SECURITIES AND EXCHANGE COMMISSION

FORM 10-K

Annual report pursuant to section 13 and 15(d)

Filing Date: **1996-12-30** | Period of Report: **1996-09-30**
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FILER

GENCOR INDUSTRIES INC	Mailing Address	Business Address
CIK:**64472**| IRS No.: **590933147** | State of Incorp.:**DE** | Fiscal Year End: **0930** Type: **10-K** | Act: **34** | File No.: **001-11703** | Film No.: **96688438** SIC: **3531** Construction machinery & equip	*5201 N ORANGE BLOSSOM* *5201 N ORANGE BLOSSOM* *ORANLANDO FL 32810*	*5201 N ORANGE BLOSSOM* *TRAIL* *ORLANDO FL 32810* *4072906000*

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10 - K

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15[d] OF THE SECURITIES EXCHANGE ACT OF 1934
For the Fiscal Year Ended September 30, 1996
[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15[d] OF THE SECURITIES EXCHANGE ACT OF 1934
Commission File No. 0-3821

GENCOR INDUSTRIES, INC.

Incorporated in the State of Delaware	I.R.S. Employer Identification No. 59-0933147

5201 North Orange Blossom Trail
Orlando, Florida 32810
Registrant's Telephone Number, Including Area Code:
(407) 290-6000

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:
None
SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:
Common Stock ($.10 Par Value)

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 filing requirements for the past 90 days.
[X]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.
[X]

State the aggregate market value of the voting stock, $.10 per share value Common Stock, held by nonaffiliates of the Registrant as of November 27, 1996: $23,339,732.

Indicate the number of shares outstanding of each of the Registrant's classes of Common Stock, as of the latest practicable date: 1,353,832 shares of Common Stock ($.10 par value) and 441,532 shares of Class B Stock ($.10 par value) as of November 27, 1996.

List hereunder the following documents if incorporated by reference and the part of the Form 10-K into which the document is incorporated.
Part III - 1997 Proxy Statement which will be filed with the Securities and Exchange Commission.

PART I

ITEM 1. BUSINESS

(a) General:

The Company has seven domestic subsidiaries and seven foreign-based subsidiaries. The seven domestic subsidiaries are General Combustion Corporation ("Genco"), Thermotech Systems Corporation ("Thermotech"), Equipment Services Group, Inc. ("ESGI"), Bituma-Stor, Inc. ("Bituma-Stor"), Bituma Corporation ("Bituma"), The Davis Line, Inc. and California Pellet Mill Company. The Company's foreign subsidiaries are General Combustion Ltd. ("Genco Ltd."), CPM/Europe Limited, CPM/Europe SA, CPM Europe BV, CPM/Pacific (Private) Limited, Gigantissimo 2046 AB, and California Pellet Mill Europe Limited. Additionally, the Company has one operating division - Hy-Way Heat Systems ("Hy-Way"). Except where the context indicates otherwise, the terms "Gencor" and "Company" include its subsidiaries, predecessors and divisions. The Company operates in Orlando, Florida; Marquette, Iowa; Youngstown, Ohio; Aurora, Colorado; Crawfordsville, Indiana; Waterloo, Iowa; N. Kansas City, Missouri; Billingshurst, West Sussex, England; Hasselholm, Sweden; Amsterdam, Netherlands; Wexford, Ireland; Rueil Malmaison, France; and Singapore, Republic of Singapore.

Historical Development

Gencor was incorporated in Florida in 1960, as Mechtron Corporation and changed its name to Mechtron-Genco Corporation in 1969 following its merger with General Combustion, Inc. and Genco Manufacturing, Inc. It reincorporated in Delaware in 1969 and adopted the name Mechtron International Corporation in 1970. On June 26, 1987, the Company and its shareholders approved a name change to Gencor

Industries, Inc.

The Company and its subsidiaries have made a number of acquisitions over the past several years. The following table summarizes the Company's and its subsidiaries' acquisitions from 1985 to date:

Acquiring Entity	Business Acquired	Date	Type of Business
Genco, Ltd.	Beverley Group	1985	Thermal fluid heaters and industrial incinerators
Genco	Hy-Way Heat Company, Inc.	1986	Manufacturer of fluid heat transfer systems and specialty tanks.
Gencor	Bituma-Stor, Inc. and its wholly owned subsidiary Bituma Corporation	1986	Asphalt plants and hot mix asphalt storage silos.
Gencor	The Davis Line and its wholly owned subsidiary Midwest Tank and Construction Holding Corporation	1988	Batch mix asphalt plants, specialty tanks, compact rollers and other products.
Gencor	Process Equipment Division of Ingersoll-Rand Company	1996	Pelleting, grinding, flaking, sugar processing and filtration equipment

Prior to Gencor's acquisition of the Process Equipment Division ("CPM") of Ingersoll-Rand Company effective as of September 30, 1996, Gencor had engaged in the business of the design, manufacture and marketing of industrial combustion systems, fluid heat transfer systems, asphalt production plants and components primarily utilized in the production of asphalt and other materials used in the highway construction industry.

The acquisition of CPM brings to Gencor one new domestic subsidiary and six new foreign subsidiaries. The Company is engaged in the business of the design, manufacture and marketing of pelleting, grinding, flaking, sugar processing and filtration equipment. Gencor intends to continue operating CPM in a similar manner.

(b) Financial Information About Industry Segments:

During 1996, the Company operated in one business segment, by manufacturing heat generation, heat transfer equipment, asphalt production plants, aggregate and other material handling equipment and combustion systems primarily utilized in the production of materials for the construction and repair of roads and highways, and related industries. With the acquisition of CPM, Gencor continues the manufacture of process machinery equipment, however, the industry base of customers has been expanded to include agricultural and food companies.

(c) Narrative Description of Business:

Gencor designs, manufactures, and sells industrial combustion systems, electronic process control systems, fluid heat transfer systems, asphalt production plants and components, primarily utilized in the production of asphalt and other materials used in the highway construction industry, as well as pelleting, grinding, flaking, sugar processing and filtration equipment used by commercial agricultural companies, integrated food producers, feed mills and food processing companies. To a lesser extent, the Company's products are also used in soil remediation processes, chemical and petroleum processing and production, processing of minerals and in energy generation facilities. The Company is engaged in continuing product engineering and development efforts to expand its product lines and to further develop systems which are more energy efficient and environmentally compatible than equipment presently used throughout its principal markets.

The Company offers its products and services through its domestic and foreign subsidiaries. The significant activities of the Company's domestic and foreign subsidiaries and division are described below.

Genco has been manufacturing and selling combustion systems fueled by oil, gas, and non-fossil fuels to paving contractors since the 1940's. Genco also manufactures combustion systems for boilers, fume and liquid incinerators, dryers and tank heaters.

Hy-Way Systems, a division of Genco, manufactures and sells fluid heat transfer systems that are generally used by the hot mix asphalt industry and other process industries. Hy-Way Heat Systems combined the manufacturing operations of Genco-Sellers, Inc. and Hy-Way Heat Company, Inc. The Hy-Way heat name is known throughout the world and is often used generically to refer to fluid heat transfer systems.

Bituma-Stor, Inc. and its wholly owned subsidiary, Bituma Construction Equipment Corporation, manufacture asphalt plants, hot mix storage silos, fabric filtration systems and other asphalt plant components. Bituma-Stor had manufactured hot mix asphalt storage silos, and Bituma Corporation had manufactured asphalt plants and related components since 1970 as Boeing Construction Equipment Company. Boeing Construction Equipment Company first introduced the then-radical concept of drum-mix continuous asphalt production, since then adopted world-wide as the standard technology. As a result of a 1982 acquisition, the name Boeing Construction Equipment Company was changed to Bituma Construction Equipment Company. The Bituma Group's products are recognized for high quality and excellent workmanship and are known for providing the "heaviest construction" in the asphalt industry.

The largest portion of Gencor's revenues are derived through the manufacture and design of asphalt plants and hot mix storage silos used principally to produce and store asphalt.

The Company's asphalt production equipment operations are subject to seasonal fluctuation, resulting in lower sales and possible losses in the third and fourth calendar quarter of each year. Traditionally, asphalt producers do not purchase new equipment for shipment during the summer and fall months to avoid disruption of their activities during peak periods of highway construction and repair.

Thermotech develops, markets and produces equipment to clean soil contaminated with petroleum products. Thermotech has developed a design which thermally desorbs the contaminants from the soil and, after filtering out all the solid matter from the exhaust gasses of the process, subjects the off-gasses to elevated temperatures as to oxidize all the polluting contaminants in the exhaust and release clean and odorless carbon dioxide and water.

Genco Ltd. has directed its efforts toward engineering sales and services used by the hot mix asphalt industry and other process industries. Genco Ltd. also designs and sells fluid heat transfer systems that are generally in the larger sizes as used by the refineries and other heavy industries.

As a result of the Company's acquisition of the CPM Division, the Company has acquired one new domestic subsidiary, California Pellet Mill Company, a California corporation (CPM) and its six new foreign subsidiaries, CPM/Europe Limited, CPM/Europe SA, CPM Europe BV, CPM Pacific (Private) Limited, Gigantissimo 2046 AB and California Pellet Mill/Europe Limited. Except where the context indicates otherwise, the term "CPM" includes CPM and its six foreign subsidiaries. These companies manufacture a range of particle reduction and separation products for various agricultural and related companies. CPM's products can generally be classified into four distinct product lines: pelleting equipment, grinding and flaking equipment, sugar processing equipment, and filtration equipment. CPM's pelleting, grinding and flaking products are sold to a common customer base, often for use in an integrated system for animal feed production. This common market focus has allowed CPM to realize certain synergies from the combination of these businesses, particularly in the areas of marketing and manufacturing.

Pelleting is primarily used in the production of animal feed and involves a particle size upgrading process in which loose, often bulky material with physical characteristics ranging from a fine powder to small granules are compressed and formed into pellets of increased bulk density. Pellets are durable and stable, and thus highly resistant to disintegration and breakage. This eliminates many of the processing problems normally encountered with fine substances, permitting particle size control, reclamation of undersize particles, and the elimination of dust. Although pelleting equipment is typically used in the production of animal feed, pelleting technology is increasingly being used by other industries, including waste processing and chemical and plastics manufacturing.

CPM's grinding and flaking equipment includes machinery designed to grind and process various grains, including wheat, soybeans, and corn. This equipment is often used by customers for the preparation of ingredients for use in pelletized animal feed or for the grinding of mash feed and is also used for the processing of grains for oil separation.

Under the name Silver-Weibull, CPM manufactures sugar processing equipment, including extraction centrifuges and crystallizers for cane and beet sugar processors. The manufacture of sugar involves a number of phases which vary depending on whether the sugar is sourced from cane or beet. However, both processes lead to a crystallization process in which the sugar is crystallized and separated from a raw juice known as "standard liquor." CPM manufactures products specifically for this crystallization phase of sugar processing.

CPM also manufactures a small line of filtration products, including two roll presses, and a continuous pressure filter. These products are sold to a range of industrial users, including mineral processing and corn wet milling companies.

International Operations:

The Company has seven foreign subsidiaries. See "Narrative Description of Business" above for information concerning the foreign subsidiaries.

Sources of Supply and Manufacturing:

Virtually all products sold by the Company and its subsidiaries are manufactured by the Company, except for procured raw materials and hardware. The Company does purchase a large quantity of steel with which to manufacture all of its products. The Company regularly purchases from over 500 manufacturers and suppliers of basic raw materials and a broad variety of hardware utilized in the manufacture of the products of the Company. No one manufacturer or supplier accounted for more than 10% of the Company's total purchases during the year ended September 30, 1996. The Company constantly reviews the cost effectiveness of internal manufacturing versus subcontracting/assembly of its product line. Currently, CPM does purchase large quantities of steel, forging and machined components from several sources worldwide. No one manufacturer or supplier accounted for more than 10% of CPM total purchases.

Inventories:

As of September 30, 1996, inventories constituted approximately 59% of the Company's current assets and 35% of the Company's total assets. Most of the inventory is utilized in manufacturing operations.

Product Engineering and Development:

The Company's product engineering and development activities are directed and conducted at its offices in Orlando, Florida; Marquette, Iowa; Youngstown, Ohio and Billingshurst, West Sussex, England. Work has been accomplished on the uses of cost effective, nonfossil fuels, bio-mass, refuse-derived fuel, coal and coal mixtures, the economical recycling of old asphalt, new designs of environmentally compatible asphalt plants and development of advanced designs of machinery for the remediation of contaminated soil. In addition, product engineering and development activities are directed toward more efficient methods of producing asphalt by constantly seeking to upgrade the quality of the asphalt plants manufactured and the methods by which asphalt is produced by the plants. Product engineering and development has also been directed toward the development of combustion systems that operate at higher temperatures and with higher levels of environmental compatibility, as well as more efficient and lower cost fluid heat transfer systems. Product engineering and development continues on a daily basis into other applications beneficial to the Company. Product engineering and development expenses were approximately $2,207,000, $1,920,000, and $1,939,000 in the twelve months ended September 30, 1996, 1995, and 1994, respectively.

Competition:

Gencor is subject to competition from a number of sources, some of which have greater resources than the Company. Gencor believes that its superior product performance in terms of advanced technological design, fuel efficiency, product reliability, environmental compatibility and after-sale service are key factors in maintaining a competitive advantage in the industry. Thus, the Company has attempted to design and produce technically superior products and to provide extensive servicing capability as a means of overcoming competitors. Failure to maintain technical leadership in the industry or adequate servicing capability could result in decreased sales and adverse earnings consequences to the Company in the future.

CPM is also subject to competition from a number of sources on its product lines as well. Its domestic competition for pellet mills consists primarily of small manufacturers who lack both the capital resources and the breadth of product line possessed by CPM. The competitive environment for CPM's sugar processing equipment is characterized by a few large manufacturers and a number of relatively small manufacturers which focus on specific geographic markets.

Sales Backlog:

The nature of Gencor's business is such as to require a relatively short turnaround from order to shipment; usually less than ninety (90) days. Demand for Company asphalt production equipment exhibits seasonality, particularly in the first and fourth fiscal quarter whereas the Company's agricultural products exhibit slightly less seasonality, primarily in the second and third fiscal quarters. As a result of the foregoing, the size of the Company's backlog should not be viewed as an indicator of future Company financial results. The Company's backlog was approximately $41,165,000 at November 27, 1996. The Company believes that all of the backlog at November 27, 1996 will be delivered in fiscal 1997.

Customers and Marketing:

The principal users of Gencor products are large highway construction companies, producers of materials used in highway construction, commercial agricultural companies, integrated food producers, feed mills and food processing companies.

Gencor believes that 4,000 to 5,000 asphalt production plants operate in the United States, and a similar number in the United Kingdom and Europe. Asphalt paving contractors participate in the highway construction industry, which is equipment and capital intensive. Gencor's focus over recent years has been on developing products which are fuel efficient, environmentally compatible, and technologically ahead of the competition. It utilizes technologies involving advanced concepts and disciplines in environmental compliance, heat release, energy conservation, heat recovery and noise attenuation in manufacturing machinery and plants used in the production of highway construction materials.

The Gencor sales are handled by Gencor employed sales representatives, independent dealers and agents located throughout the world. The Company has established marketing and manufacturing programs to enable Hy-Way Heat and Genco Ltd. to sell one another's product lines since the product lines are complementary. In addition, Genco Ltd. is marketing the general Combustion Systems in the United Kingdom and Europe as well as marketing the Bituma and H&B lines of asphalt plants and related components in the same area.

Through many years of supplying its products and services to customers in the U.S. and around the world, Gencor's management believes that CPM has the largest installed base of pelleting equipment in the world and also one of the largest bases of grinding equipment. Many of CPM's products are perceived by customers as being the most reliable and technologically advanced equipment available. This large installed base has provided CPM with a strong reputation and customer base which generates a regular and recurring level of orders for its products and services. CPM's position in its targeted markets continues to be well protected by its reputation, new process innovations, applications expertise and customer loyalty.

Because of the common end-markets and customers for the CPM products, a common sales and marketing team is used to market CPM's products throughout the world. Furthermore, because CPM is one of the largest producers in all of its products, and due to the benefits of consolidating these products into a common marketing effort, CPM believes that it has developed the largest and most comprehensive marketing and sales team in the industry.

Internationally, CPM's sales and marketing efforts vary from region to region. In Europe, the majority of sales representatives are direct employees of Gencor. In Japan, CPM's products are marketed through Sanyo Trading Company. In addition, CPM uses marketing agreements with companies in Europe to market Silver-Weibull Sugar processing equipment.

Regulations:

The Company believes it has the design and manufacturing capability to meet all industry or governmental agency standards that may apply to its entire line of products, including all domestic and foreign structural, electrical and safety codes. Also the Company's products can be designed and manufactured to meet Environmental Protection Agency regulations. Certain state and local regulatory authorities have strong environmental impact regulations. While the Company believes such regulations have helped rather than restricted its marketing efforts and sales results, there is no assurance that future federal, state or local restrictions will not adversely affect the Company's products and earnings in the future.

Employees:

As of September 30, 1996, the Company employed approximately 1,050 persons in manufacturing, sales and marketing, and engineering positions relating to product manufacturing and development, and administration. The Company has negotiated a collective bargaining agreement as of June 25, 1996 effective through June 27, 1998, covering the production and maintenance employees at its Marquette, Iowa facility. In addition, the Company has a collective bargaining agreement in place covering the production employees at its Crawfordsville, Indiana facility until April 1, 2000.

(d) Financial Information About Foreign and Domestic Operations and Export Sales:

Geographic information at September 30, 1996, 1995, and 1994 and for the years ended September 30, 1996, 1995, and 1994 is as follows:

	1996	1995	1994
Net Sales to Unaffiliated Customers			
United States	$ 57,395,923.00	$56,427,367.00	$55,395,036.00
Europe	2,811,999.00	2,517,065.00	2,336,871.00
Total Consolidated	$ 60,207,922.00	$58,944,432.00	$57,731,907.00
Net Sales or Transfers Between Geographic Areas			
United States	$ -	$ -	$ -
Europe	109,172.00	143,861.00	224,365.00
Total	$ 109,172.00	$ 143,861.00	$ 224,365.00
Operating Income			
United States	$ 5,067,238.00	$ 3,657,019.00	$ 3,466,893.00
Europe	173,204.00	213,900.00	93,451.00
Total	$ 5,240,442.00	$ 3,870,919.00	$ 3,560,344.00
Identifiable Assets			
United States	$ 98,169,867.00	$32,984,053.00	$32,595,135.00
Europe	13,915,674.00	1,835,425.00	1,943,301.00
Other	6,975,854.00	-	-
Total	$119,061,395.00	$34,819,478.00	$34,538,436.00
Export Sales from the U.S.	$ 1,846,000.00	$ 4,828,000.00	$ 7,548,000.00

(e) Executive Officers of the Registrant:

The executive officers of the Registrant are:

NAME	POSITION
E.J. Elliott	Chairman of the Board and President
John E. Elliott	Executive Vice President
Russell R. Lee III	Treasurer
Alan B. Dawes	Managing Director, General Combustion Ltd.
David F. Brashears	Senior Vice President, Technology
D. William Garrett	Vice President, Sales
Marc G. Elliott	Vice President, Marketing
Jeanne Lyons	Secretary

Mr. E.J. Elliott has served as Chairman of the Board since 1973 and President since 1969. Mr. Elliott has over 40 years experience in the design, manufacture and operation of construction machinery and asphalt manufacturing plants. In the 1960's, Mr. Elliott owned and served as President and Chairman of General Combustion, Inc. and Genco Manufacturing Corporation. Mr. Elliott has been a director of the Company since 1968.

Mr. John Elliott was elected Assistant Vice President and a Director of the Company in 1985. In 1986, he was elected a Vice President and promoted to Executive Vice president in 1989. Mr. John Elliott has been with the Company since 1982.

Mr. Lee was elected Treasurer in 1995. He had previously been Corporate Controller since he joined the Company in 1990.

Mr. Dawes was elected Managing Director of General Combustion Ltd. in the U.K., in July 1992. He had previously directed the Company's technical efforts in the U.K. and Europe since the 1985 acquisition of certain assets of the Beverley Group.

Mr. Brashears was named Senior Vice President, Technology, in July 1993. He had previously been Vice President, Engineering, since he joined the Company in 1978.

Mr. Garrett joined the Company in 1985 with the acquisition of Sellers Corporation and has held numerous management positions in sales and marketing for various Company subsidiaries. In 1991, he was elected to the position of Vice President, Sales.

Mr. Marc Elliott was elected Vice President, Marketing, in July 1993. He had previously served in various marketing positions since he joined the Company in 1988.

Ms. Jeanne Lyons was elected Secretary in 1996 and has been with the Company since 1995.

ITEM 2. PROPERTIES

<TABLE>
<CAPTION>

LOCATION	ACREAGE	SQ. FEET	PRINCIPAL FUNCTION
<S>	<C>	<C>	<C>
Orange County, Florida	27	171,000	Principal Company offices and manufacturing of General Combustion and H&B products
Billinghurst, West Sussex, England	1.2	5,000	General Combustion Ltd. offices
Youngstown, Ohio	5.5	45,000	Hy-Way offices and manufacturing
Marquette, Iowa	72	137,000	Bituma Group offices and manufacturing
Indianapolis, Indiana	11.3	79,000	Property for sale (former H&B offices and manufacturing facilities)
Aurora, Colorado	16.8	117,000	CPM offices and manufacturing
Hasselholm, Sweden	N/A	10,000	CPM offices and manufacturing
Crawfordsville, Indiana	2.7	62,000	CPM offices and manufacturing
Waterloo, Iowa	11.5	55,000	CPM offices and manufacturing
North Kansas City, Missouri	.7	6,000	CPM offices and warehouse
Amsterdam, Netherlands	1.2	75,000	CPM offices and manufacturing
Wexford, Ireland	5.6	60,000	CPM offices and manufacturing
Rueil Malmaison, France	.2	4,000	CPM offices
Singapore, Republic of Singapore	N/A	40,000	CPM offices and manufacturing

</TABLE>

See Note 5 to the accompanying consolidated financial statements (Item 14) for a description of existing encumbrances.

ITEM 3. LEGAL PROCEEDINGS

In the normal course of business, the Company has various lawsuits and claims pending, which may be covered in whole or in party by insurance, and which, in any event, if found against the Company, will not have a material effect. Management has reviewed all litigation matters and, upon advice of counsel, has made provisions for any estimable losses and expenses of litigation.

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

(a) Annual meeting held August 14, 1996

(b) Not applicable

(c) There were 1,338,832 shares of Common Stock and 441,532 of Class B Stock outstanding as of July 1, 1996, the record date for the 1996 annual meeting of shareholders. A total of 1,218,943 shares were voted. The following matters were voted upon at the meeting:

The five nominees for the Board of Directors were elected by the shareholders with the following vote:

Nominee	Votes For	Votes Withheld	Broker Non-Votes
E. J. Elliott	407,344 (1)	-	N/A
Constantine L. Corpas	- (1)	-	N/A
John E. Elliott	- (1)	-	N/A
Peter Kourmolis	- (1)	-	N/A
David A. Air	645,262	576,591	N/A

(1) Class B shareholders elected these directors.

The amendment to the Company's Certificate of Incorporation to increase the number of authorized Common Stock from 5,000,000 to 15,000,000 and the number of authorized Class B Stock from 3,000,000 to 6,000,000 was not passed by the shareholders with the following vote:
<TABLE>
<CAPTION>

<S>	Votes For <C>	Votes Against <C>	Abstentions <C>	Broker Non-Votes <C>
Common stock	570,059	649,439	4,521	N/A
Class B stock	407,344	-	-	N/A

</TABLE>

The Selection of Deloitte & Touche LLP, independent certified public accountants, as auditors for the Company for the year ending September 30, 1996 was ratified by the shareholders with the following vote:
<TABLE>
<CAPTION>

Votes For <S>	Votes Against <C>	Abstentions <C>	Broker Non-Votes <C>
1,213,206	4,827	910	N/A

</TABLE>
(d) Not applicable

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON STOCK AND RELATED SHAREHOLDER MATTERS

Stock price information is as follows:

<TABLE>
<CAPTION>

<S>	SALES PRICES HIGH <C>	LOW <C>
1996		
First Quarter	11	7 1/2

Second Quarter	9 1/2	7 1/2
Third Quarter	9 13/16	8 1/2
Fourth Quarter	17	7 1/2
1995		
First Quarter	15	9 1/2
Second Quarter	13	9
Third Quarter	11 1/4	8 7/8
Fourth Quarter	14 1/4	8 1/4

</TABLE>

As of November 27, 1996, there were 456 holders of Common Stock of record and 12 holders of Class B Stock of record.

Gencor's stock is traded on the American Stock Exchange under the symbol (GX).

On November 21, 1996, the Board of Directors declared a cash dividend of $.05 per share, payable January 4, 1997 to shareholders of record as of December 18, 1996. The Company previously paid a cash dividend of $.05 per share on January 5, 1996 to shareholders of record as of December 18, 1995.

On November 16, 1994, the Company's Board of Directors declared a ten percent stock dividend. Prior to this, the Company had not paid any dividends in cash or otherwise on any shares of its capital stock since 1971.

Any dividends which may be paid in the future will be dependent upon conditions then existing and will be at the discretion of the Board of Directors of the Company.

ITEM 6. SELECTED FINANCIAL DATA

<TABLE>
<CAPTION>

	Years Ended September 30, 1996	1995	1994	Nine Months Ended September 30, 1993	Year Ended December 31, 1992 (1)
Net revenue	$ 60,207,922	$58,944,432	$57,731,907	$43,642,125	$44,852,548
Operating income	5,240,442	3,870,919	3,560,344	2,072,150	1,188,810
Income before extraordinary gain	2,756,564	2,038,722	1,630,516	955,486	34,741
Extraordinary gain	-	497,701	-	-	-
Net income	$ 2,756,564	$ 2,536,423	$ 1,630,516	$ 955,486	$ 34,741
Net income per common share (2):					
Income before extraordinary gain	$ 1.55	$ 1.18	$ 1.01	$ 0.59	$ 0.02
Extraordinary gain	-	0.28	-	-	-
Net income	$ 1.55	$ 1.46	$ 1.01	$ 0.59	$ 0.02
Selected balance sheet data:					
	1996(3)	September 30, 1995	1994	September 30, 1993	December 31, 1992(1)
Current assets	$ 69,812,647	$24,005,167	$23,437,160	$21,199,692	$19,409,613
Current liabilities	$ 29,952,263	$12,957,780	$15,171,583	$16,046,375	$13,888,648
Total assets	$119,061,395	$34,819,478	$34,538,436	$35,138,357	$32,635,554
Long-term debt	$ 73,746,253	$11,708,403	$11,623,075	$12,387,854	$13,389,751
Shareholders' equity	$ 12,399,238	$ 9,642,295	$ 7,099,778	$ 5,417,128	$ 4,454,155

</TABLE>

(1) In January 1993, the Company adopted Statement of Financial Accounting Standards No. 109, Accounting for Income Taxes (FAS 109). The selected financial data presented for the year ended December 31, 1992 has been adjusted to reflect the effect of retroactively applying FAS 109.

(2) Income per share has been computed based on the weighted average number of common and common equivalent shares outstanding during each fiscal year.

1996	1,780,159
1995	1,732,725
1994	1,610,608
1993	1,606,740
1992	1,602,092

(3) Includes the Company's acquisition of CPM, effective as of September 30, 1996.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The consolidated statements of income, shareholders' equity, and cash flows are presented for the years ended September 30, 1996, 1995, and 1994.

Year ended September 30, 1996 compared with the year ended September 30, 1995

Net sales and revenue increased to $60,208,000 in the twelve months ended September 30, 1996 as compared to $58,944,000 in the twelve months ended September 30, 1995. Income before the extraordinary gain increased 35.2% from $2,039,000 in the twelve months ended September 30, 1995 to $2,757,000 in the 1996 period.

Sales in the U.S. increased slightly from $56,427,000 in 1995's twelve months to $57,396,000 in the 1996 period. Production costs as a percentage of sales also increased slightly between the two periods. Operating expenses in the U.S. decreased $1,926,000 in the twelve months ended September 30, 1996 from 20.9% of sales to 17.3% of sales. This increase resulted from a decrease in bad debt expense and outside service costs.

Operating income in the U.S. increased from $3,657,000 in the twelve months ended September 30, 1995 to $5,067,000 in 1996, as a result of the higher sales volume and lower operating expenses.

The Company's U.K. subsidiary's sales increased from $2,517,000 in the twelve months ended September 30, 1995 to $2,812,000 in fiscal 1996. Operating income in the U.K. decreased 19.2% from $214,000 in 1995 to $173,000 in 1996, as a result of sales of lower margin products.

Consolidated nonoperating income and expense increased from a net expense of $746,000 in the twelve months ended September 30, 1995 to $1,289,000 in fiscal 1996, as the result of higher interest expense due to higher average outstanding debt balances combined with the loss of nonrecurring equipment rental income in fiscal 1995.

Year ended September 30, 1995 compared with the year ended September 30, 1994

Net sales and revenue increased to $58,944,000 in the twelve months ended September 30, 1995 as compared to $57,732,000 in the twelve months ended September 30,1994. Income before the extraordinary gain increased 25.0% from $1,630,000 in the twelve months ended September 30, 1994 to $2,039,000 in the 1995 period. Net income, which includes an extraordinary gain of $498,000 related to a real estate transaction, increased to $2,536,000 for the twelve months ended September 30, 1995 as compared to $1,630,000 in the 1994 period.

Sales in the U.S. increased slightly from $55,395,000 in 1994's twelve months to $56,427,000 in the 1995 period. Production costs as a percentage of sales remained stable between the two periods. Operating expenses in the U.S. increased $1,277,000 in the twelve months ended September 30, 1995 from 19.0% of sales to 20.9% of sales. This increase resulted from increase in outside service costs, commissions, and bad debt expense partially offset by lower insurance costs.

Operating income in the U.S. increased from $3,467,000 in the twelve months ended September 30, 1994 to $3,657,000 in 1995, as a result of the higher sales volume partially offset by higher operating expenses.

The Company's U.K. subsidiary's sales increased from $2,337,000 in the twelve months ended September 30, 1994 to $2,517,000 in fiscal 1995. Operating income in the U.K. increased 230% from $93,000 in 1994 to $214,000 in 1995, as the result of the increase in sales volume, particularly in the higher margin product lines.

Consolidated nonoperating income and expense decreased from a net expense of $1,106,000 in the twelve months ended September 30, 1994 to $746,000 in fiscal 1995, as the result of nonrecurring litigation settlement costs which were partially offset by the gain on the sale of certain real estate in fiscal 1994.

Liquidity and Capital Resources

The Company has working capital at September 30, 1996 of $39,860,000 as compared with working capital of $11,047,000 as of September 30, 1995. The increase in working capital resulted from an increase in inventories and accounts receivable primarily due to assets received in conjunction with the acquisition of CPM.

The Company's asphalt production equipment operations are subject to seasonal fluctuation, often resulting in lower sales in the third and fourth calendar quarters of each period and much lower earnings or losses during such quarters. Traditionally, asphalt producers do not purchase new equipment or replace old equipment during the summer and fall months, thereby avoiding disruption of their activities during such peak periods of highway construction. The Company's soil remediation equipment business does not show such seasonality.

During fiscal 1996, the Company's total debt increased $3,783,000, as a result of borrowings needed to meet working capital requirements, partially offset by scheduled principal repayments, and $60,869,000 as a result of the acquisition of CPM.

The Company owned two real estate properties which are regarded as excess and are unused as a result of consolidation and having built more efficient, modern facilities. During fiscal 1996, one of these properties was sold and the proceeds of these sales were used to reduce bank debt. The Company cannot predict when it will sell the remaining parcel of property.

The Company believes that, based on the present conditions and banking arrangements, it will be able to meet its working capital needs during fiscal 1997 through operations.
Capital expenditures were approximately $1,345,000 in the year ended September 30, 1996 compared to $463,000 in the year ended September 30, 1995.
The effect of inflationary adjustments have been substantially offset by pricing adjustments.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

An index to the consolidated financial statements of the Company and its subsidiaries is set forth following Part IV hereof.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS

The information regarding the Company's Directors required by this Item 10 is incorporated herein by reference to the Company's definitive Proxy statement, which will be filed with the Securities and Exchange Commission.

Information regarding the Company's Executive Officers required by this Item 10 is furnished in a separate item captioned "Executive Officers of Registrant," included in Part I of this Annual Report on Form 10-K.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this Item 11 is incorporated herein by reference to the Company's definitive Proxy Statement which will be filed with the Securities and Exchange Commission.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The information required by this Item 12 is incorporated herein by reference to the Company's definitive Proxy Statement which will be filed with the Securities and Exchange Commission.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The information required by this Item 13 is incorporated herein by reference to the Company's definitive Proxy Statement which will be filed with the Securities and Exchange Commission.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

(a) A listing of financial statements and financial statement schedules filed as part of this report is set forth in the "Index to Financial Statements" following Part IV hereof.

(b) Reports on Form 8-K: Form 8-K filed on August 19, 1996.

(c) Exhibit Index - 1996 Annual Report on Form 10-K.

EXHIBIT NUMBER	DESCRIPTION	FILED HEREWITH
3.1	Restated Certificate of Incorporation of Company, incorporated by reference to Exhibit 3.1 to Registration No. 33-627	
3.2	Composite of Bylaws of Company, incorporated by reference to Exhibit 3.2 to Registration No. 33-627	
3.3	Certificate of Amendment, changing name of Mechtron International Corporation to Gencor Industries, Inc. and adding a "twelfth" article regarding director liability limitation, incorporated by reference to the Company's annual report on Form 10-K for the year ended December 31, 1987.	
4.1	Form of Common Stock certificate, incorporated by reference to Exhibit 4.1 to Registration No. 33-627.	
4.2	Loan Agreement between the Orange County Industrial Development Authority and the Company dated as of December 1, 1984, incorporated by reference to Exhibit 4.2 to Registration No. 33-627.	
4.3	Specimen copy of Promissory Note dated December 1, 1984, from the Company to the Orange County Industrial Development Authority in the principal sum of $5 million, incorporated by reference to Exhibit 4.3 to Registration No. 33-627	
4.4	Mortgage Deed and Security Agreement dated as of December 1, 1984, from the Company to the Orange County Industrial Development Authority, incorporated by reference to Exhibit 4.4 to Registration No. 33-627.	

EXHIBIT NUMBER	DESCRIPTION	FILED HEREWITH
4.5	Trust Indenture between Orange County Industrial Development Authority and Barnett Banks Trust Company dated as of December 1, 1984, incorporated by reference to Exhibit 4.5 to Registration No. 33-627.	
4.6	Guaranty Agreement between General Combustion Corporation, Mechtron International DISC Corporation, Control Delta Corporation, Thermotech Systems Corporation of Florida, General Combustion Limited, and the Orange County Industrial Development Authority dated as of December 1, 1984, incorporated by reference to Exhibit 4.6 to Registration No. 33-627.	
4.11	Specimen copy of note from Company to David Eugene Davis, dated January 8, 1988, incorporated by reference to an exhibit to the Company's Report on Form 8-K filed on February 17, 1988.	
4.27	$95 million Senior Secured Credit Agreement, by and among Gencor, the Lenders and Credit Lyonnais, New York Bank as Agent to the Lenders and the Issuing Bank with respect to the Letters of Credit, incorporated by reference to Exhibit 10.4 to the Company's Report on Form 8-K filed on	

December 26, 1996.

4.28	Borrower Security Agreement, dated as of December 10, 1996, made by Registrant in favor of Credit Lyonnais New York Branch, as Agent, incorporated by reference to Exhibit 10.5 to the Company's Report on Form 8-K filed on December 26, 1996.	
4.29	Borrower Copyright Security Agreement, dated as of December 10, 1996, made by Registrant in favor of Credit Lyonnais New York Branch, as Agent, incorporated by reference to Exhibit 10.6 to the Company's Report on Form 8-K filed on December 26, 1996.	
4.30	Borrower Pledge Agreement, dated as of December 10, 1996, made by Registrant in favor of Credit Lyonnais New York Branch, as Agent, incorporated by reference to Exhibit 10.7 to the Company's Report on Form 8-K filed on December 26, 1996.	

</TABLE>

<TABLE>
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EXHIBIT NUMBER	DESCRIPTION	FILED HEREWITH
<C>	<S>	<C>
4.31	California Pellet Mill Company Security Agreement, dated as of December 10, 1996, made by California Pellet Mill Company in favor of Credit Lyonnais New York Branch, as Agent, incorporated by reference to Exhibit 10.8 to the Company's Report on Form 8-K filed on December 26, 1996.	
4.32	California Pellet Mill Company Pledge Agreement, dated as of December 10, 1996, made by California Pellet Mill Company in favor of Credit Lyonnais New York Branch, as Agent, incorporated by reference to Exhibit 10.9 to the Company's Report on Form 8-K filed on December 26, 1996.	
4.33	General Combustion Corporation Security Agreement, dated as of December 10, 1996, made by General Combustion Corporation in favor of Credit Lyonnais New York Branch, as Agent, incorporated by reference to Exhibit 10.10 to the Company's Report on Form 8-K filed on December 26, 1996.	
4.34	Equipment Services Group, Inc. Security Agreement, dated as of December 10, 1996, made by Equipment Services Group, Inc. in favor of Credit Lyonnais New York Branch, as Agent, incorporated by reference to Exhibit 10.11 to the Company's Report on Form 8-K filed on December 26, 1996.	
4.35	Thermotech Systems Corporation Security Agreement, dated as of December 10, 1996, made by Thermotech Systems Corporation in favor of Credit Lyonnais New York Branch, as Agent, incorporated by reference to Exhibit 10.12 to the Company's Report on Form 8-K filed on December 26, 1996.	
4.36	Bituma-Stor, Inc. Security Agreement, dated as of December 10, 1996, made by Bituma-Stor, Inc. in favor of Credit Lyonnais New York Branch, as Agent, incorporated by reference to Exhibit 10.13 to the Company's Report on Form 8-K filed on December 26, 1996.	
4.37	Bituma Corporation Security Agreement, dated as of December 10, 1996, made by Bituma Corporation in favor of Credit Lyonnais New York Branch, as Agent incorporated by reference to Exhibit 10.14 to the Company's Report on Form 8-K filed on December 26, 1996.	

</TABLE>

<TABLE>
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EXHIBIT NUMBER	DESCRIPTION	FILED HEREWITH
<C>	<S>	<C>
4.38	Mortgage made by Gencor, Industries, Inc. in favor of Credit Lyonnais New York Branch, as Agent, for certain real property located in Orlando, Florida, incorporated by reference to Exhibit 10.15 to the Company's Report on Form 8-K filed on December 26, 1996.	
4.39	Mortgage made by General Combustion Corporation in favor of Credit Lyonnais New York Branch, as Agent, for certain real property located in Youngstown, Ohio, incorporated by reference to Exhibit 10.16 to the Company's Report on Form 8-K filed on December 26, 1996.	
4.40	Mortgage made by Gencor Industries, Inc. in favor of Credit Lyonnais New York Branch, as Agent, for certain real property located in Marquette, Iowa, incorporated by reference to Exhibit 10.17 to the Company's Report on Form 8-K filed on December 26, 1996.	
4.41	Mortgage made by California Pellet Mill Company in favor of Credit Lyonnais New York Branch, as Agent, for certain real property located in Waterloo, Iowa, incorporated by reference to Exhibit 10.18 to the Company's Report on Form 8-K filed on December 26, 1996.	
4.42	Mortgage made by California Pellet Mill Company in favor of Credit Lyonnais New York Branch, as Agent, for certain real property located in Crawfordsville, Indiana, incorporated by reference to Exhibit 10.19 to the Company's Report on Form 8-K filed on December 26, 1996.	
4.43	Tranche A Term Note, incorporated by reference to Exhibit 10.20 to the Company's Report on Form 8-K filed on December 26, 1996.	
4.44	Tranche B Term Note, incorporated by reference to Exhibit 10.21 to the Company's Report on Form 8-K filed on December 26, 1996.	
4.45	Revolving Credit Notes, incorporated by reference to Exhibit 10.22 to the Company's Report on Form 8-K filed on December 26, 1996.	
10.1	1982 Incentive Stock Option Plan and form of Stock Option Agreement, incorporated by reference to Exhibit 10.1(a) to the Company's Annual Report on Form 10-K for the year ended December 31, 1984.	

</TABLE>

<TABLE>
<CAPTION>

EXHIBIT NUMBER	DESCRIPTION	FILED HEREWITH
<C>	<S>	<C>
10.2	Form of Agreement for Nonqualified Stock Options granted in 1982, 1983, 1984, and 1985, incorporated by reference to Exhibit 10.2(b) to the Company's Annual Report on Form 10-K for the year ended December 31, 1984.	
10.5	Form of Agreement for Nonqualified Stock Options granted in 1986, incorporated by reference to the Annual Report on Form 10-K for the year ended December 31, 1986.	
10.6	1992 Stock Option Plan and Form of Agreement, incorporated by reference to Exhibit 10.6 to	

	the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1992.	
10.7	Purchase Agreement between Ingersoll-Rand Company and Registrant, dated August 12, 1996 incorporated by reference to Exhibit 10.1 to the Company's Report on Form 8-K filed on August 19, 1996.	
10.8	First Amendment, dated as of November 22, 1996, to the Purchase Agreement between Ingersoll-Rand Company and Registrant, dated August 12, 1996 incorporated by reference to Exhibit 10.2 to the Company's Report on Form 8-K filed on December 26, 1996.	
10.9	Second Amendment, dated as of December 10, 1996, to the Purchase Agreement between Ingersoll-Rand Company and Registrant, dated August 12, 1996 incorporated by reference to Exhibit 10.3 to the Company's Report on Form 8-K filed on December 26, 1996.	
11.0	Statement regarding Computation of Earnings per Share.	X
21.0	Subsidiaries of the Registrant.	X

</TABLE>

SIGNATURES

Pursuant to the requirements of Sections 13 or 15(d) 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.

Dated: December 30, 1996

GENCOR INDUSTRIES, INC.

(Registrant)

By: /s/ E.J. Elliott

E.J. Elliott
President and Chairman of the Board

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated. The signatures of Directors constitute a majority of Directors.

/s/ E.J. Elliott E.J. Elliott President and Chairman of the Board	/s/ Russell R. Lee III Russell R. Lee III Treasurer
/s/ C.L. Corpas C.L. Corpas Director	/s/ Peter Kourmolis Peter Kourmolis Director
/s/ John E. Elliott John E. Elliott Director	/s/ David A. Air David A. Air Director

GENCOR INDUSTRIES, INC.

INDEX TO FINANCIAL STATEMENTS AND FINANCIAL STATEMENT SCHEDULES

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

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors and Shareholders of
Gencor Industries, Inc.
Orlando, Florida

We have audited the accompanying consolidated balance sheets of Gencor Industries, Inc. and subsidiaries (the "Company") as of September 30, 1996 and 1995, and the related consolidated statements of income, shareholders' equity and cash flows for each of the three years in the period ended September 30, 1996. Our audits also included the financial statement schedule listed in the accompanying index. These consolidated financial statements and financial statement schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statements and financial statement schedule based on our audits.

We conducted our audits 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, such consolidated financial statements present fairly, in all material respects, the financial position of Gencor Industries, Inc. and subsidiaries at September 30, 1996 and 1995, and the results of their operations and their cash flows for each of the three years in the period ended September 30, 1996, in conformity with generally accepted accounting principles. Also, in our opinion, such financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

DELOITTE & TOUCHE LLP
December 10, 1996
Orlando, Florida

GENCOR INDUSTRIES, INC.

CONSOLIDATED BALANCE SHEETS

<TABLE>
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	September 30, 1996	1995
<S>	<C>	<C>
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,501,546	$ 415,668
Accounts receivable, less allowance for doubtful accounts of $2,859,000 ($2,555,000 in 1995)	24,645,679	7,184,733
Inventories	41,536,558	14,714,777

Prepaid expenses, including deferred income taxes of $612,000 ($1,150,000 in 1995)	2,128,864	1,689,989
Total current assets	69,812,647	24,005,167
Property and equipment, net	36,795,774	10,453,405
Other assets	3,345,791	360,906
Goodwill	9,107,183	
	$119,061,395	$34,819,478
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Notes payable	$ 1,699,151	$ 913,337
Current portion of long-term debt	2,528,367	632,254
Accounts payable	13,368,333	7,167,886
Customer deposits	3,242,271	448,166
Income taxes payable	284,699	428,237
Accrued expenses	8,829,442	3,367,900
Total current liabilites	29,952,263	12,957,780
Post-retirement benefits	1,525,800	
Deferred income taxes	1,437,841	511,000
Long-term debt	73,746,253	11,708,403
Contingencies and commitments		
Shareholders' equity:		
Preferred stock, par value $.10 per share; authorized 300,000 shares; none issued		
Common stock, par value $.10 per share; 5,000,000 shares authorized;1,620,267 shares issued (1,605,267 shares in 1995)	162,027	160,527
Class B stock, par value $.10 per share; 3,000,000 shares authorized; 441,532 shares issued and outstanding (434,032 shares in 1995)	44,153	43,403
Capital in excess of par value	7,836,158	7,740,908
Retained earnings	4,998,558	2,328,655
Cumulative translation adjustment	308,671	319,131
	13,349,567	10,592,624
Less: Subscription receivable from officer	(94,992)	(94,992)
Common stock in treasury, 266,435 shares at cost	(855,337)	(855,337)
	12,399,238	9,642,295
	$119,061,395	$34,819,478

</TABLE>

See accompanying notes to consolidated financial statements.

GENCOR INDUSTRIES, INC.

CONSOLIDATED STATEMENTS OF INCOME

<TABLE>
<CAPTION>

	Years Ended September 30, 1996	1995	1994
<S>	<C>	<C>	<C>
Net revenue	$60,207,922	$58,944,432	$57,731,907
Costs and expenses:			
Production costs	44,533,966	42,763,506	43,139,659
Product engineering and development	2,207,379	1,919,851	1,939,038
Selling, general and administration expenses	8,226,135	10,390,156	9,092,866
	54,967,480	55,073,513	54,171,563
Operating income	5,240,442	3,870,919	3,560,344
Other income (expense):			
Interest income	136	17,160	103,434
Interest expense	(1,357,166)	(1,055,043)	(985,845)
Miscellaneous	68,152	291,686	(223,417)
	(1,288,878)	(746,197)	(1,105,828)

Income before income taxes and extraordinary gain	3,951,564	3,124,722	2,454,516
Income tax expense (benefit)			
Current:			
Federal	872,000	1,301,000	1,427,000
State	(33,000)	170,000	52,000
	839,000	1,471,000	1,479,000
Deferred	356,000	(385,000)	(655,000)
	1,195,000	1,086,000	824,000
Income before extraordinary gain	2,756,564	2,038,722	1,630,516
Extraordinary gain from the retirement of debt, net of income taxes of $312,000	-	497,701	-
Net income	$ 2,756,564	$ 2,536,423	$ 1,630,516
Income per share:			
Income before extraordinary gain	$ 1.55	$ 1.18	$ 1.01
Extraordinary gain	-	0.28	-
Net income per common share	$ 1.55	$ 1.46	$ 1.01
Shares used in computing net income per common share	1,780,159	1,732,725	1,610,608

</TABLE>

See accompanying notes to consolidated financial statements.

GENCOR INDUSTRIES, INC.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

FOR THE YEARS ENDED SEPTEMBER 30, 1996, 1995, AND 1994

<TABLE>
<CAPTION>

	Common Stock		Class B Stock		Capital in Excess of Par Value	Retained Earnings (Accumulated Deficit)	Cumulative Translation Adjustment	Subtotal
	Shares	Amount	Shares	Amount				
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
September 30, 1993	1,445,613	$144,561	403,469	$40,346	$6,794,020	$ (886,209)	$277,563	$ 6,370,281
Stock options exercised	5,000	500	-	-	13,250	-	-	13,750
Conversion of Class B shares to Common shares	8,894	889	(8,894)	(889)	-	-	-	-
Net income	-	-	-	-	-	1,630,516	-	1,630,516
Translation adjustment	-	-	-	-	-	-	38,384	38,384
September 30, 1994	1,459,507	145,950	394,575	39,457	6,807,270	744,307	315,947	8,052,931
10% stock dividend	145,760	14,577	39,457	3,946	933,638	(952,075)	-	86
Net income	-	-	-	-	-	2,536,423	-	2,536,423
Translation adjustment	-	-	-	-	-	-	3,184	3,184
Reductions in subscription receivable	-	-	-	-	-	-	-	-
September 30, 1995	1,605,267	160,527	434,032	43,403	7,740,908	2,328,655	319,131	10,592,624
Cash dividend						(86,661)		(86,661)
Net income						2,756,564		2,756,564
Translation adjustment							(10,460)	(10,460)
Stock options exercised	15,000	1,500	7,500	750	95,250			97,500
September 30, 1996	1,620,267	$162,027	441,532	$44,153	$7,836,158	$4,998,558	$308,671	$13,349,567

</TABLE>

<TABLE>
<CAPTION>

	Subscription Receivable	Treasury Stock		Total Shareholders' Equity
		Shares	Cost	
<S>	<C>	<C>	<C>	<C>

September 30, 1993	$(100,238)	242,214	$(852,915)	$ 5,417,128
Stock options exercised	-	-	-	13,750
Conversion of Class B shares to Common shares	-	-	-	-
Net income	-	-	-	1,630,516
Translation adjustment	-	-	-	38,384
	---------	-------	---------	-----------
September 30, 1994	(100,238)	242,214	(852,915)	7,099,778
10% stock dividend	-	24,221	(2,422)	(2,336)
Net income	-	-	-	2,536,423
Translation adjustment	-	-	-	3,184
Reductions in subscription receivable	5,246	-	-	5,246
	---------	-------	---------	-----------
September 30, 1995	(94,992)	266,435	(855,337)	9,642,295
Cash dividend				(86,661)
Net income				2,756,564
Translation adjustment				(10,460)
Stock options exercised				97,500
	---------	-------	---------	-----------
September 30, 1996	$ (94,992)	266,435	$(855,337)	$12,399,238
	=========	=======	=========	===========

</TABLE>

See accompanying notes to consolidated financial statements.

GENCOR INDUSTRIES, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

<TABLE>
<CAPTION>

	Year Ended September 30,		
	1996	1995	1994
<S>	<C>	<C>	<C>
Net income	$ 2,756,564	$ 2,536,423	$ 1,630,516
Adjustments to reconcile net income to cash provided by (used for) operations:			
Extraordinary gain	-	(497,701)	-
Loss (gain) on disposal of property and equipment	(51,967)	6,329	(382,372)
Loss (gain) on foreign exchange	923	1,086	(311)
Depreciation and amortization	694,818	757,568	862,058
Escrow account releases	-	-	2,250,000
Change in assets and liabilities - net of business acquired:			
Decrease (increase) in accounts receivable	(361,924)	(1,649,989)	221,144
Decrease (increase) in inventories	(5,913,090)	(2,603,986)	912,832
Decrease (increase) in prepaid expenses	766,765	(131,065)	195,151
Decrease in deferred income taxes	(182,000)	(133,000)	(655,000)
Increase (decrease) in accounts payable and customer deposits	(41,500)	2,399,668	(2,768,777)
Increase (decrease) in income tax liabilities	(455,538)	(879,193)	847,427
Increase (decrease) in accrued expenses	(156,870)	(1,719,632)	835,686
	-----------	-----------	-----------
Total adjustments	(5,700,383)	(4,449,915)	2,317,838
	-----------	-----------	-----------
Cash provided by (used for) operations	(2,943,819)	(1,913,492)	3,948,354
Cash flows from investing activities:			
Cash acquired from CPM	1,219,108	-	-
Capital expenditures	(1,344,991)	(462,513)	(500,970)
Proceeds from sale of property and equipment	433,847	1,770	821,048
Insurance proceeds from property theft	400,000	-	-
Prepaid acquisition costs	(312,167)	-	-
Other, net	(160,246)	19,076	(201,963)
	-----------	-----------	-----------
Cash provided by (used for) investing activities	235,551	(441,667)	118,115
Cash flows from financing activities:			
Net (reduction) increase under line of credit	2,292,075	599,470	(207,570)
Repayment of existing debt	(1,375,369)	(4,210,743)	(413,289)
Borrowings	2,867,074	2,484,000	-
Cash dividends paid	(86,661)	-	-
Other, net	97,500	(27,160)	53,134
	-----------	-----------	-----------
Cash provided by (used for) financing activities	3,794,619	(1,154,433)	(567,725)
Effect of exchange rate changes on cash	(473)	532	(3,245)

Net increase (decrease) in cash	1,085,878	(3,509,060)	3,495,499
Cash and cash equivalents at:			
Beginning of period	415,668	3,924,728	429,229
End of period	$ 1,501,546	$ 415,668	$ 3,924,728
Supplemental cash flow information:			
Cash paid during the year for:			
Interest	$ 1,381,000	$ 1,288,000	$ 837,000
Income taxes	$ 1,571,000	$ 2,179,000	$ 634,000

</TABLE>

See accompanying notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

Business

The Company designs and manufactures material handling equipment primarily utilized in the asphalt, agricultural and food industries.

Principles of Consolidation

The consolidated financial statements include the accounts of Gencor Industries, Inc. and its subsidiaries (the "Company"). All material intercompany accounts and transactions are eliminated in consolidation.

In conformity with generally accepted accounting principles, management has used estimates in preparing its consolidated financial statements. Actual results could differ from these estimates.

The carrying amounts of cash, accounts receivable, accounts payable, and notes payable to banks approximate fair value because of the short-term nature of these items. The carrying amount of substantially all of the Company's long-term debt approximates fair value due to the variable nature of the interest rates on the debt.

Foreign Currency Translation

Assets and liabilities of the Company's foreign subsidiaries are translated into U.S. dollars at the applicable rate of exchange in effect at the end of the fiscal year. Revenue and expense accounts are translated at the average rate of exchange during the period and equity accounts are translated at the rate in effect when the transactions giving rise to the balances took place. Gains and losses resulting from translation are accumulated in a separate component of shareholders' equity. Gains and losses resulting from foreign currency transactions are included in income.

Cash Equivalents

Cash equivalents, which consist of short-term certificates of deposit and deposits in money market accounts with original maturities of three months or less, are carried at cost, which approximates their market value.

Inventories

Inventories are stated at the lower of cost or market. Cost is determined principally by the last-in, first-out (LIFO) method.

Property and Equipment

Property and equipment are stated at cost. Depreciation of property and equipment, including depreciation on assets acquired under capital leases, is computed using straight-line and accelerated methods over the estimated useful lives of the related assets. Maintenance and repairs are expensed as incurred. Expenditures which significantly increase asset values or extend useful lives are capitalized.

Assets held for resale are stated at lower of depreciated cost or net realizable value and are no longer depreciated.

Goodwill

Goodwill, the excess of the purchase price over the fair value of net assets of businesses acquired, is being amortized over 25 years using the straight-line method. Management evaluates the recoverability of goodwill and other intangible assets periodically based on current operating trends.

Revenues

Sales, other than revenues from contracts for the production of custom equipment, are recorded generally as the products are shipped. Revenues from contracts for the design and manufacture of certain custom equipment are recognized under the percentage-of-completion method.

Percentage-of-completion accounting is applied to all contracts where (i) the equipment ordered by a customer is designed and manufactured to the customer's specific application, (ii) design, production and installation, if applicable, takes more than three months, and (iii) the aggregate contract sales price exceeds $500,000. In applying the percentage-of-completion method, revenue is recognized in proportion to actual labor costs incurred as compared with total estimated labor costs expected to be incurred during the entire contract. All selling, general and administrative expenses are charged to income as incurred. When the contract estimates indicate a loss, provision is made for the total anticipated loss in the period that the loss becomes evident.

The estimated costs of product warranties are charged to production costs as revenue is recognized.

Income Taxes

The Company and its domestic subsidiaries file a consolidated federal income tax return. The foreign subsidiaries provides income taxes based on the tax regulations of the countries in which it operates.

Net Income Per Share

Net income per share is based on the weighted average number of common shares and common stock equivalents outstanding during each period.

New Accounting Standards

In 1995, the Financial Accounting Standards Board (FASB) issued SFAS No. 123, Accounting for Stock-Based Compensation, which requires companies to measure employee stock compensation plans based on the fair value method of accounting or to continue to apply APB No. 25, Accounting for Stock Issued to Employees, and provide pro forma footnote disclosures under the fair value method in SFAS No. 123. The Company will continue to apply the principles of APB No. 25 and provide pro forma fair value disclosures starting in the 1997 Annual Report.

NOTE 2 - ACQUISITION

Effective September 30, 1996, the Company purchased the stock of Process Equipment Division of Ingersoll-Rand Company ("CPM") for $60,868,697. CPM, a multi-national entity, is also engaged in the design and manufacture of process equipment. The acquisition was financed under a new $95 million credit facility (see Note 5). Additionally, subsequent to September 30, 1996, an equity infusion of approximately $2,853,000 was provided by certain key members of operating management who purchased 268,559 shares at $10.625/share.

The transaction was accounted for as a purchase and the assets have been included in the accompanying balance sheet at their fair value. Total assets acquired approximated $69,141,000, liabilities assumed approximated $17,380,000, and the excess of the amount paid over the fair value of the assets acquired was approximately $9,107,000. Further adjustments may be made retroactively to the accompanying balance sheet as a result of finalization of acquisition costs and fair value adjustments.

The results of operations of CPM will be included in the results of the Company from October 1, 1996. Assuming the acquisition had occurred on October 1, 1995, the Company's (unaudited) net sales, net income, and earnings per share would have been approximately $168,350,000, $5,267,000, and $2.68, respectively, for the year ended September 30, 1996.

NOTE 3 - INVENTORIES

Inventories at September 30, 1996 and 1995 consist of the following:

	1996	1995
Raw materials	$14,389,882	$ 7,583,079
Work in process	10,339,358	3,275,335
Finished goods	16,807,318	3,856,363
	$41,536,558	$14,714,777

At September 30, 1996, accumulated costs of approximately $4,102,000 on major contracts, net of progress payments of approximately $1,068,000, and estimated earnings of approximately $2,437,000 amount to approximately $5,471,000, and are included in work-in-process inventory.

At September 30, 1995, accumulated costs of approximately $1,754,000 on major contracts, net of progress payments of approximately $230,000, and estimated earnings of approximately $609,000 amount to approximately $2,133,000, and are included in work-in-process inventory.

At September 30, 1996 and 1995, cost is determined by the last-in, first-out (LIFO) method for 67% and 88%, respectively, of total inventories, exclusive of progress payments, and the first-in, first-out (FIFO) method for all other inventories. At September 30, 1996 and 1995, the estimated current cost of inventories exceeded their LIFO basis by approximately $4,579,000 and $1,996,000, respectively.

NOTE 4 - PROPERTY AND EQUIPMENT

Property and equipment at September 30, 1996 and 1995, consist of the following:

	1996	1995
Land and improvements	$ 6,071,760	$ 3,324,756
Building and improvements	17,825,054	10,387,677
Machinery and equipment	17,969,000	2,721,518
Tools, jigs and dies	119,100	119,100
Furniture and equipment	2,986,295	507,419
Automobiles	361,859	
Construction in progress	369,308	1,733,436
	45,702,376	18,793,906
Less: Accumulated depreciation	(8,906,602)	(8,340,501)
	$ 36,795,774	$10,453,405

Substantially all of the Company's property and equipment is pledged as collateral for the Company's debt.

The Company has for sale assets with a net book value of approximately $200,000 at September 30, 1996. These assets include land and buildings previously used for manufacturing and administrative offices.

Depreciation expense for the years ended September 30, 1996, 1995, and 1994 was approximately $641,000, $675,000, and $765,000, respectively. There was no interest capitalized during 1996, 1995, or 1994.

NOTE 5 - NOTES PAYABLE AND LONG-TERM DEBT

The Company had short-term notes of $1,699,000 and $913,000 at September 30, 1996 and 1995, respectively. One of the short-term notes, totaling $1,325,000, was converted to equity subsequent to September 30, 1996 in connection with the acquisition of CPM. The weighted average interest note on short-term borrowing during the year ended September 30, 1996 was 9.01%.

Long-term debt at September 30, 1996 and 1995 consists of the following:

<TABLE>
<CAPTION>

<S>	<C> 1996	<C> 1995
Line of credit facility (including foreign line of credit at September 30, 1996)	$ 9,071,844	$6,652,067
Term loan payable to bank	3,364,827	2,484,000
Industrial revenue bonds payable to bank	2,969,252	3,204,590
Acquisition payable (see below)	60,868,697	-
	76,274,620	12,340,657
Less current maturities	(2,528,367)	(632,254)
	$73,746,253	$11,708,403

</TABLE>

The industrial revenue bonds are payable in monthly installments of principal and interest (6.756% at September 30, 1996) at a varying percentage (82% at September 30, 1996) of the bank's prime rate through December 2004. Under the terms of the industrial revenue bond indenture agreement, the Company is required to maintain compliance with certain financial and other covenants. The Company was in compliance with the covenants at September 30, 1996.

In conjunction with the acquisition of CPM, the Company entered into a Senior Secured Credit Agreement with a bank whereby the Company retired its existing, credit facilities, including its foreign line of credit and term loan payable to another bank. Under the terms of the agreement, the Company borrowed $60 million under two term loans and $35 million under a revolving credit facility to facilitate the acquisition. Interest rates on these loans vary, at the Company's option, based upon a factor applied to the prime rate or LIBOR. The revolving credit facility and one of the $30 million term notes are payable through December 2001 with the remaining term note payable through December 2003.

In July 1995, the Company satisfied the second mortgage on its Orlando property at a discount. The retirement of the note, which had been in default, resulted in an extraordinary taxable gain of approximately $810,000.

Substantially all of the Company's assets are pledged as security under the various credit agreements.

Aggregate maturities under the new credit agreement and the industrial revenue bonds subsequent to September 30, 1996, in accordance with the terms of the agreements, are as follows:

<TABLE>
<CAPTION>

<S>	<C>
1997	$ 2,528,367
1998	4,047,767
1999	6,568,519
2000	8,840,717
2001	11,614,462
2002 and thereafter	42,674,788
	$76,274,620

NOTE 6 - ACCRUED EXPENSES

Accrued expenses consist of the following at September 30, 1996 and 1995:

	1996	1995
Payroll and related accruals	$ 5,004,225	$1,445,388

Warranty and related accruals	2,048,687	565,356
Other	1,776,530	1,357,156
Total	$ 8,829,442	$ 3,367,900

NOTE 7 - INCOME TAXES

The difference between the U.S. federal income tax rate and the Company's effective income tax rate is as follows:

	1996	1995	1994
Federal income tax rate	34.0 %	34.0 %	34.0 %
State income taxes, net of federal income tax benefit	(0.5)	2.9	1.4
Internal revenue service examination and other prior period adjustments and refunds	(2.0)	-	-
Difference arising from transactions with, and profit and loss of, foreign subsidiary not deductible or includable for U.S. federal income tax purposes	(2.3)	(1.3)	(1.2)
Other, net	1.0	(0.9)	(0.6)
	30.2 %	34.7 %	33.6 %

</TABLE>

Deferred tax liabilities (assets) were comprised of the following:

<TABLE>
<CAPTION>

<S>	<C>	<C>
Differences in basis of acquired assets	$ 1,109,000	
Depreciation and amortization	329,000	$ 511,000
Inventory cost adjustments	720,000	247,000
Gross deferred tax liability	2,158,000	758,000
Allowance for doubtful accounts	(480,000)	(894,000)
Accrued expenses	(852,000)	(503,000)
Gross deferred tax asset	(1,332,000)	(1,397,000)
	$ 826,000	$ (639,000)

</TABLE>

Losses related to the Company's United Kingdom subsidiary totaling approximately $832,000 at September 30, 1996 are available to offset future income generated from the same trade or business historically carried out by the UK subsidiary.

NOTE 8 - POST-RETIREMENT BENEFITS OTHER THAN PENSIONS

In addition to providing pension benefits, the Company, per the purchase agreement relating to CPM, is obligated to sponsor a post-retirement plan (the "Plan") that covers most domestic employees of CPM. The Plan will provide for healthcare benefits and, in some instances, life insurance benefits and will be contributory with amounts adjusted annually. When full-time employees retire from CPM between age 55 and age 65 with 15 years of service, most will be eligible to receive, at a cost to the retiree, certain healthcare benefits identical to those available to active employees. After attaining age 65, an eligible retiree's healthcare benefit coverage will become coordinated with Medicare.

At September 30, 1996, the Company accumulated a post-retirement benefit obligation liability under the Plan of $1,525,800 for active employees. The Plan had no assets and, therefore, at September 30, 1996, the unfunded accumulated benefit obligation in excess of Plan assets was $1,525,800.

The discount rate used in determining the APBO was 7.25% at September 30, 1996. The assumed healthcare cost trend rates used in measuring the accumulated post-retirement benefit obligation was 10.35% in 1996, declining each year to an ultimate rate by 2003 of 4.65% in 1996.

NOTE 9 - COMMITMENTS AND CONTINGENCIES

The Company leases certain equipment under noncancelable operating leases. Future minimum rental commitments under noncancelable leases in effect at

September 30, 1996 are as follows:

<TABLE>
<CAPTION>

<S>	<C>
1997	$ 613,000
1998	388,000
1999	297,000
2000	166,000
	$1,464,000

</TABLE>

Total rental expense for the years ended September 30, 1996, 1995, and 1994 was $374,000, $415,000, and $378,000, respectively.

The Company is involved in various litigation matters arising in the ordinary course of business. Management has reviewed all claims and lawsuits and, upon the advice of counsel, has made provision for estimable losses and expenses of litigation relating to claims against the Company.

NOTE 10 - QUARTERLY FINANCIAL DATA (UNAUDITED)

The following is a summary of the quarterly results of operations for the years ended September 30, 1996 and 1995:

<TABLE>
<CAPTION>

	September 30, 1996 (Dollars in Thousands)			
	First	Second	Third	Fourth
<S>	<C>	<C>	<C>	<C>
Net revenue	$ 8,261	$17,433	$21,722	$12,792
Cost and expenses	9,384	15,445	19,118	12,309
Income tax expense	(450)	738	1,025	(118)
Net income	$ (673)	$ 1,250	$ 1,579	$ 601
EPS				
Primary	$ (0.38)	$ 0.70	$ 0.89	$ 0.34
Fully diluted	$ (0.38)	$ 0.70	$ 0.88	$ 0.35

	September 30, 1995 (Dollars in Thousands)			
	First	Second	Third	Fourth
Net revenue	$11,458	$18,686	$16,550	$12,250
Cost and expenses	11,090	16,318	16,165	11,749
Income tax expense	160	925	89	(88)
Net income	$ 208	$ 1,443	$ 296	$ 589
EPS				
Primary	$ 0.13	$ 0.81	$ 0.17	$ 0.35
Fully diluted	$ 0.13	$ 0.80	$ 0.17	$ 0.34

</TABLE>

NOTE 11 - SEGMENT AND GEOGRAPHIC INFORMATION

The Company operates in one industry segment (process machinery equipment) and is engaged in the design and manufacture of combustion systems, thermal fluid heat systems, soil remediation equipment, asphalt plants, components and controls, pelleting, grinding, flaking, sugar processing and filtration equipment. The Company conducts separate operations in the United States, Europe and Asia.

Information about the Company's identifiable assets as of September 30, 1996, 1995, and 1994 and operations for the years ended September 30, 1996, 1995, and 1994, in these geographic areas is as follows:

<TABLE>
<CAPTION>

<S>	1996 <C>	1995 <C>	1994 <C>
Net sales to unaffiliated customers			
United States	$ 57,395,923	$56,427,367	$55,395,036
Europe	2,811,999	2,517,065	2,336,871
Total consolidated	$ 60,207,922	$58,944,432	$57,731,907
Net sales or transfers between geographic areas			
United States	$ -	$ -	$ -
Europe	109,172	143,861	224,365
Total	$ 109,172	$ 143,861	$ 224,365
Operating profit (loss)			
United States	$ 5,067,238	$ 3,657,019	$ 3,466,893
Europe	173,204	213,900	93,451
Total	$ 5,240,442	$ 3,870,919	$ 3,560,344
Identifiable assets at year-end			
United States	$ 98,169,867	$32,984,053	$32,595,135
Europe	13,915,674	1,835,425	1,943,301
Other	6,975,854	-	-
Total	$119,061,395	$34,819,478	$34,538,436

</TABLE>

The Company's intercompany policy is to transfer product at estimated market prices. Identifiable assets are those assets of the Company that are identifiable with the operations in each geographic area. Export sales for the years ended September 30, 1996, 1995, and 1994, were approximately $1,846,000, $4,828,000, and $7,548,000, respectively.

NOTE 12 - STOCK OPTIONS

Qualified Stock Options

During the year ended September 30, 1996, stock options for 15,000 shares of common stock, under the Company's 1982 qualified option plan, which were outstanding at December 31, 1995 and 1994, were exercised at $2.75 per share. No stock options remain outstanding under this plan.

Nonqualified Stock Options

As of September 30, 1995, the Company had a nonqualified stock option plan for 7,500 shares of Common Stock or Class B Stock to a member of its Board of Directors which were exercised during fiscal 1996 for $7.50 per share.

In December 1994, the Company issued options for 100,000 shares of Common Stock and 100,000 shares of Class B Stock to certain key employees. These options are outstanding and exercisable at $9.50 per share at September 30, 1996.

During 1996, the Company adopted a non qualified stock option plan whereby 89,000 shares of Class B Stock have been issued to certain key employees. These options are outstanding and exercisable at $8.00 per share at September 30, 1996.

NOTE 13 - SHAREHOLDERS' EQUITY

Under the Company's amended Certificate of Incorporation, certain of the rights of the holders of the Company's Common Stock are modified during any period when shares of Class B Stock are outstanding. During such periods, holders of Common Stock will have the right to elect approximately 25% of the Company's Board of Directors, and will be entitled until December 31, 1995, to receive per share cash dividends when, as, and if declared by the Board of Directors, equal to 110% of those paid on shares of Class B Stock, and conversely, Class B Stock will be entitled to elect approximately 75% of the Company's Board of Directors and, until December 31, 1995, will be limited to receiving, to the extent that cash dividends, if any, are paid, 10% less in dividends than would be payable on shares of Common Stock. During any period when Common Stock and Class B Stock are outstanding, certain matters submitted to a vote of shareholders will also require approval of the holders of Common Stock and Class B Stock, each voting separately as a class.

On November 21, 1996 the Company declared a cash dividend of $0.05 per share payable on January 4, 1997, to shareholders of record as of December 18, 1996.

NOTE 14 - EMPLOYEE BENEFIT PLANS

The Company has a voluntary 401(K) employee benefit plan ("401(K) Plan") which covers all eligible employees. The 401(K) Plan provides that 50% of a participant's contribution will be matched by the Company subject to a maximum contribution amount. The matching contribution becomes fully vested after seven years of credited service with the Company. The Company charged approximately $127,000, $113,000, and $117,000 to operating expense under the provisions of the 401(K) Plan in the years ended September 30, 1996, 1995, and 1994, respectively.

SCHEDULE VIII

GENCOR INDUSTRIES, INC.

Valuation and Qualifying Accounts

<TABLE>
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Description	Balance at Beginning of Period	Charged to Income	Additions Adjustments (Deductions)		Balance at End of Period
<S>	<C>	<C>	<C>	<C>	<C>
Valuation accounts deducted from assets to which they apply:					
For doubtful accounts receivable:					
September 30, 1996	$2,555,000	$(729,131)	$1,033,131	(1)	$2,859,000
September 30, 1995	$2,532,958	$ 811,957	$ (789,915)	(1)	$2,555,000
September 30, 1994	$2,305,320	$ 397,740	$ (170,102)	(1)	$2,532,958

</TABLE>

(1) Accounts written off during the year, collection of accounts previously written off and additional reserve transferred in association with the purchase of PED.

<TABLE>
<CAPTION>

For inventory obsolescence:					
<S>	<C>	<C>	<C>	<C>	<C>
September 30, 1996	$1,511,320	$ 19,600	$4,481,386	(2)	$6,012,306
September 30, 1995	$1,708,695	$(197,375)	$ -		$1,511,320
September 30, 1994	$1,508,044	$ 200,651	$ -		$1,708,695
September 30, 1993	$1,216,160	$ 291,884	-		$1,508,044

</TABLE>

(2) Additional reserve transferred in association with the purchase of PED.

EXHIBIT 11

GENCOR INDUSTRIES, INC.

COMPUTATION OF EARNINGS PER SHARE

<TABLE>
<CAPTION>

<S>	YEAR ENDED SEPTEMBER 30, 1996 <C>	YEAR ENDED SEPTEMBER 30, 1995 <C>	YEAR ENDED SEPTEMBER 30, 1994 <C>
EARNINGS PER SHARE			
Income before extraordinary gain	$2,756,564	$2,038,722	$1,630,516
Extraordinary gain	-	497,701	-
Net income	$2,756,564	$2,536,423	$1,630,516
Average number of shares outstanding	1,780,159	1,732,725	1,610,608
Income per share:			
Income before extraordinary gain	$ 1.55	$ 1.18	$ 1.01
Extraordinary gain	-	0.28	-
Net income	$ 1.55	$ 1.46	$ 1.01
ADDITIONAL PRIMARY COMPUTATION			
Average number of shares outstanding	1,780,159	1,732,725	1,610,608
Add dilutive effect of outstanding options (as determined by the application of the treasury stock method)	-	28,914	13,100
Average number of shares outstanding, as adjusted	1,780,159	1,761,639	1,623,708
Primary earnings per share:			
Income before extraordinary gain	$ 1.55	$ 1.16	$ 1.00
Extraordinary gain	-	0.28	-
Net income	$ 1.55(A)	$ 1.44(A)	$ 1.00(A)

ADDITIONAL FULLY DILUTED COMPUTATION

Average number of shares outstanding	1,780,159	1,732,725	1,610,608
Add dilutive effect of outstanding options (as determined by the application of the treasury stock method)	-	28,914	14,853
Average number of shares outstanding, as adjusted	1,780,159	1,761,639	1,625,461
Fully diluted earnings per share:			
Income before extraordinary gain	$ 1.55	$ 1.16	$ 1.00
Extraordinary gain	-	0.28	-
Net income	$ 1.55(A)	$ 1.44(A)	$ 1.00(A)

</TABLE>

(A) This calculation is submitted in accordance with Regulation S-K item 601 (b)(11) although not required by footnote to paragraph 14 of APB Opinion No. 15 because it results in dilution of less than 3%.

EXHIBIT 21

GENCOR INDUSTRIES, INC. AND SUBSIDIARIES

SUBSIDIARIES OF THE REGISTRANT

All of the operating subsidiaries of Gencor Industries, Inc., a Delaware Corporation, listed below are included in the Consolidated Financial Statements:

	State in Which Incorporated	Country in Which Incorporated
General Combustion Corporation	Florida	
Thermotech Systems Corporation	Florida	
General Combustion Limited		England
Bituma-Stor, Inc.	Iowa	
Bituma Corporation	Washington	
The Davis Line, Inc.	Indiana	
Equipment Services Group, Inc.	Florida	
California Pellet Mill Company	California	
CPM/Europe Limited		Ireland
CPM/Europe S.A.		France
CPM/Europe B.V.		Netherlands
CPM/Pacific (Private) Limited		Singapore
Gigantissimo 2046 AB		Sweden
California Pellet Mill Europe Limited		United Kingdom

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