10-SB (Reg. No. 1-12694) filed by the Company on February 7, 1994.

*** Incorporated by reference to Amendment No. 2 to the Registration Statement on Form 10-SB (Reg. No. 1-12694) filed by the Company on February 22, 1994.

**** Incorporated by reference to Form 8-K/A-2 filed by the Company on August 30, 1994.

Incorporated by reference to Form 10-KSB filed by the Company on June 16, 1995.

Incorporated by reference to Form 10-QSB filed by the Company on November 14, 1995.

(b) No reports on Form 8-K were filed during the quarter ended March 31, 1996.

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Board of Directors and Shareholders of
Soligen Technologies, Inc.:

We have audited the accompanying consolidated balance sheet of Soligen Technologies, Inc. and subsidiaries (a Wyoming Corporation - collectively, the Company) as of March 31, 1996, and the related consolidated statements of operations, shareholders' equity and cash flows for each of the two years in the period ended March 31, 1996. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Soligen Technologies, Inc. and subsidiaries as of March 31, 1996, and the results of their operations and their cash flows for each of the two years in the period ended March 31, 1996 in conformity with generally accepted accounting principles.

ARTHUR ANDERSEN LLP

Los Angeles, California
May 28, 1996

SOLIGEN TECHNOLOGIES, INC.

CONSOLIDATED BALANCE SHEET - MARCH 31, 1996

ASSETS

CURRENT ASSETS:	
Cash	$1,189,000
Accounts receivable, net of allowance for doubtful accounts of $87,000	447,000
Inventories	167,000
Prepaid expenses	55,000
Total current assets	1,858,000
PROPERTY, PLANT AND EQUIPMENT, net of accumulated depreciation and amortization	1,257,000
OTHER ASSETS	63,000
Total Assets	$3,178,000

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES:	
Accounts payable and accrued expenses	$ 780,000
Deferred revenue	38,000
Notes payable	380,000
Total current liabilities	1,198,000
NOTES PAYABLE, net of current portion	146,000
COMMITMENTS AND CONTINGENCIES (Notes 5 and 7)	
STOCKHOLDERS' EQUITY:	
Common stock, no par value	
Authorized--50,000,000 shares	
Issued and outstanding--29,738,330 shares	8,631,000
Accumulated deficit	(6,797,000)
Total stockholders’ equity	1,834,000
Total Liabilities and Stockholders’ Equity	$3,178,000

The accompanying notes are an integral part of this balance sheet.

SOLIGEN TECHNOLOGIES, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

FOR THE YEARS ENDED MARCH 31, 1995 AND 1996

	1995	1996
REVENUES:		
DSPC® production center	$ 94,000	$ 797,000
Production parts	1,046,000	1,472,000
Machine revenues	383,000	283,000
Engineering contracts	129,000	263,000
Total revenues	1,652,000	2,815,000
COST OF REVENUES:	1,235,000	1,943,000
Gross margin	417,000	872,000
Research and development	1,113,000	941,000
Selling	257,000	507,000
General and administrative	1,018,000	890,000
Other	-	41,000
Write-off of goodwill and related acquisition costs	-	657,000
Total expenses	2,388,000	3,036,000
Loss from operations	(1,971,000)	(2,164,000)
OTHER INCOME (EXPENSE):		
Interest income	20,000	46,000
Interest expense	(39,000)	(49,000)
Loss before provision for income taxes	(1,990,000)	(2,167,000)
Provision for state income taxes	2,000	5,000
Net loss	$(1,992,000)	$(2,172,000)
Net loss per share	$(0.09)	$(0.08)

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

SOLIGEN TECHNOLOGIES, INC.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

FOR THE YEARS ENDED MARCH 31, 1995 AND 1996

	Common Stock		Accumulated	
	Shares	Amount	Deficit	Total
BALANCE, March 31, 1994	20,873,330	$4,307,000	$(2,633,000)	$ 1,674,000
Shares issued pursuant to a private placement (December 1994)	1,390,000	663,000	-	663,000
Shares issued pursuant to a private placement (January 1995)	570,000	272,000	-	272,000
Shares issued pursuant to a private placement (March 1995)	430,000	205,000	-	205,000
Shares issued pursuant to options exercised (March 1995)	10,000	3,000	-	3,000
Net loss for the year	-	-	(1,992,000)	(1,992,000)
BALANCE, March 31, 1995	23,273,330	5,450,000	(4,625,000)	825,000
Shares issued pursuant to DTM settlement (April 1995)	50,000	29,000	-	29,000
Shares issued pursuant to private placement (June 1995)	1,090,000	536,000	-	536,000
Shares issued pursuant to private placement (September 1995)	4,500,000	2,211,000	-	2,211,000
Shares issued pursuant to private placement (February 1996)	825,000	405,000	-	405,000
Net loss for the year			(2,172,000)	(2,172,000)
BALANCE, March 31, 1996	29,738,330	$8,631,000	$(6,797,000)	$ 1,834,000

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

SOLIGEN TECHNOLOGIES, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED MARCH 31, 1995 AND 1996

	1995	1996
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$(1,992,000)	$(2,172,000)
Adjustments to reconcile net loss to net cash used in operating activities:		
Write-off of goodwill and related acquisition costs	-	657,000
Depreciation and amortization	274,000	323,000
Changes in assets and liabilities, net of effects from purchase of A-RPM:		
Decrease (increase) in accounts receivable	15,000	(340,000)
Decrease (increase) in inventories	(55,000)	65,000
Decrease (increase) in prepaid expenses and other assets	(36,000)	(20,000)
Increase (decrease) in accounts payable and accrued expenses	35,000	(82,000)
Increase (decrease) in deferred revenues	71,000	(188,000)
Net cash used in operating activities	(1,688,000)	(1,757,000)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of property, plant and equipment	(478,000)	(408,000)
Payment for purchase of A-RPM	(100,000)	-
Sale of investments	1,470,000	-
Net cash provided by (used in) investing activities	892,000	(408,000)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments on line of credit	(450,000)	-
Principal payments under capital lease obligations	(51,000)	(97,000)
Repayments of notes from officers and shareholders	(35,000)	-
Payments on notes payable	(31,000)	(32,000)
Proceeds from issuance of debt	15,000	-
Proceeds from private placements, net of issuance costs	1,140,000	3,152,000
Cash received from options/warrants exercised	3,000	-
Net cash provided by financing activities	591,000	3,023,000
Net increase (decrease) in cash	(205,000)	858,000
Cash at beginning of period	536,000	331,000
Cash at end of period	$ 331,000	$ 1,189,000

The accompanying notes are an integral part of these financial statements

SOLIGEN TECHNOLOGIES, INC.

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 1996

1. Summary of Significant Accounting Policies

The Company and Nature of the Business

Soligen Technologies, Inc. (STI) is a Wyoming corporation which operates through its wholly owned subsidiaries Soligen, Inc. (Soligen) and Altop, Inc. (Altop) (collectively referred to as the Company).

Soligen is located in Northridge, California. It was founded to develop and commercialize a new technology for creating metal parts and tooling from computer designs. This technology, Direct Shell Production Casting (DSPC®), is based on Three Dimensional Printing (3DP™) a patented process licensed to Soligen by the Massachusetts Institute of Technology.

In June 1994, Altop was incorporated in Delaware. On June 30, 1994, Altop acquired substantially all of the assets of A-RPM Corporation, an aluminum foundry and machine shop. Altop immediately commenced operations as an aluminum foundry and machine shop in the same location as A-RPM had operated, in Santa Ana, California.

The Company will need to raise additional capital to fund future operations. In addition, the Company faces certain other risks, including those described in Note 7.

DSPC® is used to fabricate complex ceramic molds (shells) of virtually any shape directly from a computer-aided design (CAD) data file, for casting functional metal parts. The Company has four product lines:

A. DSPC® Production Center - The production and distribution of “first article” metal parts and tooling for quantity production.

B. Production Parts - The quantity production of metal parts for commercial users.

C. Machine Revenues - The production and distribution of DSPC® machines to select customers.

D. Engineering Contracts - Studies exploring new uses of related technology.

Principles of Consolidation

The consolidated financial statements include the accounts of STI, Soligen and Altop. All material intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingencies at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Credit Risk

The Company's accounts receivable are unsecured and the Company is at risk to the extent such amounts become uncollectable. As of March 31, 1996, no single customer represented more than 10 percent of accounts receivable. The Company's largest customer represented approximately 13 percent of Revenues during fiscal 1996. For the year ended March 31, 1995, no single customer represented more than 10 percent of Revenues.

Inventories

Inventories are stated at the lower of cost or market on a first-in, first-out basis. Inventories include raw materials, work in process and finished goods.

Property, Plant and Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and amortization. Depreciation and amortization are computed on a straight-line basis over the expected lives of the assets, as follows:

Description	Depreciation Life
Office furniture and fixtures	3 years
Plant machinery and equipment	5 years
DSPC® machines	2 to 3 years
Leasehold improvements	Lesser of asset life or term of lease

Property, plant and equipment consist of the following at March 31, 1996:

Office furniture and fixtures	$ 54,000
Plant machinery and equipment	997,000
DSPC® machines	556,000
Leasehold improvements	12,000
Construction in progress - DSPC® machines	263,000
	1,882,000
Less--Accumulated depreciation and amortization	(625,000)
	$1,257,000

Goodwill

Goodwill represents the unamortized difference between the acquisition cost of A-RPM and the fair value of net assets acquired. The goodwill is amortized on a straight-line basis over eight years. See also discussion below of "New Authoritative Pronouncements."

Income Taxes

The Company accounts for income taxes in accordance with Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes" (SFAS No. 109). Under SFAS No. 109, deferred income taxes are recognized for the tax consequences in future years of differences between the tax bases of assets and liabilities and their financial reporting amounts at each year-end, based on enacted tax laws and statutory tax rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances have been established to reduce deferred tax assets to the amount that could be anticipated to be realized. Income tax expense is the tax payable for the period and the change during the period in deferred tax assets and liabilities. The income tax expense for 1995 and 1996 is limited to minimum payments due for each year due to the Company's large operating loss carryforward. The Company's deferred tax asset and valuation reserve are as follows:

	March 31, 1996
Deferred tax assets:	
Net operating loss carryforward	$2,354,000
Amortization of goodwill	230,000
Vacation accrual	15,000
Unicap	3,000
Allowance for bad debts	35,000
Other	7,000
	2,644,000
Deferred tax liabilities:	
Depreciation	(5,000)
Total net deferred tax assets	2,639,000
Valuation allowance	(2,639,000)
Total	$ - .

There is no assurance that the Company will be profitable in future periods, therefore, a valuation allowance has been recognized for the full amount of the deferred tax asset for 1996. As of March 31, 1996, the Company has a federal income tax operating loss carryforward of approximately $6,100,000 which expires through 2011. Under Section 382 of the Internal Revenue Code, the availability of net operating loss and credit carryforwards may be reduced in the event of a greater than 50 percent change in ownership over a three-year period. In the event that such a change is deemed to have occurred, the Company's use of net operating losses and credits may be limited.

Research and Development

Research and development expenditures are charged to operations as incurred.

Loss Per Share

Loss per share is based on the weighted average number of shares outstanding during each year. The weighted average number of shares used in the computation of loss per share for 1995 and 1996 was 21,352,000 and 26,559,000, respectively.

New Authoritative Pronouncements

In March 1995, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 121, "Accounting for the Impairment of Long-Lived Assets and Long-Lived Assets to be Disposed Of," which required impairment losses to be recorded on long-lived assets used in operations when indications of impairment are present and the undiscounted cash flows estimated to be generated by those assets are less than the assets' carrying amount. The Company adopted SFAS 121 in 1996 and the impact on the Company's financial position and results of operations was significant to the fourth quarter and fiscal year ended March 31, 1996. Unamortized goodwill and related acquisition costs relating to the A-RPM acquisition were written off pursuant to SFAS 121 guidelines and management's assessment of the remaining (impaired) value of the assets. (See also Note 7).

In October 1995, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation" (SFAS 123). SFAS 123 encourages, but does not require, a fair value based method of accounting for employee stock options or similar equity instruments. It also allows an entity to elect to continue to measure compensation cost under Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees," (APB 25) but requires pro forma disclosure of net income and earnings per share as if the fair value based method had been applied. The Company will be required to adopt this standard effective in 1996. While the Company is still evaluating SFAS 123, it currently, expects to elect to measure compensation cost under APB 25 and comply with the pro forma disclosure requirements. Therefore, SFAS 123 will have no impact on the Company's financial position or results of operations.

Statements of Cash Flows

For purposes of the statements of cash flows, the Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

The Company paid $39,000 and $35,000 for interest in fiscal 1995 and 1996, respectively. The Company paid $2,000 and $5,000 for income taxes in fiscal 1995 and 1996, respectively. During fiscal 1996, the Company issued 50,000 shares pursuant to the DTM settlement (Note 7).

Reclassifications

Certain reclassifications have been made to the 1995 financial statements to conform to the 1996 presentation.

2. Inventories

Inventories consist of the following as of March 31, 1996:

Raw materials and parts	$ 82,000
Work in process	50,000
Finished goods	35,000
Total inventories	$167,000

3. Deferred Revenue

Deferred revenue relates to both the machine and customer parts revenues. The deferred revenue related to machine revenues results mainly from the Company's issuance of licenses to use the machines, or to support the machines in form of maintenance, rather than the outright sales of machines.

4. Debt

Debt consists of the following at March 31, 1996:

Notes to former owners of A-RPM, collateralized by equipment and furnishings, bearing interest at 8 percent, interest payable quarterly, due fiscal 1997 (Note 7)	$305,000
Capital leases (Note 5)	206,000
Other notes to non-related parties, bearing interest from 8.125 percent to 9.7 percent, due at various dates through 1997	15,000
	526,000
Less--Current portion	380,000
	$146,000

The debt matures as follows:

1997	$380,000
1998	56,000
1999	60,000
2000	30,000
	$526,000

5. Commitments and Contingencies

The Company leases certain property and equipment under capital and operating lease agreements. The leases expire at various dates through 2000. A capital lease obligation of $137,000 was incurred when the Company entered into a lease for new equipment during 1995. Future minimum lease payments under capital lease obligations and noncancelable operating leases at March 31, 1996 are summarized as follows:

	Capital Leases	Operating Leases
1997	$ 82,000	$100,000
1998	65,000	13,000
1999	69,000	-
2000	29,000	-
Total minimum lease payments	245,000	$113,000
Less--Amount representing interest	(39,000)	
Present value of future minimum lease payments	206,000	
Less--Current portion	(64,000)	
	$142,000	

Total rent expense was approximately $102,000 and $117,000 in 1995 and 1996, respectively.

6. Acquisition of A-RPM

On June 30, 1994, STI's wholly-owned subsidiary, Altop, Inc., acquired substantially all of the assets of A-RPM Corporation, a foundry and machine shop located in Santa Ana, California. The acquisition price was $420,000, with $100,000 paid in cash and $320,000 in notes ($100,000 of which is contingent upon determination of certain net asset values according to a formula set forth in the Asset Purchase Agreement), plus assumption of stated liabilities (see Note 7).

The following unaudited pro forma results of operations were prepared under the assumption that the acquisition had occurred at the beginning of fiscal 1995. The historical results of operations for the companies were combined and pro forma adjustments made to present the effects of goodwill amortization and interest expense on debt related to the acquisition:

Soligen Technologies, Inc.
Unaudited Pro Forma Condensed Summary Consolidated
Statement of Operations

	1995
Revenues	$ 2,328,000
Net loss	$(2,015,000)
Net loss per share	$ (0.09)

7. Contingent Liabilities

MIT License - Soligen and the Massachusetts Institute of Technology (MIT) entered into an agreement under which MIT granted Soligen an exclusive license to develop, manufacture, market and sell products utilizing technology and processes patented by MIT in the metal casting and sanitary products fields of use. Terms of said agreement state that Soligen must reimburse MIT for any fees incurred by MIT for the prosecution, filing and maintenance of all patent rights.

Under the terms of the license, Soligen is required to generate the following minimum net sales levels:

Period	Amount of Net Sales
October 1991 to October 1994	$ 1,000,000
November 1994 to October 1996	$ 2,500,000
November 1996 to October 1997	$ 7,250,000
November to October thereafter	$15,000,000

In addition, Soligen has an obligation to pay to MIT a royalty in the amount of 4.5 percent of "Net Sales" on a quarterly basis, subject to a minimum annual royalty of $50,000 due on December 31, 1994 and December 31 in each year thereafter. The license provides that if Soligen fails to reach the sales minimums or pay the obligations delineated above, such failure will be grounds for MIT to terminate the license on 90 days' notice to Soligen.

The Company has met the requirement for minimum net sales of $1 million for the period between November 1991 to October 1994 and November 1994 to October 1996. MIT has notified the Company that any royalties payable under the license agreement may be applied by the Company to the payment of the costs of defending the DTM lawsuit (see below), through May 31, 1995.

Legal Activity - DTM - DTM Corporation (DTM) of Austin, Texas, has filed a lawsuit against Soligen in the Western District of Texas, alleging infringement of a United States patent (Housholder patent) of which DTM is the assignee. Soligen was served on February 17, 1994 with notice of this action. Soligen answered with a motion to dismiss for lack of jurisdiction, and on September 9, 1994 was notified that DTM had voluntarily dismissed the complaint in Texas, and filed a similar action in Delaware.

In October 1994, Soligen filed a counterclaim alleging that the DTM patent is invalid due to "prior art." In December 1994, Soligen filed a motion in Delaware to transfer the action to California and an additional motion to recoup court costs and attorney's fees arising from the Texas action. In January 1995, Soligen filed a petition with the United States Patent Office for re-examination of the Housholder patent. In March 1995, the United States Patent Office granted Soligen's petition for re-examination of the Housholder patent.

In April 1995, Soligen signed a Memorandum of Understanding with DTM and MIT to settle the patent infringement lawsuit and to resolve, without further litigation by DTM, related patent disputes between DTM and MIT that impacted both Soligen and other MIT licensees of Three Dimensional Printing (3DP™) technology. The settlement provides for the issuance of 50,000

shares of the Company's common stock to DTM, and an additional 50,000 shares contingent upon the final outcome of the pending petition for re-examination of the Housholder patent. Soligen has issued 50,000 shares and has provided $39,000 for the contingent issuance, which is included in accounts payable and accrued liabilities. The Company believes the accrued amount will be sufficient to cover the costs related to this matter.

Legal Activity - A-RPM - On March 22, 1995, Altop filed an action against A-RPM and its shareholders for breach of contract and misrepresentations related to its June 30, 1994 Asset Purchase Agreement of A-RPM. In May 1995, A-RPM filed a response and counter-complaint and no trial date has been scheduled.

Legal Activity - Other - The Company is involved in the normal course of its business in various other litigation matters. Although the Company's counsel is unable to determine at the present time whether the Company will have any liability in any of the pending matters, the Company believes that none of the pending matters will have an outcome material to the financial condition or business of the Company.

8. Stock Option Plan

The Company has a stock option plan that provides for incentive and non-incentive stock options to employees, officers, directors and consultants responsible for the success of the Company. During fiscal 1995, the Board of Directors increased the options available under the plan to 3,500,000 shares.

Under the Plan, incentive stock options can be granted at prices not less than 100 percent of the fair market value at the date of grant while nonqualified options can be granted at not less than 85 percent of the fair market value at the date of grant. Options are generally exercisable in fourths, commencing one year after the grant date and on the second, third and fourth anniversary of the grant date, respectively.

Stock option information with respect to the Company's stock option plan is as follows:

	Common Shares Reserved	Available for Grant	Options Outstanding	Option Price Per share	Aggregate Option Price
March 31, 1995	3,500,000	2,253,000	1,247,000	$0.74-1.62	$1,081,000
Granted	-	(2,130,000)	2,130,000	0.75	1,598,000
Canceled	-	15,000	(15,000)	1.62	(24,000)
March 31, 1996	3,500,000	138,000	3,362,000	$0.74-1.62	$2,655,000

Option granted prior to March 31, 1995 were issued in Canadian dollars at $1.00 Canadian ($0.74 U.S. at March 31, 1996) and $2.20 Canadian ($1.62 U.S. at March 31, 1996) per share. All options granted subsequent to March 31, 1995 are issued in U.S. dollars. Of the options issued, 676,000 were exercisable at March 31, 1996.

9. Private Placements

In fiscal 1995, STI initiated a private placement of 2,390,000 units at a price of $.50 per unit. The private placement grossed $1,195,000, net of $55,000 in issuance costs. Each unit consisted of one common share, one-half Class “A” and one-half Class “B” warrant.

During the year ended March 31 ,1996, STI initiated three private placements grossing $3,528,000, net of $376,000 in issuance costs. The June 1995 private placement of 1,090,000 units was at a price of $0.55 per unit. Each unit issued in connection with the June 1995 private placement consisted of one common share, one Class “C” warrant and one-fifth Class “D” warrant. The September 1995 and January 1996 private placements of 53.25 units was at a price of $55,000 per unit. Each unit consisted of 100,000 common shares and 100,000 Class “E” warrants. Any investor who purchased in aggregate at least 20 units, the holder received Class “G” warrants. The Class “G” warrants shall be redeemable if the closing price of the common stock is at least $1.75 for ten consecutive trading days. In the event of such redemption, the exercise price for the Class “G” warrant shall be reduced to $0.95 per share. In connection with the September 1995 and February 1996 private placements, the Company issued 533,000 Class “F” warrants to the placement agent.

A summary of the common stock purchase warrants as of March 31, 1996 is as follows:

Class	Exercise Price	Exercise Term	Number of Warrants
A	$1.25	12 months	1,195,000
B	$2.50	12 months	1,195,000
C	$1.50	12 months	1,090,000
D	$0.75	12 months	218,000
E	$1.50	36 months	3,325,000
F	$0.55	60 months	533,000
G	$1.00	36 months	2,000,000

The exercise term commences the date of issuance; however, in February 1996 the board of directors extended the exercise term for the Class “A”, “B”, “C” and “D” warrants to be 12 months from the date of a S-3 filing, which is expected to occur in July 1996.

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on this 17th day of June, 1996.

SOLIGEN TECHNOLOGIES, INC.
(Registrant)

By: /s/Yehoram Uziel

Yehoram Uziel, President, CEO, CFO,
Director, and Chairman of the Board

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

Signature	Title	Date
/s/Yehoram Uziel Yehoram Uziel	President, CEO, CFO, Director, and Chairman of the Board (principal executive officer and principal financial officer)	June 17, 1996
/s/Walter Schulte Walter Schulte	Chief Accounting Officer (principal accounting officer)	June 17, 1996
* /Dr. Mark W. Dowley Dr. Mark W. Dowley	Director	June 17, 1996
* /Patrick J. Lavelle Patrick J. Lavelle	Director	June 17, 1996
* /Darryl J. Yea Darryl J. Yea	Director	June 17, 1996
*By: /s/Yehoram Uziel Yehoram Uziel, Attorney-in-Fact		June 17, 1996