SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

X QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For quarterly period ended June 29,1996

Commission File Number 1-7724

SNAP-ON INCORPORATED
(Exact name of registrant as specified in its charter)

Delaware	39-0622040
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

10801 Corporate Drive, Kenosha, Wisconsin	53141-1430
(Address of principal executive offices)	(zip code)

Registrant's telephone number, including area code: (414) 656-5200

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

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

Class	Outstanding at July 27, 1996
Common stock, $1 per value	40,795,598 shares

SNAP-ON INCORPORATED

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PART I. FINANCIAL INFORMATION

SNAP-ON INCORPORATED
CONSOLIDATED STATEMENTS OF EARNINGS
(Amounts in thousands except per share data)
(Unaudited)

	Thirteen Weeks Ended June 29, 1996	Thirteen Weeks Ended July 1, 1995	Twenty-Six Weeks Ended June 29, 1996	Twenty-Six Weeks Ended July 1, 1995
Net sales	$384,554	$326,816	$728,918	$635,923
Cost of goods sold	190,425	159,569	360,960	309,407
Gross profit	194,129	167,247	367,958	326,516
Operating expenses	151,731	134,484	291,430	266,836
Net finance income	(15,925)	(16,242)	(31,524)	(32,116)
Operating earnings	58,323	49,005	108,052	91,796
Interest expense	(3,310)	(3,069)	(6,252)	(5,077)
Other income (expense) - net	(207)	1,236	70	2,453
Earnings before income taxes	54,806	47,172	101,870	89,172
Income taxes	20,278	17,454	37,692	32,994
Net earnings	$34,528	$29,718	$ 64,178	$ 56,178
Earnings per weighted average common share	$ .85	$ .73	$ 1.58	$ 1.35
Dividends declared per common share	$ .57	$ .54	$ .84	$ .81
Weighted average common shares outstanding	40,729	40,774	40,671	41,579

The accompanying notes are an integral part of these statements.

SNAP-ON INCORPORATED
CONSOLIDATED BALANCE SHEETS
(Amounts in thousands)

	(Unaudited) June 29, 1996	December 30, 1995
ASSETS		
Current Assets		
Cash and cash equivalents	$ 26,570	$ 16,211
Accounts receivable, less allowances	609,357	610,064
Inventories:		
Finished stock	277,162	264,184
Work in process	42,543	39,977
Raw materials	59,725	56,191
Excess of current cost over LIFO		

cost	(112,130)	(109,918)
Total inventory	267,300	250,434
Prepaid expenses and other assets	77,827	69,980
Total current assets	981,054	946,689
Property and equipment		
Land	25,753	22,875
Buildings and improvements	156,072	149,087
Machinery and equipment	306,621	296,916
	488,446	468,878
Accumulated depreciation	(260,026)	(248,811)
Total property and equipment	228,420	220,067
Deferred income tax benefits	68,721	61,471
Intangible and other assets	210,870	132,746
Total assets	$1,489,065	$1,360,973

The accompanying notes are an integral part of these statements.

SNAP-ON INCORPORATED
CONSOLIDATED BALANCE SHEETS
(Amounts in thousands)

	(Unaudited) June 29, 1996	December 30, 1995
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	$ 68,623	$ 75,603
Notes payable	31,784	26,213
Dividends payable	12,247	-
Accrued compensation	34,129	37,769
Dealer deposits	58,792	65,344
Accrued income taxes	30,809	16,106
Other accrued liabilities	133,741	115,040
Total current liabilities	370,125	336,075
Long-term debt	119,642	143,763
Deferred income taxes	5,908	4,760
Retiree health care benefits	82,288	80,665
Pension and other long-term liabilities	125,012	44,978
Total liabilities	702,975	610,241
SHAREHOLDERS' EQUITY		
Preferred stock - authorized 15,000,000 shares of $1 par value; none outstanding	-	-
Common stock - authorized 125,000,000 shares of $1 par value; issued - June 29, 1996 - 43,931,800 shares December 30, 1995 - 43,571,363 shares	43,932	43,571
Additional contributed capital	85,924	74,250
Retained earnings	783,342	753,356
Foreign currency translation adjustment	(14,481)	(10,758)
Treasury stock at cost - 3,108,700 and 3,047,200 shares	(112,627)	(109,687)
Total shareholders' equity	786,090	750,732
Total liabilities and shareholder's equity	$1,489,065	$1,360,973

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The accompanying notes are an integral part of these statements.

SNAP-ON INCORPORATED
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in thousands)
(Unaudited)

	Twenty-Six Weeks Ended June 29, 1996	July 1, 1995
OPERATING ACTIVITIES		
Net earnings	$ 64,178	$ 56,178
Adjustments to reconcile net earnings to net cash provided by:		
Depreciation	15,026	14,247
Amortization	2,360	1,739
Deferred income taxes	5,975	(9,594)
(Gain) loss on sale of assets	310	(79)
Changes in operating assets and liabilities:		
(Increase) decrease in receivables	12,385	(51,723)
Increase in inventories	(8,340)	(11,918)
Increase in prepaid expenses	(1,300)	(1,240)
Decrease in accounts payable	(9,021)	(10,776)
Increase in accruals, deposits and other long-term liabilities	6,917	32,923
	-------	-------
Net cash provided by operating activities	88,490	19,757
INVESTING ACTIVITIES		
Capital expenditures	(24,337)	(11,773)
Acquisitions of businesses	(31,962)	(19,923)
Disposal of property and equipment	1,258	2,837
(Increase) decrease in other noncurrent assets	9,748	(3,366)
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Net cash used in investing activities	(45,293)	(32,225)
FINANCING ACTIVITIES		
Payment of long-term debt	(39,044)	(150)
Increase in long-term debt	14,700	4,089
Increase in notes payable	4,565	136,532
Purchase of treasury stock	(2,940)	(100,375)
Proceeds from stock plans	12,035	5,853
Cash dividends paid	(21,945)	(22,282)
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Net cash used in financing activities	(32,629)	23,667
Effect of exchange rate changes	(209)	(1,482)
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Increase in cash and cash equivalents	10,359	9,717
Cash and cash equivalents at beginning of year	16,211	9,015
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Cash and cash equivalents at end of period	$ 26,570	$ 18,732
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The accompanying notes are an integral part of these statements.

SNAP-ON INCORPORATED
NOTES TO CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS

1. This report should be read in conjunction with the consolidated financial statements and related notes included in Snap-on Incorporated's Annual Report for the year ended December 30, 1995.

   In the opinion of management, all adjustments (consisting only of normal recurring adjustments) necessary to a fair statement of financial condition and results of operations for the thirteen and twenty-six weeks ended June 29, 1996 have been made. Management also believes that the results of operations for the thirteen and twenty-six weeks ended June 29, 1996 are not necessarily indicative of the results to be expected for the full year.

2. Snap-on Incorporated normally declares and pays in cash four regular, quarterly dividends. However, the third quarter dividend in each year is declared in June, giving rise to two regular quarterly dividends appearing in the second quarter statements and correspondingly, three regular quarterly dividends appearing in the first twenty-six weeks' statements.

3. Income tax paid for the twenty-six week periods ended June 29, 1996 and July 1, 1995 was $31.2 million and $26.4 million.

4. Interest paid for the twenty-six week periods ended June 29, 1996 and July 1, 1995 was $6.9 million and $5.6 million.

5. On March 31, 1996, the Corporation acquired certain assets and liabilities of the Automotive Service Equipment Division of FMC Corporation. The acquired division was renamed the John Bean Company. John Bean designs, manufactures, and sells high-quality products for the under-car market. Pro forma results of operations are not shown as the effect would not be material.

6. Prior to the disposition of Systems Control, Inc. by a subsidiary of the Corporation on September 29, 1994, Systems Control, Inc.'s single-purpose subsidiaries, Tejas Testing Technology One, L.C. and Tejas Testing Technology Two, L.C. (the "Tejas Companies"), entered into two seven-year contracts with the Texas Natural Resources Conservation Commission ("TNRCC"), an agency of the State of Texas, to perform automotive emissions testing in the Dallas/Fort Worth and southeast regions of Texas in a centralized manner in accordance with the federal Environmental Protection Agency ("EPA") guidelines relating to "I/M 240" test-only facilities. The Corporation guaranteed payment (the "Guaranty") of the Tejas Companies' obligations under an Agreement for Lease and a seven-year Lease Agreement, each dated June 22, 1994, in the amount of approximately $98.8 million plus an interest factor (the "Lease Obligations"), pursuant to which the Tejas Companies leased the facilities (and associated testing equipment) necessary to perform the emissions-testing contracts. The Guaranty was assigned to the lessor's lenders (the "Lenders") as collateral. Pursuant to an Indemnity Agreement entered into as of September 29, 1994, the Tejas Companies agreed to reimburse the Corporation for any payments it made under the Guaranty.

   On May 1, 1995, the State of Texas enacted legislation designed to terminate the centralized testing program described in the emissions-testing contracts and directed the governor of the State of Texas to implement a new program after negotiations with the EPA. On September 12, 1995, the Tejas Companies filed bankruptcy petitions under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Western District of Texas (Austin Division). The Tejas Companies have commenced litigation against the TNRCC and related entities to assert their rights with respect to the emissions-testing contracts, and the Corporation has intervened in such litigation to protect its interests. In addition, the Corporation is a creditor in the Tejas Companies' bankruptcy proceedings and will continue to take steps to protect its interests in such proceedings.

   The Corporation believes that it is probable that there will be developments, prior to the end of the 1997 Texas legislative session (approximately May 1997) to enable the Lease Obligations to ultimately be satisfied. The 1997 legislative session is scheduled to begin January 14, 1997. The primary basis for such a development arises under the original contracts to perform centralized emissions testing. Those contracts obligate the TNRCC to purchase the Tejas Companies' testing facilities or to reimburse costs that the Tejas Companies incurred in the construction and implementation of the centralized testing program and have not recovered through the sale of the testing facilities to a third party. Fulfillment of such obligations requires an appropriation of funds by the Texas Legislature, which is subject to the political process. The TNRCC is contractually obligated to seek such appropriation and has affirmed such obligation. The Tejas Companies are pursuing the cost reimbursement process described in the emissions-testing contracts. A second potential basis is that the TNRCC's obligation could be satisfied in part in various other ways including a sale of some or all of the facilities.

The Corporation and the Lenders have been engaged in continuing discussions concerning this matter, and they have reached an agreement whereby the Lenders will forbear until at least December 31, 1996 from exercising their rights under the terms of the Guaranty to cause the Corporation to pay all Lease Obligations to the Lenders on an accelerated basis. The Corporation continues to make advances under the Guaranty of approximately $1.8 million per month. While the Lenders have agreed to forbear until at least December 31, 1996, given the delay in resolving this matter and other factors, the Corporation has recognized the remaining net obligation under the Guaranty of $67.5 million at June 29, 1996. This is included in Other Long-Term Liabilities on the accompanying consolidated balance sheet. In addition, the Corporation has recorded as assets the monthly advances and the other amounts expected to be received from the Tejas Companies under the Indemnity Agreement. These net receivables total $92.2 million at June 29, 1996 and are included in Intangible and Other Assets. Described previously are mechanisms by which the Tejas Companies may receive funds to enable them to satisfy their contractual obligation to the Corporation under the Indemnity Agreement. The Corporation believes that recovery of the recorded receivables from the Tejas Companies is probable, and it will make an ongoing assessment of the likelihood of realization of such receivables. Recognition of the liability and related asset described above will not result in any net loss recognition in the Company's consolidated financial statements at June 29, 1996.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

Overview: The Corporation posted record sales, net earnings, and earnings per share for the second quarter and first six months of 1996. Net earnings for the second quarter of 1996 increased 16.2% over the year ago quarter on a net sales increase of 17.7%. For the first six months, 1996 net earnings increased 14.2% over the comparable 1995 period on a net sales increase of 14.6%. Earnings per share for the second quarter and first six months increased 16.4% and 17.0% over 1995 comparable periods.

The second quarter's results benefited from several acquisitions and strong performance in the Corporation's North American tool and equipment businesses. The quarter's results also reflect continuing improvements in operating efficiencies and benefits from the Corporation's ongoing cost control programs.

Sales: Net sales for the second quarter of 1996 were $384.6 million, an increase of 17.7% over second quarter 1995 sales of $326.8 million. Net sales for the first six months of 1996 were $728.9 million, an increase of 14.6% over 1995 six-month sales of $635.9 million.

North American sales for the second quarter of 1996 were $294.5 million, an increase of 14.2% over second quarter 1995 sales of $257.8 million. North American sales for the first six months of 1996 were $553.6 million, an increase of 9.7% over six-month 1995 sales of $504.7 million. The second quarter's results reflect higher sales in both the dealer van channel and the industrial channel. In addition, the acquisition of the John Bean Company contributed to the second quarter increase.

European sales for the second quarter of 1996 were $69.4 million, an increase of 46.4% over second quarter 1995 sales of $47.4 million. European sales for the first six months of 1996 were $136.3 million, an increase of 50.3% over six-month 1995 sales of $90.7 million. The second quarter's sales increase was due to the acquisitions of Herramientas Eurotools S.A. and the John Bean Company. Excluding acquisitions, sales decreased 7% for the second quarter. The temporary suspension of the United Kingdom's emissions testing program and a delay in new product introductions negatively affected the second quarter. The emissions testing program in the United Kingdom, and related equipment sales, are expected to resume in the third quarter of 1996.

Other International sales for the second quarter of 1996 were $20.6 million, a decrease of 4.6% from second quarter 1995 sales of $21.6 million. Other International sales for the first six months of 1996 were $39.0 million, a decrease of 3.7% from six-month 1995 sales of $40.5 million. For the second quarter, sales in Japan were negatively affected by the strengthening of the U.S. dollar relative to the yen. Sales in Australia increased in the quarter. Excluding the negative effects of the yen, sales in this region would have reported an increase.

Earnings: Earnings for the second quarter of 1996 were $34.5 million, an increase of 16.2% over second quarter 1995 earnings of $29.7 million. Second quarter earnings per share increased to $.85, a 16.4% increase over second quarter 1995 earnings per share of $.73. Earnings for the first six months of 1996 were $64.2 million, an increase of 14.2% over six-month 1995 earnings of $56.2 million. Earnings per share for the first six months of 1996 rose to $1.58 per share, a 17.0% increase over six-month 1995 earnings per share of $1.35.

Operating expenses: As a percentage of net sales, second quarter total operating expenses decreased to 39.5% in 1996 from 41.2% in 1995. As a percentage of net sales, six-month operating expenses decreased to 40.0% in 1996 from 42.0% in 1995. Benefits from continuing general cost reduction activities, from facilities consolidations implemented over the past several years, and from a change in business mix because of recent acquisitions all contributed to the improvement.

FINANCIAL CONDITION

Liquidity: Cash and cash equivalents increased to $26.6 million at the end of the second quarter from $16.2 million at the end of 1995. Working capital was $610.9 million at the end of the second quarter versus $610.6 million at the end of 1995. At the end of the quarter, the Corporation had a $100 million revolving credit facility to support the issuance of commercial paper.

In September 1994, the Corporation filed a registration statement with the Securities and Exchange Commission that allows the Corporation to issue from time to time up to $300 million of unsecured indebtedness. In October 1995, the Corporation issued $100 million of its notes to the public. The shelf registration gives the Corporation financing flexibility to operate the business.

The Corporation has sufficient sources of liquidity to support current and future working capital requirements, finance capital expenditures and pay dividends.

Accounts receivable: Accounts receivable decreased to $609.4 million at the end of the second quarter from $610.1 million at the end of 1995. In the first quarter of 1996, the Corporation executed an additional $50.0 million securitization of its receivables discussed below.

In October 1995, the Corporation entered into agreements that provide for the sale, without recourse, of an undivided interest in a pool of certain of its accounts receivable to a third party financing institution. These agreements provide for a maximum of $150 million of such accounts receivable to be sold and remain outstanding at any one time. Under these agreements, $100.0 million of interest-bearing installments were sold, on a revolving basis, in October 1995. During the first quarter of 1996, the Corporation sold an additional $50.0 million of interest-bearing receivables under these agreements on a revolving basis. The proceeds were used to pay down debt, and for working capital and general corporate purposes.

The majority of the Corporation's accounts receivable involve customers' extended credit and lease purchases of higher-value products. Other receivables include those from dealers, industrial customers, and government entities.

Inventories: Inventories increased to $267.3 million at the end of the second quarter from $250.4 million at the end of 1995. The increase was primarily due to acquisitions.

Liabilities: Total short-term and long-term debt was $151.5 million at the end of the second quarter compared with $170.9 million at the end of 1995. The decrease was due primarily to the $50.0 million of securitization of receivables discussed previously.

Average shares outstanding: Average shares outstanding decreased to 40.7 million in 1996's second quarter compared with 40.8 million in last year's second quarter. For the first six months of 1996, average shares outstanding declined to 40.7 million versus 41.6 million in the comparable six months of 1995. During the first half of 1995, the Corporation completed a $100 million share repurchase program, thereby reducing the number of shares outstanding.

Stock split and dividend increase:
On June 28, 1996, the Corporation's Board of Directors declared an 11.1% increase in the quarterly dividend on common stock and approved a three-for-two stock split.

The new quarterly dividend of $.30 per share, on a pre-split basis, is equivalent to an annual rate of $1.20 per share. On a post-split basis, the new quarterly dividend is equivalent to $.20 per share, or $.80 per share annually.

The three-for-two stock split will result in one additional share issued for every two shares of the Corporation's stock outstanding. Cash will be distributed in lieu of fractional shares.

Dividend payments and additional shares both will be distributed on September 10, 1996, to shareholders of record on August 20, 1996.

Other matters: Refer to Note 6 for discussion of a guaranty of lease obligations relating to emissions testing facilities that were to be used under a contract with the State of Texas to perform testing services. Texas has terminated the program to conduct such testing services, and the Corporation is making payments monthly under such guaranty.

PART II. OTHER INFORMATION

Item 6: Exhibits and reports on Form 8-K

Item 6(a): Exhibits

Exhibit 4.1 - Amendment to Rights Agreement dated as of June 28, 1996 (incorporated by reference to Exhibit 1.1 to the Corporation's Current Report on Form 8-A dated June 28, 1996 (Commission File No. 1-7724))

Exhibit 27 - Financial Data Schedule

Item 6(b): Reports on Form 8-K

No reports on Form 8-K for the three months ended June 29, 1996 were required to be filed.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, Snap-on Incorporated has duly caused this report to be signed on its behalf by the undersigned duly authorized persons.

SNAP-ON INCORPORATED

Date: August 13, 1996

/s/ R. A. Cornog
R. A. CORNOG
(Chairman, President and Chief Executive Officer)

Date: August 13, 1996

/s/ G. D. Johnson
G. D. JOHNSON
(Principal Accounting Officer and Controller)

EXHIBIT INDEX

Exhibit No.	Description
4.1	Amendment to Rights Agreement dated as of June 28, 1996 (incorporated by reference to Exhibit 1.1 to the Corporation's Current Report on Form 8-A dated June 28, 1996 (Commission File No. 1-7724))
27	Financial Data Schedule

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THE SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE
CONSOLIDATED FINANCIAL STATEMENTS OF SNAP-ON INCORPORATED AS OF AND
FOR THE PERIOD ENDED JUNE 29, 1996 AND IS QUALIFIED IN ITS ENTIRETY BY
REFERENCE TO SUCH FINANCIAL STATEMENTS.
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