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 30, 1995

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 9, 1996

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SIGNATURES

PART I. FINANCIAL INFORMATION

PILGRIM'S PRIDE CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

ITEM 1: FINANCIAL STATEMENTS (UNAUDITED):

	December 30, 1995 (UNAUDITED)	September 30, 1995
	(in thousands)	
ASSETS		
Current Assets		
Cash and cash equivalents	$ 16,269	$ 11,892
Trade accounts and other receivables, less allowance for doubtful accounts	70,023	60,031
Inventories	101,790	110,404
Deferred income taxes	5,825	9,564
Prepaid expenses	412	526
Other current assets	812	953
Total Current Assets	195,131	193,370
Other Assets	20,535	20,918
Property, Plant and Equipment	453,633	442,781
Less accumulated depreciation	164,687	159,465
	288,946	283,316
	$ 504,612	$ 497,604
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Notes payable to banks	$ 7,000	$ 13,000
Accounts payable	71,589	55,658
Accrued expenses	34,984	31,130
Current maturities of long-term debt	8,574	5,187
Total Current Liabilities	122,147	104,975
Long-Term Debt, less current maturities	177,340	182,988
Deferred Income Taxes	53,328	56,725
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	70,916	72,035
Total Stockholders' Equity	150,955	152,074
	$ 504,612	$ 497,604

See notes to condensed consolidated financial statements.

PILGRIM'S PRIDE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME (LOSS)

(UNAUDITED)

	THREE MONTHS ENDED December 30, 1995	December 31, 1994
	(in thousands, except share and per share data)	
Net Sales	$ 267,475	$ 227,000
Costs and Expenses:		
Cost of sales	246,503	206,235
Selling, general and administrative	12,147	12,023
	258,650	218,258
Operating Income	8,825	8,742
Other Expense (Income):		
Interest expense, net	5,121	4,327
Foreign exchange loss	1,316	2,345

Miscellaneous, net	[248]	[247]
Income Before Income Taxes	2,636	2,317
Income tax expense	3,340	1,761
Net Income (Loss)	$ [704]	$ 556
Net income (loss) per common share	$ [.03]	$ .02
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 30, 1995	THREE MONTHS ENDED December 31, 1994
	(in thousands)	
Cash Flows From Operating Activities:		
Net income (loss)	$ [704]	$ 556
Adjustments to reconcile net income (loss) to cash provided by operating activities:		
Depreciation and amortization	7,131	6,271
Gain on property disposals	[112]	[69]
Provision for doubtful accounts	305	[958]
Deferred income taxes	342	722
Changes in operating assets and liabilities:		
Accounts and other receivable	[10,297]	7,694
Inventories	8,712	14,358
Prepaid expenses	[495]	[515]
Accounts payable and accrued expenses	19,785	[2,162]
Other	[152]	876
Net Cash Flows Provided By Operating Activities:	24,515	26,773
Investing Activities:		
Acquisitions of property, plant and equipment	[12,447]	[8,826]
Proceeds from property disposals	936	113
Other, net	106	66
Net Cash Used In Investing Activities	[11,405]	[8,647]
Financing Activities:		
Proceeds from notes payable to banks	6,500	--
Repayments of notes payable to banks	[12,500]	--
Proceeds from long-term debt	28	30
Payments on long-term debt	[2,299]	[948]
Cash dividends paid	[414]	[413]
Cash Used In Financing Activities	[8,685]	[1,331]
Effect of Exchange Rate Changes on Cash and Cash Equivalents	[47]	[1,048]
Increase in cash and cash equivalents	4,378	15,747
Cash and cash equivalents at beginning of year	11,891	11,244
Cash and cash equivalents at end of period	$ 16,269	$ 26,991
Supplemental disclosure information:		
Cash paid during the period for:		
Interest (net of amount capitalized)	$ 2,398	$ 1,509
Income Taxes	$ 1,792	$ 989

See notes to condensed consolidated financial statements.

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 30, 1995 are not necessarily indicative of the results that may be expected for the year ended September 28, 1996. 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 30, 1995.

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. The translation adjustments are reflected in the Consolidated Statements of Income (Loss).

NOTE B--NET INCOME PER COMMON SHARE

Earnings per share for the periods ended December 30, 1995 and December 31, 1994 are based on the weighted average shares outstanding for the periods.

NOTE C--INVENTORIES

Inventories consist of the following:

	DECEMBER 30, 1995	SEPTEMBER 30, 1995
	(in thousands)	
Live broilers and hens	$ 44,815	$ 55,353
Feed, eggs and other	35,509	32,087
Finished poultry products	21,466	22,964
	$ 101,790	$ 110,404

NOTE D--IMPACT OF MEXICAN PESO DEVALUATION

Included in results of operations for the period ended December 30, 1995 and December 31, 1994 is a $1.3 million and $2.3 million, respectively, foreign exchange loss resulting from the devaluation of the Mexican peso against the U.S. dollar. Also included in cost of sales is a $2.0 million lower of cost or market adjustment to inventories in Mexico at December 31, 1994 resulting from the affect of such devaluation on operations. These adjustments are presented in the Condensed Consolidated Balance Sheet and Consolidated Statement of Cash Flows as components of the specific line items affected with the exception that the exchange rate effects on cash and cash equivalents has been separately stated on the Consolidated Statement of Cash Flows. See Management's Discussion and Analysis of Financial Condition and Results of Operations - Impact of Mexico Peso Devaluation.

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 30, 1995	December 31, 1994
Net sales	100.0%	100.0%
Costs and expenses:		
Cost of sales	92.2%	90.9%
Gross profit	7.8%	9.1%
Selling, general and administrative	4.5%	5.3%
Operating Income	3.3%	3.9%
Interest expense	1.9%	1.9%
Income before income taxes	1.0%	1.0%
Net Income (Loss)	(0.3%)	0.2%

FIRST QUARTER 1995, COMPARED TO FIRST QUARTER 1996

Consolidated net sales were $267.5 million for the first quarter of fiscal 1996, an increase of $40.5 million, or 17.8%, over the first quarter of fiscal 1995. The increase in consolidated net sales resulted from a $25.7 million increase in domestic chicken sales to $181.9 million, an $8.5 million increase in sales of other domestic products to $33.4 million and by a $6.3 million increase in Mexican chicken sales to $52.2 million. The increase in domestic chicken sales was primarily due to a 9.2% increase in total revenue per dressed pound produced and a 6.7% increase in the dressed pounds produced. The increase in Mexican chicken sales was primarily due to a 46.1% increase in dressed pounds produced resulting primarily from the July 5, 1995 acquisition of five chicken companies located near Queretaro, Mexico, offset by a 22.2% decrease in total revenue per dressed pound produced caused primarily by the devaluation of the Mexican peso which began in December 1994.

Consolidated cost of sales was $246.5 million in the first quarter of fiscal 1996, an increase of $40.3 million, or 19.5%, over the first quarter of fiscal 1995. The increase primarily resulted from a $29.8 million increase in cost of sales of domestic operations, and a $10.5 million increase in the cost of sales in Mexican operations.

The cost of sales increase in domestic operations of $29.8 million was due primarily to a 6.7% increase in dressed pounds produced, increased production of higher margin products in prepared foods and a 30.6% increase in feed ingredient costs. Since year end, feed costs have increased substantially due to lower crop yields in the 1995 harvest season and if feed costs remain at their current level and sales prices do not correspondingly increase, future results will be negatively impacted.

The $10.5 million cost of sales increase in Mexican operations was primarily due to a 46.1% increase in dressed pounds produced offset partially by a 14.8% decrease in average costs of sales per dressed pound resulting from the devaluation of the Mexican peso. See Impact of Mexican Peso Devaluation discussed below.

Gross profit as a percentage of sales decreased to 7.8% in the first quarter of fiscal 1996 from 9.1% in the first quarter of 1995. The decreased gross profit resulted mainly from the Company's Mexican operation and was primarily the result of the Mexican peso devaluation having a greater effect on selling prices than costs of sales, due primarily to the dollar based characteristics of grain prices, which is a major component of costs of goods sold.

Consolidated selling, general and administrative expenses were $12.1 million for the first quarter of fiscal 1996, an increase of $.1 million, or 1.0%, when compared to the first quarter of fiscal 1995. Consolidated selling, general and administrative expenses as a percentage of sales decreased in the first quarter of fiscal 1996 to 4.5% compared to 5.3% in the first quarter of fiscal 1995.

Consolidated operating income was $8.8 million for the first quarter of fiscal 1996 a slight increase of $.1 million, or .1%, when compared to the first quarter of 1995.

Consolidated net interest expense was $5.1 million in the first quarter of fiscal 1996 an increase of $.8 million, or 18.3%, when compared to the first quarter of fiscal 1995. This increase was due to higher outstanding debt levels resulting primarily from the prior year acquisitions in Mexico, offset slightly by lower interest rates when compared to the first quarter of fiscal 1995.

Consolidated income tax expense as a percentage of income before income taxes increased in the first quarter of fiscal 1996 to 126.7% compared to 76.0% in the first quarter of fiscal 1995. The high effective tax rate is due to the Company having positive taxable income in the United States offset by losses in Mexico which result in no current tax benefit under current Mexican tax laws.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity in first quarter 1996 remained strong. However, operating losses in Mexico resulting primarily from the Mexican peso devaluation affected most financial ratios. The Company's working capital at December 30, 1995 decreased to $73.0 million from $88.4 million at September 30, 1995. The current ratio at December 30, 1995 decreased to 1.60 to 1 from 1.84 to 1 at September 30, 1995 and the Company's stockholder's equity slightly decreased to $151.0 million at December 30, 1995 million from $152.1 million at September 30, 1995. The Company reduced its ratio of total debt to capitalization to 56.1% at December 30, 1995 from 56.9% at September 30, 1995. The Company maintains a $75 million revolving credit facility and obtained a $10 million revolving credit facility in Mexico on January 31, 1996, with available unused lines of credit of $32.8 million and $10 million, respectively, at February 9, 1994.

Trade accounts and other receivables were $70.0 million at December 30, 1995, a $10.0 million increase from September 30, 1995. The 16.6% increase was due primarily to increased domestic sales offset partially by the effects of the Mexican peso devaluation. Allowances for doubtful accounts, which primarily relate to receivables in Mexico, as a percentage of trade accounts and notes receivable were 5.4% at December 30, 1995 compared to 6.7% at September 30, 1995.

Inventories were $101.8 million at December 30, 1995, a decrease of $8.6 million decrease from September 30, 1995. This 7.8% decrease was due to reductions in finished poultry products due to increased sales, seasonal variations in sales of poultry and feed products to the Company's principal stockholder, and the effects on Mexican inventories resulting from the peso devaluation.

Accounts payable were $71.6 million at December 30, 1995, a 28.6% increase from September 30, 1995, due primarily to higher production levels, feed ingredient costs and construction-in progress from September 30, 1995.

Capital expenditures for the first three months of 1995 were $12.4 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 $45.0 million for capital expenditures in fiscal year 1996 and expects to finance such expenditures with available operating cash flows, leases and long-term financing. The Company expects to close a $50 million long-term financing arrangement in the second fiscal quarter which will be used to finance the above mentioned capital expenditures and to refinance certain existing long-term debt.

IMPACT OF MEXICAN PESO DEVALUATION

In December 1994, the Mexican government changed its policy of defending the peso against the U.S. dollar and allowed it to float freely on the currency markets. These events resulted in the Mexican peso exchange rate declining from 3.39 to 1 U.S. dollar at October 1, 1994 to a low of 7.91 at November 15, 1995. On February 8, 1996 the Mexican peso closed at 7.45 to 1 U.S. dollar. No assurance can be given as to the future valuation of the Mexican peso and its resulting impact on the Company's operation. Further movement in the Mexican peso could affect future earnings positively or negatively.

Adjustments resulting from changes in currency exchange rates on net monetary assets are reflected in the Consolidated Statements of Income (Loss). Classification of the effects in the Consolidated Statements of Income (Loss) is dependent upon the nature of the underlying asset and, in general, exchange rate effects on net monetary assets are reflected as "Other expenses (income) - Foreign exchange (gain) loss." During the quarters ended December 30, 1995 and December 31, 1994, the peso's devaluation resulted in foreign exchange losses of $1.3 million and $2.3 million, respectively, on net monetary assets.

OTHER

In March 1995, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 121, "ACCOUNTING FOR THE IMPAIRMENT OF LONG-LIVED ASSETS AND FOR LONG-LIVED ASSETS TO BE DISPOSED OF." SFAS No. 121 establishes accounting standards for the impairment of long-lived assets to be held and used and for long-lived assets to be disposed of. SFAS No. 121 is scheduled to become mandatory for the Company's 1997 fiscal year. The Company has not determined the effect of adopting SFAS No. 121. There will be no cash flow impact from this accounting change.

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 30, 1995.

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 02/09/96

Clifford E. Butler
Vice Chairman of the Board,
Chief Financial Officer and
Secretary and Treasurer
in his respective capacity
as such

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DEC-30-1995
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