SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

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DEVRY INC

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SECURITIES AND EXCHANGE COMMISSION

WASHINGTON D.C. 20549

Form 8-K

Current Report
Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 22, 1996

DeVRY INC.
(Exact name of registrant as specified in its charter)

DELAWARE	0-12751	36-3150143
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Indentification No.)

One Tower Lane Oakbrook Terrace, Illinois	60181
(Address of principal executive offices)	(Zip Code)

(630) 571-7700
(Registrant's telephone number, including area code)

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Exhibit Index is on Page 20 Total Number of Pages is 22

ITEM 5 - OTHER EVENTS

The Company's independent accountants have completed an audit of the Company's consolidated financial statements for the year ended June 30, 1996 and have issued an unqualified opinion dated August 6, 1996 on the above mentioned financial statements. These consolidated financial statements are included herein.

ITEM 5 - OTHER EVENTS INDEX

The following documents are filed as part of this report:

The following financial statements of DeVry Inc. and its subsidiaries are included on pages 3 through 18 of this report:

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Report of Independent Accountants

To the Board of Directors
and Shareholders of DeVry Inc.

We have audited the accompanying consolidated balance sheets of DeVry Inc. and its subsidiaries as of June 30, 1996 and 1995, and the related consolidated statements of income, of shareholders' equity and of cash flows for each of the three years in the period ended June 30, 1996. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements 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, the consolidated financial statements audited by us present fairly, in all material respects, the financial position of DeVry Inc. and its subsidiaries at June 30, 1996 and 1995, and the results of their operations and their cash flows for each of the three years in the period ended June 30, 1996, in conformity with generally accepted accounting principles.

Price Waterhouse LLP
Chicago, Illinois
August 6, 1996

<TABLE>

DEVRY INC.
CONSOLIDATED BALANCE SHEETS
(Dollars in Thousands)

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<CAPTION>

<S>	June 30, 1996 <C>	1995 <C>
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 29,948	$ 26,252
Restricted Cash	16,590	20,179
Accounts Receivable, Net	9,684	6,189
Inventories	3,290	3,553
Prepaid Expenses and Other	2,055	1,846
Total Current Assets	61,567	58,019
Land, Buildings and Equipment		
Land	18,956	18,952
Buildings	50,570	39,399
Equipment	51,198	43,390
Construction In Progress	-	1,337
	120,724	103,078
Accumulated Depreciation	(49,283)	(42,820)
Land, Buildings and Equipment, Net	71,441	60,258
Other Assets		
Intangible Assets, Net	37,709	2,022
Perkins Program Fund, Net	5,483	4,522
Other Assets	1,889	1,850
Total Other Assets	45,081	8,394
TOTAL ASSETS	$178,089	$126,671

</TABLE>

The accompanying notes are an integral part of these consolidated financial statements.

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<TABLE>

DEVRY INC.
CONSOLIDATED BALANCE SHEETS
(Dollars in Thousands)

<CAPTION>

	June 30, 1996	June 30, 1995
<S>	<C>	<C>
LIABILITIES		
Current Liabilities		
Accounts Payable	$ 18,859	$ 14,957
Accrued Salaries, Wages & Benefits	14,735	12,369
Accrued Expenses	7,640	3,671
Advance Tuition Payments	7,617	13,982
Deferred Tuition Revenue	3,609	3,768
Total Current Liabilities	52,460	48,747
Other Liabilities		
Revolving Loan	61,500	33,029
Deferred Income Tax Liability	2,207	2,318
Deferred Rent and Other	4,635	4,609
Total Other Liabilities	68,342	39,956
TOTAL LIABILITIES	120,802	88,703
COMMITMENTS AND CONTINGENCIES (Note 8)		
SHAREHOLDERS' EQUITY		
Common Stock, $0.01 par value, 20,000,000 Shares Authorized;16,621,852 and 16,613,492 Shares Issued and Outstanding at June 30, 1996 and 1995, Respectively	166	166
Additional Paid-in Capital	36,694	36,610
Retained Earnings	19,987	742
Foreign Currency Translation Adjustment	440	450
TOTAL SHAREHOLDERS' EQUITY	57,287	37,968

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TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$178,089	$126,671

</TABLE>

The accompanying notes are an integral part of these consolidated financial statements.

<TABLE>

DEVRY INC.
CONSOLIDATED STATEMENTS OF INCOME
(Dollars in Thousands Except for Per Share Amounts)

<CAPTION>

	For The Year Ended June 30,		
	1996	1995	1994
<S>	<C>	<C>	<C>
REVENUES:			
Tuition	$236,607	$207,530	$191,205
Other Educational	22,341	19,887	19,681
Interest	1,059	1,176	551
Total Revenues	260,007	228,593	211,437
COSTS AND EXPENSES:			
Cost of Educational Services	155,254	136,721	127,673
Student Services and Administrative Expense	70,992	63,043	58,146
Interest Expense	1,063	3,070	4,615
Total Costs and Expenses	227,309	202,834	190,434
Income Before Income Taxes	32,698	25,759	21,003
Income Tax Provision	13,453	10,863	8,778
NET INCOME	$ 19,245	$ 14,896	$ 12,225

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EARNINGS PER COMMON SHARE	$1.14	$0.89	$0.73
	=====	=====	=====

</TABLE>

The accompanying notes are an integral part of these consolidated financial statements.

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<TABLE>

DEVRY INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in Thousands)

<CAPTION>

	For The Year Ended June 30,		
	1996	1995	1994
	----	----	----
<S>	<C>	<C>	<C>
CASH FLOWS FROM OPERATING ACTIVITIES			
Net Income	$19,245	$14,896	$12,225
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:			
Depreciation	7,516	6,157	6,981
Amortization	63	63	346
Provision for Refunds and Uncollectible Accounts	16,130	12,810	14,101
Deferred Income Tax (Provision) Benefit	(456)	5,480	2,419
Loss (Gain)on Disposals of Land, Buildings and Equipment	19	(7)	338
Changes in Assets and Liabilities:			
Restricted Cash	3,589	(9,130)	(1,447)
Accounts Receivable	(18,645)	(11,746)	(14,125)
Inventories	263	(629)	34
Prepaid Expenses And Other	(118)	(128)	266

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Perkins Program Fund Contribution and Other	(1,188)	(1,649)	1,717
Accounts Payable	3,210	3,136	1,380
Accrued Salaries, Wages, Expenses and Benefits	6,239	667	3,601
Advance Tuition Payments	(7,340)	7,943	1,010
Deferred Tuition Revenue	(159)	337	(441)
NET CASH PROVIDED BY OPERATING ACTIVITIES	28,368	28,200	28,405
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital Expenditures	(18,352)	(14,551)	(6,288)
Acquisition of Net Assets (Note 2):			
Payment for Purchase of Operating Assets, Net of Cash Acquired	(16,930)	-	-
Payment for Purchase of Intellectual Property	(17,935)	-	-
NET CASH USED IN INVESTING ACTIVITIES	(53,217)	(14,551)	(6,288)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds From Exercise of Stock Options	84	47	6
Proceeds From Revolving Credit Facility	46,500	22,000	35,029
Repayments Under Revolving Credit Facility	(18,029)	(20,000)	(4,000)
Repayments of Debt	-	(12,195)	(43,517)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	28,555	(10,148)	(12,482)
Effects of Exchange Rate Differences	(10)	47	(275)
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,696	3,548	9,360
Cash and Cash Equivalents at Beginning of Year	26,252	22,704	13,344
Cash and Cash Equivalents at End of Year	$29,948	$26,252	$22,704
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION			
Interest Paid During the Year	$ 1,429	$3,367	$4,606
Income Taxes Paid During the Year	13,902	7,080	4,607

</TABLE>

The accompanying notes are an integral part of these consolidated financial statements.

<TABLE>

DEVRY INC.

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CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(Dollars in Thousands)

<CAPTION>

<S>	For The Year Ended June 30, 1996 <C>	1995 <C>	1994 <C>
Common Stock			
Beginning of year	$ 166	$ 83	$ 83
Two-for-one stock split in the form of a stock dividend	-	83	-
End of year	166	83	83
Additional Paid-In Capital			
Beginning of year	36,610	36,563	36,557
Shares issued for exercise of stock options	84	47	6
End of year	36,694	36,610	36,563
Retained Earnings (Accumulated Deficit)			
Beginning of year	742	(14,071)	(26,296)
Net income per accompanying statement	19,245	14,896	12,225
Two-for-one stock split in the form of a stock dividend	-	(83)	-
End of year	19,987	742	(14,071)
Foreign Currency Translation Adjustment			
Beginning of year	450	403	678
Translation Adjustment	(10)	47	(275)
End of year	440	450	403
TOTAL SHAREHOLDERS' EQUITY, END OF YEAR	$57,287	$37,885	$22,978

</TABLE>

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financial statements.

DEVRY INC.
Notes to Consolidated Financial Statements
June 30, 1996

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations
DeVry Inc. (the Company) is a holding company which, through its wholly owned subsidiaries, operates a national system of degree-granting, career-oriented higher-education schools and a leading international training firm. Keller Graduate School of Management, Inc. (KGSM), is one of the largest regionally accredited higher-education systems in North America. Its DeVry Institutes award associate and bachelor's degrees in electronics, computer information systems, business operations, accounting, technical management and telecommunications management. The DeVry Institutes are located on 10 campuses in the United States and four campuses in Canada. Keller Graduate School (Keller) awards master's degrees in business administration, human resource management and project management. Keller classes are offered at 18 locations in Illinois, Wisconsin, Missouri, Georgia, Arizona, California and Virginia. The Corporate Educational Services division offers on-site management and technical training programs for larger employers and government agencies. Becker CPA Review (Becker CPA), acquired June 19, 1996 (Note 2), is the leading international training firm preparing students to pass the Certified Public Accountant (CPA) examination . Currently, the CPA exam review course is offered at approximately 135 locations in the United States and at eight international locations. Becker CPA also offers a Certified Management Accountant (CMA) examination review course in the United States.

Principles of Consolidation
The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation. Becker CPA accounts are consolidated based upon an April 30 fiscal year end, which is its natural year end based on its business cycle. There were no events ocurring during the intervening period before June 30, that materially effected the financial position or results of operations of the Company. Unless indicated, or the context requires

otherwise, references to years refer to the Company's fiscal years

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then ended.

Cash and Cash Equivalents
Cash and cash equivalents include time deposits, commercial paper, municipal bonds and bankers acceptances with maturities of three months or less or that are highly liquid and readily convertible to a known amount of cash. These investments are stated at cost, which approximates market, due to their short duration or liquid nature. The Company limits the amount of credit exposure with any one investment instrument or with any one financial institution. The Company evaluates the creditworthiness of the security issuers and financial institutions with which it invests.

Financial Aid and Restricted Cash
The financial aid and assistance programs, in which most of the Company's students participate, are subject to political and budgetary considerations. There is no assurance that such funding will be maintained at current levels. Extensive and complex regulations in the U.S. and Canada govern all of the government financial assistance programs in which the Company's students participate. The Company's administration of these programs is periodically reviewed by various regulatory agencies. Any regulatory violation could be the basis for the initiation of a suspension, limitation or termination proceeding against the Company.

A significant portion of revenues is provided by students who participate in government financial aid and assistance programs. Restricted cash represents amounts received from the U.S. government under various student aid grant and loan programs. The cash is held in separate bank accounts and does not become available for general use by the Company until the financial aid is credited to the accounts of students and the cash is transferred to an operating cash account.

Revenue Recognition
Tuition revenue and provisions for refunds and uncollectible accounts are recognized ratably over each of the academic terms in a fiscal year. The provisions for refunds and uncollectible accounts are included in the cost of educational services in the Consolidated Statements of Income. Related reserves are $6,603,000 and $5,368,000 at June 30, 1996 and 1995, respectively. Textbook sales and other educational revenues are recognized when they occur. Revenue from training services is recognized when the training is provided.

Inventories
Inventories consist mainly of textbooks, electronics kits and supplies held for sale to students enrolled in KGSM's educational programs. Inventories are valued at the lower of cost (first-in, first-out) or

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market.

Land, Buildings and Equipment
Land, buildings and equipment are recorded at cost. Cost includes additions and those improvements that increase the capacity or lengthen the useful lives of the assets. Repairs and maintenance costs are expensed as incurred. Interest is capitalized as a component of cost on major projects during the construction period. The amount of interest capitalized for the years ended June 30, 1996 and 1995, was $314,000 and $101,000, respectively. Assets under construction are reflected in construction in progress until they are ready for their intended use.

Depreciation is computed using the straight line method over estimated service lives ranging from three to 31 years.

Intangible Assets
Intangible assets relate to the acquired business operations of the DeVry Institutes and Becker CPA (Note 2). These assets consist of the purchase prices allocated to the estimated fair value of certain assets acquired (Note 3). Accumulated amortization is computed using the straight line method over the assets' estimated useful lives of 25 to 40 years.

The Company expenses all marketing and new school opening costs as incurred.

Perkins Program Fund
The Company makes contributions to the Perkins Student Loan Fund at a rate equal to 33% of that contributed by the federal government. As previous borrowers repay their Perkins loans, their payments are used to fund new loans thus creating a permanent revolving loan fund. The Company carries its investment in such contributions at original values net of allowances for losses on loan collections of $1,547,000 and $1,275,000 at June 30, 1996 and 1995, respectively.

Fair Value of Financial Instruments
The carrying amount reported in the Consolidated Balance Sheets for cash and cash equivalents, restricted cash, accounts receivable, accounts payable, accrued expenses and advanced and deferred tuition payments approximate fair value because of the immediate or short-term maturity of these financial instruments. The carrying amount reported for borrowings under the revolving loan agreement approximates fair value because the underlying instruments are variable-rate notes.

Foreign Currency Translation
The financial position and results of operations of KGSM's Canadian

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subsidiary are measured using the local currency as the functional currency. Assets and liabilities of the foreign subsidiary are translated to U.S. dollars using exchange rates in effect at the balance sheet dates. Income and expense items are translated at monthly average rates of exchange prevailing during the year. The resultant translation adjustments are included in the component of shareholders' equity designated as Foreign Currency Translation Adjustment. Transaction gains or losses during the years ended June 30, 1996, 1995 and 1994, were insignificant.

Income Taxes
Income taxes are provided by applying statutory rates to income recognized for financial statement purposes. Deferred income taxes are provided for revenue and expense items that are recognized in different accounting periods for financial reporting purposes than for income tax purposes. Effects of statutory rate changes are recognized for financial reporting purposes in the year in which enacted by law.

Stock Split
On May 17, 1995, the Company's board of directors authorized a two-for-one stock split in the form of a 100% stock dividend payable on June 21, 1995, to shareholders of record on June 1, 1995. The par value of the additional shares arising from the split has been reclassified from retained earnings to common stock. In addition, all references in the financial statements to the number of shares outstanding, per share amounts, stock option data and market prices of the Company's common stock have been restated to reflect the stock split.

Earnings Per Common Share
Earnings per common share are determined by dividing net earnings by the weighted average number of common and common share equivalents outstanding during the year after giving retroactive effect to the stock split. Incentive stock options are included as common stock equivalents using the treasury stock method. The number of shares used in computing the net earnings per share was 16,830,000, 16,727,000 and 16,694,000 in 1996, 1995 and 1994, respectively.

Use of Estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

NOTE 2: ACQUISITION

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On June 19, 1996, a newly formed, wholly owned subsidiary of the Company acquired substantially all of the tangible operating assets and trademarks and assumed certain liabilities of Becker CPA for $18,458,000 in cash. On this same date, another newly formed, wholly owned subsidiary of the Company acquired certain copyrights, other intellectual property and publicity rights of Becker CPA for $17,935,000 in cash. Becker CPA is the leading international training firm preparing students to pass the nationally administered and centrally graded CPA exam, and it also offers a CMA exam review course. Funding for the acquisitions was obtained through borrowings under the Company's revolving credit facility (Note 5).

The acquisitions have been accounted for under the purchase method of accounting. Accordingly, the purchase prices were allocated to the tangible and identifiable intangible assets acquired and liabilities assumed based on their estimated fair values. The intangible assets are being amortized using the straight line method over a 25-year period for financial reporting purposes and are being deducted for tax reporting purposes over shorter statutory lives.

The following unaudited pro forma financial information presents the results of operations of the Company and the acquired Becker CPA business as if the acquisitions had ocurred at the beginning of each fiscal year. The pro forma information is based on historical results of operations and does not necessarily reflect the actual results that would have ocurred, nor is it necessarily indicitive of future results of operations of the combined enterprises (dollars in thousands except for per share amounts):

	1996 (Unaudited)	1995 (Unaudited)
Net Sales	$279,938	$248,386
Net Income	19,375	15,035
Earnings Per Common Share	$1.15	$0.90

NOTE 3: INTANGIBLE ASSETS

Intangible assets that were not fully amortized at June 30 consist of the following:

<TABLE>
<CAPTION>

<S>	1996 <C>	1995 <C>
Trademarks	$ 2,521,000	$2,521,000
Tradenames	17,465,000	-
Intellectual Property	17,425,000	-
Other	860,000	-

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	38,271,000	2,521,000
Accumulated Amortization	(562,000)	(499,000)
	$37,709,000	$2,022,000

</TABLE>

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NOTE 4: INCOME TAXES

The components of income (loss) before income taxes are as follows:

<TABLE>
<CAPTION>

	For the Year Ended June 30, 1996	1995	1994
<S>	<C>	<C>	<C>
U.S.	$35,645,000	$23,323,000	$18,220,000
Foreign	(2,947,000)	2,436,000	2,783,000
Total	$32,698,000	$25,759,000	$21,003,000

</TABLE>

The net income tax provisions (benefits) related to the above results are as follows:

<TABLE>
<CAPTION>

	For the Year Ended June 30, 1996	1995	1994
<S>	<C>	<C>	<C>
Current Tax Provision:			
U.S. Federal	$11,373,000	$ 3,141,000	$4,237,000
State and Local	2,400,000	897,000	596,000
Foreign	(776,000)	1,345,000	1,526,000
Total Current	12,997,000	5,383,000	6,359,000
Deferred Tax Provision:			
U.S. Federal	381,000	4,578,000	2,039,000
State and Local	273,000	838,000	268,000
Foreign	(198,000)	64,000	112,000
Total Deferred	456,000	5,480,000	2,419,000
Net Income Tax Provision	$13,453,000	$10,863,000	$8,778,000

</TABLE>

The income tax provisions differ from those computed using the statutory rate as a result of the following items:

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<TABLE>
<CAPTION>

	For the Year Ended June 30, 1996		1995		1994	
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Expected Provision	$11,444,000	35.0%	$ 9,016,000	35.0%	$7,351,000	35.0%
Higher Rates on Foreign Operations	(312,000)	(1.0%)	323,000	1.3%	308,000	1.5%
State Income Taxes	1,767,000	5.4%	1,123,000	4.4%	875,000	4.1%
Other	554,000	1.7%	401,000	1.5%	244,000	1.2%
Income Tax Provision	$13,453,000	41.1%	$10,863,000	42.2%	$8,778,000	41.8%

</TABLE>

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NOTE 4: INCOME TAXES (continued)

Deferred income tax assets (liabilities) result primarily from the recognition of the tax benefits of net operating loss carryforwards and from temporary differences in the recognition of various expenses for tax and financial statement purposes. These assets and liabilities are composed of the following:

<TABLE>
<CAPTION>

	For the Year Ended June 30, 1996	1995	1994
<S>	<C>	<C>	<C>
Loss Carryforwards	$ -	$ 829,000	$5,038,000
Employee Benefits	1,207,000	1,187,000	1,027,000
Tax Credits	-	47,000	92,000
Rental and Occupancy	762,000	787,000	609,000
Receivable Reserves and Other	2,953,000	1,608,000	1,943,000
Gross Deferred Tax Assets	4,922,000	4,458,000	8,709,000
Depreciation and Other	(4,837,000)	(5,014,000)	(3,970,000)
Amortization	(1,176,000)	(991,000)	(806,000)
Gross Deferred Tax Liabilities	(6,013,000)	(6,005,000)	(4,776,000)
Net Deferred Taxes	($1,091,000)	($1,547,000)	$3,933,000

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</TABLE>

Based on the Company's history of operating earnings and its expectations for the future, management believes that operating income will more than likely be sufficient to recognize fully all deferred tax assets.

Deferred income tax provisions (benefits) result primarily from temporary differences in the recognition of various expenses for tax and financial statement purposes. The sources and tax effects of these differences are as follows:

<TABLE>
<CAPTION>

	For the Year Ended June 30, 1996	1995	1994
<S>	<C>	<C>	<C>
Realization of Operating Loss Carryforwards	$829,000	$4,220,000	$4,497,000
Excess (Tax) Book Depreciation and Amortization	(266,000)	87,000	(339,000)
Excess of Amounts Expensed for (Book) Tax Purposes Over Amounts Deductible for Book (Tax) Purposes	(159,000)	973,000	(1,739,000)
Other, Net	52,000	200,000	-
Deferred Tax Provision	$456,000	$5,480,000	$2,419,000

</TABLE>

NOTE 5: REVOLVING LOAN AGREEMENT

All of the Company's borrowings and letters of credit under its revolving loan agreement are through its operating subsidiary, KGSM. This agreement consists of a revolving credit and letter of credit facility, which is available to KGSM in an aggregate amount not to exceed $85,000,000. This agreement was amended in June 1996 to permit the acquisition of Becker CPA (Note 2), increase the borrowing limits, extend its term and provide for reduced interest rates upon the achievement of certain financial ratios. All borrowings and letters of credit under the revolving loan agreement now mature in August 1999, and there are no required installment payments. Outstanding borrowings under the revolving loan agreeement are $61,500,000 and $33,029,000 at June 30, 1996 and 1995, respectively. There is also a $1,460,000 letter of credit outstanding under this agreement at June 30, 1996. Outstanding borrowings under the revolving loan agreement bear interest, payable quarterly, at either the prime rate or a Eurodollar rate plus 0.75%, at the option of KGSM. Upon achieving certain financial ratios included in the June 1996 amendment, the interest rate can be reduced to a Eurodollar rate plus 0.35%. The effective

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interest rate on outstanding borrowings at June 30, 1996, was 6.84%. Outstanding letters of credit under the revolving loan agreement are charged an annual fee equal to 0.75% of the undrawn face amount of the letter of credit , payable quarterly.

The bank financing agreement contains certain covenants that, among other things, limit capital expenditure to $25,000,000 annually and require maintenance of certain financial ratios as defined in the agreement. None of these covenants negatively impacts the Company's liquidity or capital resources.

In June 1995, the Company voluntarily prepaid the entire $7,870,000 remaining balance of its senior subordinated notes. On December 1, 1994 , in conjuntion with the scheduled principal payment on this date, the Company made a voluntary prepayment of $775,000 These senior subordinated notes bore interest at a rate of 13% per annum and were subordinate to the revolving credit facility.

NOTE 6: EMPLOYEE BENEFIT PLANS

Profit Sharing Retirement Plan
All employees who meet certain eligibility requirements can participate in KGSM's 401(k) Profit Sharing Retirement Plan. KGSM contributes to the plan an amount equal to 1.5% of the total eligible compensation of employees who make contributions under the plan. KGSM's matching contributions under the plan were approximately $765,000, $636,000 and $608,000 in 1996, 1995 and 1994, respectively. In addition, the Company's board of directors may also make discretionary contributions for the benefit of all eligible employees. Provisions for discretionary contributions under the plan were approximately $1,924,000, $1,566,000 and $1,413,000 in 1996, 1995 and 1994, respectively.

Employee Stock Purchase Plan
Effective August 1, 1993, the Company established the DeVry Inc. Employee Stock Purchase Plan. The Plan stipulates that any eligible employee may authorize the Company to withhold up to $25,000 of annual earnings to purchase common stock of the Company on the open market at 100% of the prevailing market price. The Company pays all brokerage commissions and administrative fees associated with the Plan. These expenses were insignificant for the years ended June 30, 1996, 1995 and 1994.

NOTE 7: STOCK OPTION PLANS

The Company maintains three stock option plans: the Amended and Restated Stock Incentive Plan, established in 1988, the 1991 Stock Incentive Plan and the 1994 Stock Incentive Plan. Under these Plans,

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directors, key executives and managerial employees are eligible to receive incentive stock or nonqualified options to purchase shares of the Company's common stock. The Amended and Restated Stock Incentive Plan and the 1994 Stock Incentive Plan are administered by a Plan Committee of the board of directors. Plan Committee members will be granted automatic, nondiscretionary annual options. The 1991 Stock Incentive Plan is administered by the board of directors. Options under all three Plans are granted for terms of up to ten years and vest over periods of one to five years. The option price under the Plans is the fair market value of the shares on the date of the grant.

Share status of each of these plans at June 30, 1996, was as follows:

	Authorized	Reserved for Issuance	Available for Future Grant
Stock Incentive Plan	200,000	184,600	3,400
1991 Stock Incentive Plan	200,000	199,040	61,100
1994 Stock Incentive Plan	400,000	398,000	358,000

Activity during the three years ended June 30, 1996, with respect to options under these plans, was as follows:

	Shares	Option Prices
Under Option at June 30, 1993	122,000	$1.57 - 10.18
Options Exercised	(1,800)	3.50
Options Canceled	(2,000)	13.13
Options Granted	65,400	13.13 - 13.88
Under Option at June 30, 1994	183,600	1.57 - 13.88
Options Exercised	(7,000)	3.50 - 13.13
Options Canceled	(7,600)	3.50 - 13.13
Options Granted	142,500	12.94 - 14.75
Under Option at June 30, 1995	311,500	1.57 - 14.75
Options Exercised	(8,360)	3.50 - 14.75
Options Canceled	(10,550)	12.94 - 21.75
Options Granted	66,550	21.75 - 25.13
Under Option at June 30, 1996	359,140	1.57 - 25.13
Exercisable at June 30, 1996	151,040	$1.57 - 14.75

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NOTE 8: COMMITTMENTS AND CONTINGENCIES

KGSM and Becker CPA lease certain equipment and facilities under non-cancelable operating leases, some of which contain renewal options, escalation clauses and requirements to pay taxes, insurance and maintenance costs. Future minimum rental commitments for all non-cancelable operating leases having a remaining term in excess of one year at June 30, 1996, are as follows:

Year Ended June 30,	Amount
1997	$12,410,000
1998	11,740,000
1999	10,580,000
2000	9,480,000
2001	9,360,000
Thereafter	$56,170,000

The Company recognizes rent expense on a straight-line basis over the term of the lease, although the lease may include escalation clauses that provide for lower rent payments at the start of the lease term and higher lease payments at the end of the lease term.

Rent expenses for the years ended June 30, 1996, 1995 and 1994, were $13,879,000, $12,553,000 and $9,611,000, respectively.

The Company is subject to occasional lawsuits, investigations and claims arising out of the normal conduct of its business. Neither the Company nor any of its subsidiaries is currently a party to any material legal action except those described below.

In July 1996, the Company entered into an out-of-court settlement agreement with the Internal Revenue Service (IRS) relative to the Statutory Notice of Deficiency issued by the IRS against the Company for tax years 1988 through 1991. The claimed deficiencies related to the amortization of intangible assets purchased during the acquisition of the DeVry Institutes in 1987 (Notes 1 and 3). All of these issues have been resolved as a result of the settlement. The settlement amount is immaterial to the Company's financial position, results of operations and liquidity.

During 1996, the Ontario Ministry of Education and Training temporarily suspended and conditionally reinstated the processing of financial aid applications for students attending the Company's Toronto-area schools. Full unconditional reinstatement is subject to the Ministry's completion of certain procedures regarding verification of the Company's compliance with financial aid processing regulations.

In July 1996, the Company was served with a class action lawsuit in Canada alleging misrepresentation about the quality of the DeVry

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Institutes' educational programs. The Company believes that the claims in the lawsuit are frivolous and without merit. In response to the lawsuit, the Company has filed a Statement of Defense and intends to vigorously contest the allegations. Although the outcome cannot be predicted with certainty, the Company believes the resolution of this matter will not have material effect on the Company's financial position, results of operations or liquidity.

NOTE 9: OPERATIONS BY GEOGRAPHIC AREA

The Company operates in a single industry segment as a provider of educational services. The Company conducts its educational operations in the United States and Canada. Revenues, income before interest and taxes, and identifiable assets by geographic area are as follows:

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	For the Year Ended June 30, 1996	1995	1994
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Revenues:			
U.S.	$234,180,000	$205,424,000	$192,842,000
Foreign	25,827,000	23,169,000	18,595,000
Income Before Interest and Taxes:			
U.S.	36,708,000	26,393,000	22,835,000
Foreign	(2,947,000)	2,436,000	2,783,000
Identifiable Assets:			
U.S.	170,828,000	119,160,000	100,080,000
Foreign	7,261,000	7,511,000	6,718,000

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NOTE 10: QUARTERLY FINANCIAL DATA (UNAUDITED)

Summarized unaudited quarterly data for the years ended June 30, 1996 and 1995, are as follows (dollars in thousands, except for per share amounts):

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1996	Quarter First	Second	Third	Fourth	Total Year
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Revenues	$59,839	$66,940	$68,412	$64,816	$260,007
Income Before Interest and Taxes	7,382	9,336	8,822	8,221	33,761

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Net Income	4,031	5,385	5,062	4,767	19,245
Earnings Per Common Share	0.24	0.32	0.30	0.28	1.14

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1995	Quarter				Total
	First	Second	Third	Fourth	Year
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Revenues	$51,955	$59,299	$59,739	$57,600	$228,593
Income Before Interest and Taxes	5,770	8,198	7,652	7,209	28,829
Net Income	2,932	4,343	4,098	3,523	14,896
Earnings Per Common Share	0.18	0.26	0.24	0.21	0.89

</TABLE>

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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.

DeVRY INC.

(Registrant)

Date: August 22, 1996 By: /s/Norman M. Levine

Norman M. Levine
Vice President and
Chief Operating Officer

Date: August 22, 1996 By: /s/Ronald L. Taylor

Ronald L. Taylor
Chief Operating Officer

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EXHIBIT INDEX

Exhibit #	Item	Sequentially Numbered Page
23	Consent of Price Waterhouse, LLP, independent accountants	21
27	Financial Data Schedule	22

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CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in the Registration Statement on Form S-8 (No. 33-44563) of DeVry Inc. of our report dated August 6, 1996 appearing on page 3 of this Form 8-K.

Price Waterhouse LLP
Chicago, Illinois
August 23, 1996

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