DGT HOLDINGS CORP.

FORM 10-Q
(Quarterly Report)

Filed 06/10/99 for the Period Ending 05/01/99

Address	100 PINE AIRE DRIVE BAY SHORE, NY 11706
Telephone	631 231-6400
CIK	0000027748
Symbol	DGTC
SIC Code	3679 - Electronic Components, Not Elsewhere Classified
Industry	Medical Equipment & Supplies
Sector	Healthcare
Fiscal Year	07/31

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 May 1, 1999
Commission File Number 0-3319

DEL GLOBAL TECHNOLOGIES CORP.
(Exact name of registrant as specified in its charter)

New York	13-1784308
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

One Commerce Park, Valhalla, NY 10595
(Address of principal executive offices)
(Zip Code)

(914) 686-3600
(Registrant's telephone number including area code)

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 issuer's classes of common stock, as of the close of the business on June 9, 1999.

Common Stock - 7,772,884

PART I

Item 1. Financial Statements

Consolidated Balance Sheets - May 1,1999 and August 1, 1998

Consolidated Statements of Income for the Three Months and Nine Months Ended May 1, 1999 and May 2, 1998

Consolidated Statements of Cash Flows for the Nine Months Ended May 1, 1999 and May 2, 1998

Notes to Consolidated Financial Statements

DEL GLOBAL TECHNOLOGIES CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)

ASSETS

	May 1, 1999	August 1, 1998
CURRENT ASSETS		
Cash and cash equivalents	$ 952,144	$ 3,401,697
Investments available-for-sale	1,068,384	913,125
Trade receivables - net	15,927,676	14,341,744
Cost and estimated earnings in excess of billings on uncompleted contracts	5,441,540	3,306,673
Inventory	34,936,021	29,195,262
Prepaid expenses and other current assets	2,306,413	1,358,847
Total current assets	60,632,178	52,517,348
FIXED ASSETS - Net	13,864,911	12,739,509
INTANGIBLES - Net	812,782	941,443
GOODWILL - Net	5,648,726	4,809,255
DEFERRED CHARGES	294,889	387,044
OTHER ASSETS	984,183	962,028
TOTAL	$82,237,669	$72,356,627

LIABILITIES AND SHAREHOLDERS' EQUITY

CURRENT LIABILITIES

	May 1, 1999	August 1, 1998
Current portion of long-term debt	$ 550,309	$ 120,410
Accounts payable - trade	7,016,236	5,403,403
Accrued liabilities	4,496,002	3,938,623
Deferred compensation liability	1,173,749	913,046
Income taxes	1,436,813	394,540
Total current liabilities	14,673,109	10,770,022
LONG-TERM LIABILITIES		
LONG-TERM DEBT (less current portion included above)	1,263,773	240,273
OTHER	591,206	484,366
DEFERRED INCOME TAXES	1,598,709	1,406,162
Total liabilities	18,126,797	12,900,823
SHAREHOLDERS' EQUITY		
Common stock, $.10 par value; Authorized 20,000,000 shares; Issued and outstanding - 8,157,979 shares at May 1, 1999 and 7,988,993 shares at August 1, 1998	815,799	798,898
Additional paid-in capital	50,085,345	49,124,456
Retained earnings	17,168,435	12,360,906
	68,069,579	62,284,260
Less common stock in treasury - 445,237 shares at May 1, 1999 and 299,746 at August 1, 1998	3,958,707	2,828,456
Total shareholders' equity	64,110,872	59,455,804
TOTAL	$82,237,669	$72,356,627

See notes to consolidated financial statements

DEL GLOBAL TECHNOLOGIES CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

(Unaudited)

	Three Months Ended		Nine Months Ended	
	May 1, 1999	May 2, 1998	May 1, 1999	May 2, 1998
NET SALES	$ 18,684,525	$ 16,682,726	$ 49,416,143	$ 44,565,977
COSTS AND EXPENSES:				
Cost of sales	11,216,870	9,995,579	29,204,291	26,546,139
Research and development	1,753,406	1,548,915	4,707,649	4,249,161
Selling, general and administrative	3,064,658	3,019,143	8,435,479	7,897,980
Interest expense (income) - net	78,577	(5,530)	101,289	(104,080)
	16,113,511	14,558,107	42,448,708	38,589,200
INCOME BEFORE PROVISION FOR INCOME TAXES	2,571,014	2,124,619	6,967,435	5,976,777
PROVISION FOR INCOME TAXES	797,015	679,878	2,159,905	1,912,569
NET INCOME	$ 1,773,999	$ 1,444,741	$ 4,807,530	$ 4,064,208
NET INCOME PER COMMON SHARE AND COMMON SHARE EQUIVALENTS:				
BASIC	$ .23	$ .19	$ .63	$ .54
DILUTED	$ .22	$ .18	$ .59	$ .50
Weighted average number of common shares outstanding	7,700,294	7,541,988	7,658,666	7,484,513
Weighted average number of common shares outstanding and common share equivalents	8,163,269	8,228,828	8,163,470	8,191,038

See notes to consolidated financial statements

DEL GLOBAL TECHNOLOGIES CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Nine Months Ended	
	May 1, 1999	May 2, 1998
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income	$ 4,807,530	$ 4,064,208
Adjustments to reconcile net income to net cash provided by operating activities net of effects of acquisitions:		
Depreciation	1,287,436	1,026,803
Amortization	508,615	405,290
Deferred income tax provision	192,547	115,602
Tax benefit from exercise of stock options and warrants	450,530	780,959
Imputed interest	62,986	62,751
Amortization of stock-based compensation	16,822	101,123
Changes in assets and liabilities:		
Increase in trade receivables	(1,585,932)	(1,836,497)
Increase in cost and estimated earnings in excess of billings on uncompleted contracts	(2,134,867)	(1,018,231)
Increase in inventory	(5,290,759)	(2,530,225)
Increase in prepaid and other current assets	(1,014,802)	(530,755)
(Increase) decrease in other assets	(22,875)	1,285
Increase in accounts payable - trade	1,612,833	1,577,410
Increase in accrued liabilities	584,712	789,818
Increase in deferred compensation liability	260,703	136,510
Increase (decrease) in income taxes payable	1,042,273	(163,904)
Net cash provided by operating activities	777,752	2,982,147
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net cash paid on acquisition of subsidiaries	(550,018)	(899,926)
Expenditures for fixed assets	(2,412,838)	(1,731,275)
Investment in marketable securities	(114,459)	(160,537)
Payments to former shareholders of subsidiaries acquired	(119,569)	(56,772)
Net cash used in investing activities	(3,196,884)	(2,848,510)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net proceeds from (repayment of) bank borrowing	653,399	(147,272)
Payment for repurchase of shares	(1,130,251)	(1,430,852)
Proceeds from exercise of stock options and warrants	448,498	1,275,801
Other	(2,067)	40,497
Net cash used in financing activities	(30,421)	(261,826)

(Continued)

See notes to consolidated financial statements

DEL GLOBAL TECHNOLOGIES CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

	Nine Months Ended	
	May 1, 1999	May 2, 1998
NET DECREASE IN CASH AND CASH EQUIVALENTS	$(2,449,553)	$ (128,189)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	3,401,697	6,070,608
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 952,144	$ 5,942,419
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Interest paid	$ 142,395	$ 36,109
Income taxes paid	$ 473,940	$ 1,091,188
SUPPLEMENTAL SCHEDULE OF INVESTING AND FINANCING ACTIVITIES:		
Acquisition of selected assets	$ 1,508,702	$ 994,455
Acquisition costs in accrued expenses	--	(94,529)
Payment due under acquisition term notes	(958,684)	--
Net cash paid to acquire selected assets	$ 550,018	$ 899,926

See notes to consolidated financial statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

NOTE 1 In the opinion of the Company's management, the accompanying
unaudited consolidated financial statements contain all adjustments (consisting of only normal recurring adjustments) necessary to present fairly the results of the Company's financial position as of May 1, 1999 and the results of its operations and its cash flows for the nine months ended May 1, 1999 and May 2, 1998.

The accounting policies followed by the Company are set forth in Note 1 to the Company's financial statements as of August 1, 1998.

The consolidated financial statements should be read in conjunction with the notes to the financial statements as of August 1, 1998.

Certain reclassifications have been made in the prior period's financial statements to correspond to the current period's presentation.

NOTE 2 The results of operations for the three month and nine month
periods ended May 1, 1999 are not necessarily indicative of the results to be expected for the full year.

NOTE 3 INVESTMENTS AND DEFERRED COMPENSATION

At May 1, 1999, the Company had set aside $1,173,749 of deferred compensation for its President and certain key executives. Of this amount $153,926 was in cash and $1,068,384 was in investments available-for-sale. Included in investments available-for-sale are $48,561 of U. S. Treasury bonds and equity securities held by the Company for its own account and are recorded at fair market. At August 1, 1998, the Company had $913,046 of deferred compensation for its President which was in investments available-for sale. The deferred compensation liability at May 1, 1999 and August 1, 1998 was $1,173,749 and $913,046, respectively. Gains and losses on the investments held to fund the deferred compensation, either recognized or realized, inure to the benefit or detriment of the President's or key executives' individual deferred compensation. Realized and unrealized gains and losses on investments held for the Company's account in the nine-month period ended May 1, 1999 were not material and are recorded in the financial statements.

NOTE 4 PERCENTAGE OF COMPLETION ACCOUNTING

	May 1, 1999	August 1, 1998	Nine Months Ended May 1, 1999
Costs incurred on uncompleted contracts	$12,151,273	$ 6,804,554	$ 5,346,719
Estimated earnings	7,611,727	4,178,103	3,433,624
	19,763,000	10,982,657	8,780,343
Less billings to date	14,321,460	7,675,984	6,645,476
Costs and estimated earnings in excess of billings on uncompleted contracts	$ 5,441,540	$ 3,306,673	$ 2,134,867

The backlog of unshipped contracts being accounted for under the percentage of completion method of accounting was approximately $4.2 million at May 1, 1999.

NOTE 5 INVENTORY

Inventory is stated at the lower of cost (first-in, first-out) or market.

Inventories and their effect on cost of sales are determined by physical count for annual reporting purposes and are estimated by management for interim reporting purposes.

Inventory consists of the following:	May 1, 1999	August 1, 1998
Finished goods	$ 5,801,962	$ 4,848,572
Work-in-process	15,963,420	11,333,936
Raw material and purchased parts	13,170,639	13,012,754
Total	$34,936,021	$29,195,262

NOTE 6 FIXED ASSETS

Fixed assets consist of the following:

	May 1, 1999	August 1, 1998
Land	$ 694,046	$ 694,046
Building	2,146,025	2,146,025
Machinery and equipment	13,538,604	11,370,262
Furniture and fixtures	1,582,778	1,484,310
Leasehold improvements	1,643,192	1,613,883
EDP equipment	2,007,991	1,891,272
Transportation equipment	30,103	30,103
	21,642,739	19,229,901
Less accumulated depreciation and amortization	7,777,828	6,490,392
Net fixed assets	$13,864,911	$12,739,509

NOTE 7 NET INCOME PER COMMON SHARE AND COMMON SHARE EQUIVALENTS

During the year ended August 1, 1998, the Company adopted Statement of Financial Accounting Standard ("SFAS") No. 128, "Earnings Per Share." This statement is effective for financial statements issued for periods ending after December 15, 1997. Basic and diluted earnings per share have been restated for all prior periods to reflect the adoption of SFAS No. 128.

NOTE 8 ACQUISITION

In December 1998, the Company acquired certain selected assets of Acoma Medical Imaging Inc. for approximately $1.4 million in cash, including expenses, payable over a three-year period. The acquired assets consisted of inventory and technology.

NOTE 9 EFFECT OF NEW ACCOUNTING PRONOUNCEMENTS

Reporting Comprehensive Income. In June 1997, the Financial Accounting Standards Board ("FASB") issued SFAS No. 130, "Reporting Comprehensive Income." This statement is effective for years beginning after December 15, 1997. Management has evaluated the effect of this statement on its financial reporting from the adoption of this statement and has found that no further disclosures are needed.

Disclosures About Segments of an Enterprise and Related Information. In June 1997, the FASB issued SFAS No. 131, "Disclosures About Segments of an Enterprise and Related Information." SFAS No. 131 requires the reporting of profit and loss, specific revenue and expense items and assets for reportable segments. It also requires the reconciliation of total segment revenues, total segment profit and loss, total segment assets and other amounts disclosed for segments, to the corresponding amounts in the general purpose financial statements. This statement is effective for fiscal years beginning after December 15, 1997. The Company has not yet determined what additional disclosures may be required in connection with adopting SFAS No. 131.

Disclosures about Pensions and Other Postretirement Benefits. In February 1998, the FASB issued SFAS No. 132, "Employers Disclosures about Pensions and Other Postretirement Benefits." This statement revises employers' disclosures about pensions and other postretirement benefit plans. It does not change the measurement or recognition of those plans. SFAS No. 132 is effective for fiscal years beginning after December 15, 1997. Management does not anticipate that this statement will have a significant effect on the Company's consolidated financial statements.

Disclosures about Derivative Instruments and Hedging Activities. In June 1998, the FASB issued SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities." SFAS No. 133 establishes accounting and reporting standards for derivative instruments and hedging activities. SFAS No. 133 is effective for all quarters of all fiscal years beginning after December 15, 1999. Management does not anticipate that this statement will have any effect on the Company's consolidated financial statements.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Management Discussion and Analysis of Financial Condition and Results of Operations contains forward-looking statements. Such statements involve various risks that may cause actual results to differ materially. These risks include, but are not limited to, the ability of the Company to grow internally or by acquisition and to integrate acquired businesses, changing industry or competitive conditions, and other risks referred to in the Company's registration statements and periodic reports filed with the Securities and Exchange Commission.

OVERVIEW

The Company's net sales have increased as a result of both internal growth and acquisitions. The Company has completed five acquisitions in the past five years: Dynarad (a designer and manufacturer of medical imaging systems and critical electronic subsystems) in fiscal 1993; Bertan (a designer and manufacturer of precision high voltage power supplies and instrumentation for medical and industrial applications) in fiscal 1994; Gendex-Del (a manufacturer of medical imaging systems) in fiscal 1996, X-Ray Technologies, Inc. (a manufacturer of medical imaging systems) in fiscal 1998 and Acoma Medical Imaging Inc. (a manufacturer of medical imaging systems) in fiscal 1999. The Company's net sales have increased from approximately $24.3 million in fiscal 1994 to approximately $62.3 million in fiscal 1998, a compounded annual growth rate of 26.5%.

During the past five years the Company has grown internally and through acquisitions into a company whose predominant business is serving the medical imaging and diagnostic markets. The Company's net sales attributable to medical imaging products have increased from approximately $9.4 million or 38.7% of total net sales in fiscal 1994 to approximately $35.6 million or 65% of total net sales and approximately $43.9 million or 71% of total net sales in fiscal years 1997 and 1998, respectively.

Management believes that recent cost containment trends in the healthcare industry have created opportunities for its cost-effective medical imaging systems and subsystems in domestic and international markets. Some of these trends are increased demand for lower cost medical equipment, outsourcing of systems and critical electronic subsystems by leading original equipment manufacturers ("OEMs"), increased demand for certain diagnostic procedures and lower cost medical services in the global marketplace.

RESULTS OF OPERATIONS

Net sales for the three months ended May 1, 1999 were approximately $18.7 million as compared to approximately $16.7 million for the three months ended May 2, 1998, an increase of 12.0%. Net sales for the nine months ended May 1, 1999 were approximately $49.4 million as compared to approximately $44.6 million for the nine months ended May 2, 1998, an increase of 10.9%. These increases were due to internal growth from existing operations.

Cost of sales, as a percentage of net sales, for the three and nine months ended May 1, 1999 were 60.0% and 59.1%, respectively, as compared to 59.9% and 59.6%, respectively, for the prior corresponding periods.

Research and development expenses were approximately $1.8 million and $1.5 million for the three month periods ended May 1, 1999 and May 2, 1998, respectively. Research and development expenses increased to approximately $4.7 million for the nine months ended May 1, 1999 from approximately $4.2 million for the nine months ended May 2, 1998, an increase of 10.8%. The increase was primarily due to new product development. The Company continues to invest in research and development in order to introduce new state-of-the-art products for its medical and industrial markets.

Selling, general and administrative expenses were approximately $3.1 million, or 16.4% of net sales, for the three months ended May 1, 1999, as compared to approximately $3.0 million, or 18.1% of net sales, for the same period in the prior year, a decrease of 1.7%. Selling, general and administrative expenses were approximately $8.4 million, or 17.1% of net sales, for the nine months ended May 1, 1999 as compared to approximately $7.9 million, or 17.7% of net sales, for the same period in the prior year, a decrease of .6%.

Net interest expense was approximately $79,000 for the three months ended May 1, 1999 as compared to interest income of approximately $6,000 for the corresponding period in the prior year. Net interest expense was approximately $101,000 for the nine months ended May 1, 1999, as compared to net interest income of approximately $104,000 for the corresponding period in the prior year. Net interest expense was the result of higher levels of long-term debt for the three and nine month periods ended May 1, 1999.

Income tax expense was 31% of pretax income for the three and nine months ended May 1, 1999 and 32% for the three and nine months ended May 2, 1998. The decrease from statutory rates is primarily due to sales being made through the Company's Foreign Sales Corporation, research and development and other tax credits.

Net income increased to approximately $1.8 million for the three months ended May 1, 1999, an increase of 22.8%, from approximately $1.4 million for the prior corresponding period. Basic earnings per share for the three months ended May 1, 1999 increased to $.23 from $.19 for the three months ended May 2, 1998, an increase of 21.1%. Diluted earnings per share rose to $.22 from $.18 for the three months ended May 1, 1999 and May 2, 1998, respectively, an increase of 22.2%. The weighted average number of common shares outstanding at May 1, 1999 were 7,700,294, as compared to 7,541,988 at May 2, 1998. The weighted average number of common shares and common share equivalents at May 1, 1999 decreased to 8,163,269 from 8,228,828 at May 2, 1998. Net income increased to approximately $4.8 million for the nine months ended May 1, 1999, an increase of 18.3%, from approximately $4.1 million for the prior corresponding period. Basic earnings per share for the nine months ended May 1, 1999 increased to $.63 from $.54 for the nine months ended May 2, 1998, an increase of 16.7%. Diluted earnings per share rose to $.59 from $.50 for the nine months ended May 1, 1999 and May 2, 1998, respectively, an increase of 18%. The weighted average number of common shares outstanding at May 1, 1999 were 7,658,666 as compared to 7,484,513 at May 2, 1998. The weighted average number of common shares and common share equivalents at May 1, 1999 decreased to 8,163,470 from 8,191,038 at May 2, 1998. The increase in net income for the three and nine month periods ended May 1, 1999 was due to internal growth and improved gross margins.

The backlog of unshipped orders at May 1, 1999 was approximately $42 million.

LIQUIDITY AND CAPITAL RESOURCES

The Company has funded its operations and acquisitions through a combination of cash flow from operations, bank borrowing and the issuance of the Company's common stock.

Working Capital. At May 1, 1999 and August 1, 1998, the Company's working capital was approximately $46.0 million and $41.7 million, respectively. At such dates the Company had approximately $952,000 and $3.4 million, respectively, in cash and cash equivalents.

Trade receivables at May 1, 1999 increased approximately $1.6 million as compared to August 1, 1998, primarily due to increased sales levels.

Cost and estimated earnings in excess of billings on uncompleted contracts increased to approximately $5.4 million at May 1, 1999 from approximately $3.3 million at August 1, 1998 due to new contracts and additional work performed during the period on long term contracts accounted for under the percentage of completion method of accounting.

Inventory at May 1, 1999 increased approximately $5.7 million, as compared to August 1, 1998, primarily because of higher levels of sales of medical systems and subsystems and the acquisition of Acoma Medical Imaging Inc. inventory during the period.

Prepaid expenses and other current assets at May 1, 1999 increased approximately $948,000, as compared to August 1, 1998, due to increases in prepaid trade show expenses and prepaid expenses related to increased acquisition activity.

Trade accounts payable increased approximately $1.6 million at May 1, 1999 from August 1, 1998 primarily because of higher levels of sales of medical systems and subsystems.

Credit Facility and Borrowing. At May 1, 1999, the Company had a $14.0 million revolving credit line and a $10.0 million acquisition credit line. The available portion of the revolving credit line was approximately $13.4 million, after deducting borrowings of $445,000 and outstanding letters of credit of approximately $125,000.
There was $9.5 million available under the Company's acquisition credit line.

Capital Expenditures. The Company continues to invest in capital equipment, principally for its manufacturing operations, in order to improve its manufacturing efficiency and capacity. The Company has expended approximately $2.4 million for capital equipment for the nine-month period ended May 1, 1999.

The Company anticipates that cash generated from operations and amounts available under its bank lending facilities will be sufficient to satisfy its current operating cash needs.

Shareholders' Equity. Shareholders' equity increased to approximately $64.1 million at May 1, 1999 from approximately $59.5 million at August 1, 1998. This was primarily due to the results of operations and the exercise of 147,143 stock options and 15,000 warrants with proceeds of $448,498, reduced by the repurchase of 145,491 shares at a cost of $1,130,251.

Year 2000. The Company has initiated a company-wide program and developed a formal plan to identify, evaluate and implement changes to products, computer systems, applications and infrastructure necessary to achieve a year 2000 date conversion with no effect on customers or disruption to business operations. These actions are necessary to ensure that all systems and business applications will recognize and process the year 2000 and beyond.

The Company uses purchased software programs for a variety of functions, including drafting and design, general accounting and manufacturing applications. Currently, all of the Company's products, software for design and drafting applications and accounting and manufacturing are fully compliant. Other peripheral computer systems and software have been evaluated and steps to achieve compliance are being implemented. At this time, the Company believes that it does not have any internal mission critical year 2000 issues that it cannot remedy.

As part of the year 2000 readiness process, significant customers, service providers, vendors and suppliers who are believed to be critical to business operations after January 1, 2000 have been identified and steps are underway in an attempt to reasonably ascertain their stage of readiness. The Company is surveying them primarily through written correspondence. With respect to mission critical third parties, the Company intends to create contingency plans to mitigate its exposure to such third parties that are not year 2000 compliant. In the event any mission critical third parties do not achieve full compliance, the Company believes it has sufficient alternative resources upon which to rely. Despite its efforts to ascertain the readiness of its customers, suppliers and service providers, the Company cannot be certain as to the actual year 2000 readiness of these third parties or the impact their noncompliance may have on the Company's future financial position, the results of its operations or its cash flows.

With respect to the Company's internal year 2000 compliance, the Company has and expects to incur capital equipment expenditures as well as staff and consulting costs to achieve compliance. The Company believes that all costs to be incurred for all year 2000 compliance related projects will not have a material effect on the Company's future financial position, results of its operations or its cash flows.

The Company expects to achieve full compliance no later than September 30, 1999.

EFFECTS OF NEW ACCOUNTING PRONOUNCEMENTS

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Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable.

PART II

Item 1. Legal Proceedings

None

Item 2. Changes in Securities

None

Item 3. Defaults on Senior Securities

None

Item 4. Submission to a Vote of Security Holders

None

Item 5. Other Information

None

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits: Exhibit 11 - Computation of Earnings per Common Share Exhibit 27 - Financial Data Schedule

(b) Report on Form 8-K: None

SIGNATURES

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

DEL GLOBAL TECHNOLOGIES CORP.

/S/LEONARD A. TRUGMAN

Leonard A. Trugman
Chairman of the Board,
Chief Executive Officer
and President

/S/MICHAEL H. TABER

Michael H. Taber
Chief Financial Officer,
Vice President of Finance
and Secretary

Dated: June 10, 1999

EXHIBIT 11

DEL GLOBAL TECHNOLOGIES CORP. AND SUBSIDIARIES

COMPUTATION OF EARNINGS PER COMMON SHARE

THREE AND NINE MONTHS ENDED MAY 1, 1999 AND MAY 2, 1998

	Three Months Ended May 1, 1999			Nine Months Ended May 1, 1999		
	Net Income	Shares	Per Share Amount	Net Income	Shares	Per Share Amount
Basic Earnings Per Share:						
Income available to common shareholders	$1,773,999	7,700,294	$.23	$4,807,530	7,658,666	$.63
Effect of Dilutive Securities:						
Warrants		13,720			14,025	
Options		449,255			490,779	
Diluted Earnings Per Share	$1,773,999	8,163,269	$.22	$4,807,530	8,163,470	$.59

	Three Months Ended May 2, 1998			Nine Months Ended May 2, 1998		
	Net Income	Shares	Per Share Amount	Net Income	Shares	Per Share Amount
Basic Earnings Per Share:						
Income available to common shareholders	$1,444,741	7,541,988	$.19	$4,064,208	7,484,513	$.54
Effect of Dilutive Securities:						
Warrants		18,946			19,461	
Options		667,894			687,064	
Diluted Earnings Per Share	$1,444,741	8,228,828	$.18	$4,064,208	8,191,038	$.50

ARTICLE 5

CIK: 0000027748

NAME: DEL GLOBAL TECHNOLOGIES CORP.

PERIOD TYPE	9 MOS
FISCAL YEAR END	JUL 31 1999
PERIOD START	AUG 02 1998
PERIOD END	MAY 01 1999
CASH	952,144
SECURITIES	1,068,384
RECEIVABLES	16,191,782
ALLOWANCES	264,106
INVENTORY	34,936,021
CURRENT ASSETS	60,632,178
PP&E	21,642,739
DEPRECIATION	7,777,828
TOTAL ASSETS	82,237,669
CURRENT LIABILITIES	14,673,109
BONDS	0
PREFERRED MANDATORY	0
PREFERRED	0
COMMON	815,799
OTHER SE	63,295,073
TOTAL LIABILITY AND EQUITY	82,237,669
SALES	49,416,143
TOTAL REVENUES	49,416,143
CGS	29,204,291
TOTAL COSTS	29,204,291
OTHER EXPENSES	13,143,128
LOSS PROVISION	0
INTEREST EXPENSE	101,289
INCOME PRETAX	6,967,435
INCOME TAX	2,159,905
INCOME CONTINUING	4,807,530
DISCONTINUED	0
EXTRAORDINARY	0
CHANGES	0
NET INCOME	4,807,530
EPS BASIC	.63
EPS DILUTED	.59

End of Filing