SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

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

For quarter ended DECEMBER 28, 1996

Commission file number 1-9273

PILGRIM'S PRIDE CORPORATION
(Exact name of registrant as specified in its charter)

DELAWARE	75-1285071
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

110 SOUTH TEXAS, PITTSBURG, TX	75686-0093
(Address of principal executive offices)	(Zip code)

(903) 855-1000
(Telephone number of principle executive offices)

NOT APPLICABLE
Former name, former address and former fiscal year, if changed since last report.

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

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

COMMON STOCK $.01 PAR VALUE---27,589,250 SHARES AS OF FEBRUARY 6, 1997

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PART I. FINANCIAL INFORMATION

PILGRIM'S PRIDE CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

ITEM 1: FINANCIAL STATEMENTS:

	December 28, 1996 (UNAUDITED)	September 28, 1996
	(in thousands)	
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 17,428	$ 18,040
Trade accounts and other receivables, less allowance for doubtful accounts	69,856	65,887
Inventories	119,324	136,866
Deferred income taxes	9,309	6,801
Prepaid expenses	1,621	907
Other current assets	211	757
Total Current Assets	217,749	229,258
Other Assets	21,815	18,827
Property, Plant and Equipment	467,444	466,672
Less accumulated depreciation	181,380	178,035
	286,064	288,637
	$ 525,628	$ 536,722
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Notes payable to banks	$ 16,000	$ 27,000
Accounts payable	57,006	71,354
Accrued expenses	34,254	33,599
Current maturities of long-term debt	9,564	8,850
Total Current Liabilities	116,824	140,803
Long-Term Debt, less current maturities	195,957	198,334
Deferred Income Taxes	59,179	53,608
Minority Interest in Subsidiary	842	842
Stockholders' Equity:		
Common stock; $.01 par value	276	276
Additional paid-in capital	79,763	79,763
Retained earnings	72,787	63,096
Total Stockholders' Equity	152,826	143,135
	$ 525,628	$ 536,722

See notes to condensed consolidated financial statements.

PILGRIM'S PRIDE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME (LOSS)

(UNAUDITED)

	THREE MONTHS ENDED December 28, 1996	THREE MONTHS ENDED December 30, 1995
	(in thousands, except share and per share data)	
Net Sales $	297,806	$ 267,475
Costs and Expenses:		
Cost of sales	267,539	246,503
Selling, general and administrative	13,953	12,147
	281,492	258,650
Operating Income	16,314	8,825
Other Expense (Income):		
Interest expense, net	5,449	5,121
Foreign exchange loss	437	1,316
Miscellaneous, net	[2,509]	[248]

	3,377	6,189
Income Before Income Taxes	12,937	2,636
Income tax expense	2,832	3,340
Net Income (Loss)	$ 10,105	$ [704]
Net income (loss) per common share	$ .37	$ [.03]
Dividends per common share	$ .015	$ .015
Weighted average shares outstanding	27,589,250	27,589,250

See Notes to condensed consolidated financial statements.

PILGRIM'S PRIDE CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	THREE MONTHS ENDED December 28, 1996	THREE MONTHS ENDED December 30, 1995
	(in thousands)	
Cash Flows From Operating Activities:		
Net income (loss)	$ 10,105	$ [704]
Adjustments to reconcile net income (loss) to cash provided by operating activities:		
Depreciation and amortization	7,135	7,131
Gain on property disposals	7	[112]
Provision for doubtful accounts	[321]	305
Deferred income taxes	3,064	342
Changes in operating assets and liabilities:		
Accounts and other receivable	[6,843]	[10,297]
Inventories	17,542	8,712
Prepaid expenses	[170]	[495]
Accounts payable and accrued expenses	[13,693]	19,785
Other	[171]	[152]
Net Cash Flows Provided By Operating Activities:	16,655	24,515
Investing Activities:		
Acquisitions of property, plant and equipment	[4,195]	[12,447]
Proceeds from property disposals	77	936
Other, net	[34]	106
Net Cash Used In Investing Activities	[4,152]	[11,405]
Financing Activities:		
Proceeds from notes payable to banks	10,500	6,500
Repayments of notes payable to banks	[21,500]	[12,500]
Proceeds from long-term debt	0	28
Payments on long-term debt	[1,702]	[2,299]
Cash dividends paid	[414]	[414]
Cash Used In Financing Activities	[13,116]	[8,685]
Effect of Exchange Rate Changes on Cash and Cash Equivalents	1	[47]
(Decrease) Increase in cash and cash equivalents	[612]	4,378
Cash and cash equivalents at beginning of year	18,040	11,891
Cash and cash equivalents at end of period	$ 17,428	$ 16,269
Supplemental disclosure information:		
Cash paid during the period for:		
Interest (net of amount capitalized)	$ 2,983	$ 2,398
Income Taxes	$ 333	$ 1,792

See notes to condensed consolidated financial statements.

PILGRIM'S PRIDE CORPORATION AND SUBSIDIARIES
December 28, 1996

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENT (Unaudited)

NOTE A--BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the period ended December 28, 1996 are not necessarily indicative of the results that may be expected for the year ended September 27, 1997. For further information, refer to the consolidated financial statements and footnotes thereto included in Pilgrim's annual report on Form 10-K for the year ended September 28, 1996.

The consolidated financial statements include the accounts of Pilgrim's and its wholly and majority owned subsidiaries. Significant intercompany accounts and transactions have been eliminated.

The assets and liabilities of the foreign subsidiaries are translated at end-of-period exchange rates, except for and non-monetary assets which are translated at equivalent dollar costs at dates of acquisition using historical rates. Operations of foreign subsidiaries are translated at average exchange rates in effect during the period

NOTE B--NET INCOME PER COMMON SHARE

Earnings per share for the periods ended December 28, 1996 and December 30, 1995 are based on the weighted average shares outstanding for the periods.

NOTE C--INVENTORIES

Inventories consist of the following:

	DECEMBER 28, 1996	SEPTEMBER 28, 1996
	(in thousands)	
Live chickens and hens	$ 46,045	$ 66,248
Feed, eggs and other	37,596	39,804
Finished chicken products	35,683	30,814
	$ 119,324	$ 136,866

ITEM 2: MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following table presents certain items as a percentage of net sales for the periods indicated.

	Percentage of Net Sales THREE MONTHS ENDED	
	December 28, 1996	December 30, 1995
Net sales	100.0%	100.0%
Costs and expenses:		
Cost of sales	89.8%	92.2%
Gross profit	10.2%	7.8%
Selling, general and administrative	4.7%	4.5%
Operating Income	5.5%	3.3%
Interest expense	1.8%	1.9%
Income before income taxes	4.3%	1.0%
Net Income (Loss)	3.4%	(0.3%)

FIRST QUARTER 1997, COMPARED TO FIRST QUARTER 1996

Consolidated net sales were $297.8 million for the first quarter of fiscal 1997, an increase of $30.3 million, or 11.3%, over the first quarter of fiscal 1996. The increase in consolidated net sales resulted from a $14.0 million increase in Mexican chicken sales to $66.3 million, an $11.2 million increase in domestic chicken sales to $193.1 million and a $5.1 million increase of sales of other domestic products to $38.4 million. The increase in Mexican chicken sales was primarily due to a 50.6% increase in total revenue per dressed pound offset partially by a 15.8% decrease in dressed pounds produced. The increase in domestic chicken sales was primarily due to a 5.9% increase in dressed pounds produced and a .2% increase in total revenue per dressed pound produced. The increase in sales of other domestic products was primarily the result of increased sales of the Company's poultry by-products group and higher sales prices for table eggs. Increased revenues per dressed pound produced both domestically and in Mexico were primarily the result of higher sales prices caused by the chicken markets adjusting to higher feed ingredient costs experienced in fiscal 1996 as well as generally improved economic conditions in Mexico compared to the prior year.

Consolidated cost of sales was $267.5 million in the first quarter of fiscal 1997, an increase of $21.0 million, or 8.5%, over the first quarter of fiscal 1996. The increase primarily resulted from a $17.5 million increase in cost of sales of domestic operations, and a $3.6 million increase in the cost of sales in Mexican operations.

The cost of sales increase in domestic operations of $17.5 million was due to a 5.9% increase in dressed pounds produced and increased production of higher cost and margin products in prepared foods.

The $3.6 million cost of sales increase in Mexican operations was primarily due to a 26.7% increase in average costs of sales per pound offset partially by an 15.8% decrease in dressed pounds produced. The increase in average costs of sales per pound was primarily the result of an increase in feed ingredient costs.

Gross profit as a percentage of sales increased to 10.2% in the first quarter of fiscal 1997 from 7.8% in the first quarter of fiscal 1996. The increased gross profit resulted mainly from higher sales prices due to the markets adjusting to higher feed ingredient prices experienced in fiscal 1996 and significantly higher margins in Mexico.

Consolidated selling, general and administrative expenses were $14.0 million in the first quarter of fiscal 1997, and $12.1 million in fiscal 1996. Consolidated selling, general and administrative expenses as a percentage of sales increased in the first quarter of fiscal 1997 to 4.7% compared to 4.5% in the first quarter of fiscal 1996.

Consolidated operating income was $16.3 million for the first quarter of fiscal 1997, an increase of $7.5 million when compared to the first quarter of fiscal 1996, resulting primarily from higher margins experienced in the Mexican operations.

Consolidated net interest expense was $5.5 million in the first quarter of fiscal 1997, an increase of $.3 million, or 6.4%, when compared to the first quarter of fiscal 1996. This increase was due to higher outstanding debt levels resulting primarily from domestic expansions offset slightly by lower interest rates when compared to the first quarter of fiscal 1996.

Consolidated miscellaneous, net a compound of "Other Expense (Income)" was $2.5 million in the first quarter of fiscal 1997, includes a $2.2 million final settlement of claims resulting from the January 8, 1992 fire at the Company's prepared foods plant in Mt. Pleasant, Texas.

Consolidated income tax expense in the first quarter of fiscal 1997 decreased to $2.8 million compared to expense of $3.3 million in the first quarter of fiscal 1996. The lower consolidated income tax expense in contrast to higher consolidated income, resulted from increased Mexican earnings which are not currently subject to income taxes.

LIQUIDITY AND CAPITAL RESOURCES

Strong profits improved liquidity and financial ratios in the fiscal first quarter of 1997. The Company's working capital increased to $100.9 million at December 28, 1996 compared to $88.5 million at September 28, 1996, the current ratio at December 28, 1996 improved to 1.86 to 1 compared to 1.63 to 1 at September 28, 1996 and the Company's stockholder's equity increased to $152.8 million from $143.1 million at September 28, 1996. Total debt to capitalization decreased to 59.2% at December 28, 1996 compared to 62.1% at September 28, 1996. The Company maintains $110 million in revolving credit facilities with available unused lines of credit of $85.8 million at January 31, 1997.

Trade accounts and other receivables were $69.9 million at December 28, 1996, a $4.0 million increase from September 28, 1996. The 6.0% increase was due primarily to increased consolidated sales. Allowances for doubtful accounts, as a percentage of trade accounts and notes receivable were 4.8% at December 28, 1996 compared to 5.7% at September 28, 1996. This decrease is due to increased net sales resulting in a corresponding increase in trade accounts and other receivables with allowances for doubtful accounts being slightly lower.

Inventories were $119.3 million at December 28, 1996, a decrease of $17.5 million from September 28, 1996. This 12.8% decrease was due primarily to seasonal variations in sales of chicken and feed products to the Company's principal stockholder.

Accounts payable were $57.0 million at December 28, 1996, a 20.1% decrease from September 28, 1996, due primarily to the reduction in cost of feed ingredients.

Capital expenditures for the first quarter of fiscal 1997 were $4.2 million and were primarily incurred to expand production capacities domestically, improve efficiencies, reduce costs and for the routine replacement of equipment. The Company anticipates that it will spend approximately $35 million for capital expenditures in fiscal year 1997 and expects to finance such expenditures with available operating cash flows and long-term financing. The Company periodically reviews acquisition opportunities and any business acquisitions consummated in fiscal 1997 would likely be in addition to the projected capital expenditure amount listed above.

PART II
OTHER INFORMATION

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

The Company did not file any reports on Form 8-K during the three months ended December 28, 1996.

SIGNATURES

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

PILGRIM'S PRIDE CORPORATION

Date

Richard A. Cogdill
Executive Vice President and
Chief Financial Officer
Secretary and Treasurer in his
respective capacity as such

PILGRIM'S PRIDE CORPORATION AND SUBSIDIARIES
December 28, 1996

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