

=====

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)
 Quarterly report pursuant to Section 13 or 15(d) of the Securities
Exchange Act of 1934 For the period ended June 29, 1996

OR

Transition report pursuant to Section 13 or 15(d) of the Securities
Exchange Act of 1934
Commission File Number: 0-27078

HENRY SCHEIN, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other
jurisdiction of
incorporation or
organization)

11-3136595
(I.R.S. Employer
Identification No.)

135 Duryea Road
Melville, New York 11747
(Address of principal executive
offices)

Telephone Number (516) 843-5500
(Registrant's telephone number,
including area code)

Indicate by check mark whether the registrant (1) has filed all reports
required to be filed by Section 13 or 15(d) of the Securities Exchange Act of
1934 during the preceding 12 months (or for such shorter period that the
registrant was required to file such reports), and (2) has been subject to such
filing requirements for the past 90 days:

Yes

No

As of August 12, 1996, there were 22,037,394 shares of the Registrant's
Common Stock outstanding.

=====

HENRY SCHEIN, INC.

INDEX

PART I. FINANCIAL INFORMATION

Page No.

Item 1.	Consolidated Financial Statements:	
	Consolidated Balance Sheets	
	June 29, 1996 and December 30, 1995.....	3
	Consolidated Statements of Operations	
	Three and six months ended June 29, 1996 and July 1, 1995.....	4
	Consolidated Statements of Cash Flows	
	Six months ended June 29, 1996 and July 1, 1995.....	5
	Notes to Consolidated Financial Statements	6
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	8

PART II. OTHER INFORMATION

Item 4.	Submission of Matters to a Vote of Security-Holders	13
Item 5.	Other Information	13

Item 6. Exhibits and Reports on Form 8-K13
Signature13

PART I. FINANCIAL INFORMATION
ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

HENRY SCHEIN, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in thousands, except share data)

	June 29, 1996	December 30, 1995
	----- (unaudited)	-----
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 92,851	\$ 7,603
Accounts receivable, less reserves of \$5,841 and \$6,335, respectively	112,637	91,248
Inventories	97,600	96,515
Deferred income taxes	6,760	6,896
Other	19,230	19,492
	-----	-----
Total current assets	329,078	221,754
Property and equipment, net of accumulated depreciation of \$36,343 and \$33,904, respectively	33,218	29,713
Goodwill and other intangibles, net of accumulated amortization of \$2,541 and 1,795, respectively	28,612	24,389
Investments and other	23,089	21,011
	-----	-----
	\$ 413,997	\$ 296,867
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 65,229	\$ 65,105
Bank credit lines	8,156	9,325
Accruals:		
Salaries and related expenses	9,632	9,074
Premium coupon redemptions	3,643	4,474
Other	20,410	26,534
Current maturities of long-term debt	3,259	3,343
	-----	-----
Total current liabilities	110,329	117,855
Long-term debt	25,274	30,381
Other liabilities	1,167	1,233
	-----	-----
Total liabilities	136,770	149,469
	-----	-----
Minority interest	4,308	4,547
	-----	-----
Commitments and contingencies		
Stockholders' equity:		
Common stock, \$.01 par value, authorized 60,000,000; issued and outstanding 22,093,048 and 18,358,673, respectively	221	183
Additional paid-in capital	247,898	123,866
Retained earnings	26,424	19,746
Treasury stock, at cost, 55,654 and 51,679 shares, respectively	(913)	(769)
Foreign currency translation adjustment	(711)	(175)
	-----	-----
Total stockholders' equity	272,919	142,851
	-----	-----
	\$ 413,997	\$ 296,867
	=====	=====

See accompanying notes to consolidated financial statements.

HENRY SCHEIN, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)
(unaudited)

	Three months ended		Six months ended	
	June 29, 1996	July 1, 1995	June 29, 1996	July 1, 1995
Net sales	\$ 194,722	\$ 139,753	\$ 380,081	\$ 275,793
Cost of sales	136,792	97,646	267,202	193,371
	57,930	42,107	112,879	82,422
Operating expenses:				
Selling, general and administrative....	51,460	37,418	101,705	74,747
Special management compensation	--	15,497	--	15,497
	6,470	(10,808)	11,174	(7,822)
Other income (expense):				
Interest income	748	70	1,143	139
Interest expense	(1,348)	(1,393)	(2,309)	(2,681)
Other-net	79	78	(18)	175
	5,949	(12,053)	9,990	(10,189)
Taxes on income	2,040	1,515	3,823	2,296
Minority interest in net income (loss) of subsidiaries	56	124	(14)	296
Equity in earnings of affiliates	361	261	497	286
	\$ 4,214	\$ (13,431)	\$ 6,678	\$ (12,495)
Net income (loss)	\$ 4,214	\$ (13,431)	\$ 6,678	\$ (12,495)
Net income per common share	\$.22		\$.35	
Pro forma :				
Historical net income (loss)		\$ (13,431)		\$ (12,495)
Pro forma adjustments:				
Special management compensation		15,497		15,497
		\$ 2,066		\$ 3,002
Pro forma net income		\$ 2,066		\$ 3,002
Pro forma net income per common share ...		\$.17		\$.25
Weighted average common and common equivalent shares outstanding	19,092		18,887	
	19,092		18,887	
Pro forma weighted average common and common equivalent shares outstanding ..		12,184		12,184
		12,184		12,184

See accompanying notes to consolidated financial statements.

HENRY SCHEIN, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(unaudited)

	Six months ended	
	June 29, 1996	July 1, 1995
Cash flows from operating activities:		
Net income (loss)	\$ 6,678	\$ (12,495)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	3,513	1,871
Provision (benefit) for losses on accounts receivable	(216)	121
Benefit for deferred income taxes	(358)	(610)
Special management compensation	--	15,497
Undistributed earnings of affiliates	(497)	(286)
Minority interest in net income (loss) of subsidiaries	(14)	296
Other	80	81
Changes in assets and liabilities:		
Increase in accounts receivable	(18,490)	(12,309)
Decrease in inventories	965	8,950
Decrease in other current assets	298	1,612
Decrease in accounts payable and accruals	(9,239)	(3,981)
Net cash used in operating activities	(17,280)	(1,253)
Cash flows from investing activities:		
Capital expenditures	(5,251)	(3,951)
Business acquisitions, net of cash acquired.....	(6,963)	(518)
Other	(1,496)	(776)
Net cash used in investing activities	(13,710)	(5,245)
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	846	1,408
Principal payments on long-term debt	(4,270)	(943)
Proceeds from issuance of stock	124,070	--
Proceeds from borrowings from banks	2,392	5,525
Payments on borrowings from banks	(5,894)	(43)
Purchase of treasury stock	(144)	--
Other	(762)	683
Net cash provided by financing activities	116,238	6,630
Net increase in cash and cash equivalents	85,248	132
Cash and cash equivalents, beginning of period	7,603	4,450
Cash and cash equivalents, end of period	\$ 92,851	\$ 4,582

See accompanying notes to consolidated financial statements.

HENRY SCHEIN, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share data)
(unaudited)

Note 1. Basis of Presentation

The consolidated financial statements include the accounts of Henry Schein, Inc. and its wholly-owned and majority-owned subsidiaries (collectively, the "Company").

In the opinion of the Company's management, the accompanying unaudited consolidated financial statements contain all adjustments (consisting of only normal recurring accruals) necessary to present fairly the information set forth therein. These consolidated financial statements are condensed and therefore do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. The consolidated financial statements should be read in conjunction with the Company's consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 30, 1995. The Company follows the same accounting policies in preparation of interim reports. The results of operations for the six months ended June 29, 1996 are not necessarily indicative of the results to be expected for the fiscal year ending December 28, 1996.

Note 2. Business Acquisitions

During 1995, the Company acquired fourteen healthcare distribution businesses including, on July 7, 1995, the distribution business of The Veratex Corporation ("Veratex"), a national direct marketer of medical, dental and veterinary products. Veratex had net sales of approximately \$19,853 for the six months ended July 1, 1995. The Veratex acquisition also provides for contingent payments of up to approximately \$2,000 if certain financial targets are satisfied.

The 1995 acquisitions, except as set forth below, were accounted for using the purchase method of accounting. One acquisition was from an affiliate and has been accounted for using the purchase method of accounting, with carry-over of predecessor basis with respect to the affiliate's proportionate share of net assets. Operations of these businesses have been included in the consolidated financial statements from their respective acquisition dates.

The Company completed three acquisitions during the six months ended June 29, 1996. The 1996 acquisitions were not material.

The excess of the acquisition costs over the fair value of identifiable net assets acquired will be amortized on a straight-line basis over a period not to exceed 30 years.

HENRY SCHEIN, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
(in thousands, except share data)
(unaudited)

Note 2. Business Acquisitions (cont'd)

The summarized unaudited pro forma results of operations set forth below for the six months ended July 1, 1995 assume the 1995 acquisitions occurred as of the beginning of the period.

	Six Months Ended ----- July 1, 1995 -----
Net sales.....	\$312,057
Pro forma net income.....	2,732
Pro forma net income per common share.....	\$0.20

Pro forma net income per common share, including acquisitions, may not be indicative of actual results, primarily because the pro forma earnings include historical results of operations of acquired entities and do not reflect any cost savings that may result from the Company's integration efforts.

Note 3. Public Offering

On June 21, 1996, the Company sold 3,734,375 shares and certain of its stockholders sold 2,812,000 shares of Common Stock of the Company in a public offering at \$35.00 per share, netting proceeds to the Company, after underwriting discounts and expenses, of approximately \$124,070. Proceeds from the Offering were used to (i) repay \$34,600 outstanding under the Company's revolving credit agreement, and (ii) repay a \$2.4 million note payable incurred in connection with a 1995 acquisition; the remaining proceeds will be used for general corporate purposes, including financing possible acquisitions.

Note 4. Supplemental Net Income per Share

Supplemental net income per share for the six months ended June 29, 1996 was \$0.37. For this calculation, the weighted average number of common shares includes the shares assumed to provide the proceeds, at the public offering price (see Note 3), needed to retire average revolving credit borrowings and debt for the period from the beginning of the year (or the date the debt was incurred) to the respective retirement date. The net income was adjusted to exclude the related financing and interest expenses of the debt.

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

RESULTS OF OPERATIONS

Three Months Ended June 29, 1996 compared to
Three Months Ended July 1, 1995

Net sales increased \$54.9 million, or 39.3%, to \$194.7 million for the three months ended June 29, 1996 from \$139.8 million for the three months ended July 1, 1995. The Company estimates that approximately 22.2% of the net sales growth was due to internal growth, while the remaining 17.1% was due to acquisitions. Of the \$54.9 million increase, approximately \$32.3 million represented a 43.9% increase in the Company's dental business, \$13.3 million represented a 47.3% increase in its medical business, \$7.6 million represented a 29.6% increase in its international business, and \$1.7 million represented a 23.0% increase in the Company's veterinary business. Technology net sales remained consistent with last year's results. The dental net sales increase was primarily the result of the effectiveness of the Company's integrated sales and marketing approach (which coordinates the efforts of its field sales consultants with its direct marketing and telesales personnel), acquisitions and entering the U.S. market for large dental equipment. The medical net sales increase was primarily due to acquisitions, increased net sales to renal dialysis centers and increased outbound telesales activity. In the international market, the increase in net sales was primarily due to acquisitions and increased unit volume growth. In the veterinary market, the increase in net sales was primarily due to increased account penetration and an acquisition. In the technology market, the Company has experienced a lengthening of the sales cycle for migrating "DOS" customers to a Windows product, causing net sales to remain basically at last year's level. The Company believes that for the balance of 1996, technology net sales will experience modest growth over 1995 net sales levels.

Gross profit increased by \$15.8 million, or 37.5%, to \$57.9 million for the three months ended June 29, 1996 from \$42.1 million for the three months ended July 1, 1995, while gross profit margin decreased to 29.7% from 30.1%. The \$15.8 million increase in gross profit was primarily due to increased sales volume and the effects of acquisitions. The decrease in gross profit margin was due to the lower higher margin technology sales as a percentage of total net sales.

Selling, general and administrative expenses increased by \$14.1 million, or 37.7%, to \$51.5 million for the three months ended June 29, 1996 from \$37.4 million for the three months ended July 1, 1995. Selling and shipping expenses increased by \$10.9 million, or 45.4%, to \$34.9 million for the three months ended June 29, 1996 from \$24.0 million for the three months ended July 1, 1995. As a percentage of net sales, selling and shipping expenses increased 0.7% to 17.9% for the three months ended June 29, 1996 from 17.2% for the three months ended July 1, 1995. The increase in selling and shipping expenses as a percentage of net sales was primarily due to an increase in the number of field sales consultants. General and administrative expenses increased \$3.2 million, or 23.9%, to \$16.6 million for the three months ended June 29, 1996 from \$13.4 million for the three months ended July 1, 1995, primarily as a result of acquisitions. As a percentage of net sales, general and administrative expenses decreased 1.1% to 8.5% for the three months ended June 29, 1996 from 9.6% for the three months ended July 1, 1995 due primarily to the relatively fixed nature of general and administrative expenses when compared to the 39.3% increase in net sales volume for the same period.

Other income (expense) decreased by \$0.7 million, or 58.3%, to \$0.5 million for the three months ended June 29, 1996 from \$1.2 million for the three months ended July 1, 1995. This decrease was primarily due to the recognition of imputed interest resulting from certain customers' extended payment terms.

Equity in earnings of affiliates increased by \$0.1 million, or 33.3%, to \$0.4 million for the three months ended June 29, 1996 from \$0.3 million for the three months ended July 1, 1995. This increase was primarily due to an acquisition during the fourth quarter of 1995.

For the three months ended June 29, 1996, the Company's provision for taxes was \$2.0 million, while pre-tax income was \$5.9 million, resulting in an effective tax rate of 33.9%. This effective tax rate is primarily a result of the restructuring of certain foreign subsidiaries, thereby allowing the utilization of losses currently. For the balance of the year, the Company expects its effective tax rate to be slightly over 38.0%. For the three months ended July 1, 1995, the Company's provision for taxes was \$1.5 million, while the pre-tax loss was \$12.1 million. The difference between the tax provision and the amount that would have been recoverable by applying the statutory rate to the pre-tax loss was attributable substantially to the non-deductibility for income tax purposes of the \$15.5 million appreciation in the value of the stock issued to senior management. On a pro-forma basis, pre-tax income was \$3.4 million, resulting in a pro-forma effective tax rate of 44.1%. The difference between the pro-forma effective tax rate and the Federal statutory rate relates primarily to state income taxes and non-deductible net losses of certain foreign subsidiaries which were not included in the Company's consolidated tax return.

Six Months Ended June 29, 1996 compared to
Six Months Ended July 1, 1995

Net sales increased \$104.3 million, or 37.8%, to \$380.1 million for the six months ended June 29, 1996 from \$275.8 million for the six months ended July 1, 1995. The Company estimates that approximately 21.1% of the net sales growth represented internal growth, while the remaining 16.7% was due to acquisitions. Of the \$104.3 million increase, approximately \$55.1 million represented a 37.9% increase in the Company's dental business, \$26.4 million represented a 47.9% increase in its medical business, \$19.0 million represented a 37.5% increase in its international business, \$3.4 million represented a 24.1% increase in the Company's veterinary business and \$0.4 million represented a 3.7% increase in the Company's technology business. The dental net sales increase was primarily the result of the effectiveness of the Company's integrated sales and marketing approach (which coordinates the efforts of its field sales consultants with its direct marketing and telesales personnel), entering the U.S. market for large dental equipment and acquisitions. The medical net sales increase was primarily due to the effects of acquisitions, increased net sales to renal dialysis centers and increased outbound telesales activity. In the international market, the increase in net sales was primarily due to acquisitions and increased unit volume growth. In the veterinary market, the increase in net sales was primarily due to increased account penetration and an acquisition. In the technology market, the Company has experienced a lengthening of the sales cycle for migrating "DOS" customers to a Windows product, causing net sales to increase slightly over last year's level. The Company believes that for the balance of 1996, technology net sales will experience modest growth over 1995 net sales levels.

Gross profit increased by \$30.5 million, or 37.0% to \$112.9 million for the six months ended June 29, 1996 from \$82.4 million for the six months ended July 1, 1995, while gross profit margin decreased to 29.7% from 29.9%. The \$30.5 million increase in gross profit was primarily due to

increased sales volume and the effects of acquisitions. The decrease in gross profit margin was due to the lower higher margin technology sales as a percentage of total net sales.

Selling, general and administrative expenses increased by \$27.0 million, or 36.1%, to \$101.7 million for the six months ended June 29, 1996 from \$74.7 million for the six months ended July 1, 1995. Selling and shipping expenses increased by \$21.0 million, or 43.9%, to \$68.8 million for the six months ended June 29, 1996 from \$47.8 million for the six months ended July 1, 1995. As a percentage of net sales, selling and shipping expenses increased 0.8% to 18.1% for the six months ended June 29, 1996 from 17.3% for the six months ended July 1, 1995. The increase in selling and shipping expenses as a percentage of net sales was primarily due to an increase in the number of field sales consultants. General and administrative expenses increased \$6.0 million, or 22.3%, to \$32.9 million for the six months ended June 29, 1996 from \$26.9 million for the six months ended July 1, 1995, primarily as a result of acquisitions. As a percentage of net sales, general and administrative expenses decreased 1.1% to 8.7% for the six months ended June 29, 1996 from 9.8% for the six months ended July 1, 1995 due primarily to the relatively fixed nature of general and administrative expenses when compared to the 37.8% increase in net sales volume for the same period.

Other income (expense) decreased by \$1.2 million, or 50.0%, to \$1.2 million for the six months ended June 29, 1996 from \$2.4 million for the six months ended July 1, 1995. The decrease was primarily due to the recognition of imputed interest resulting from certain customers' extended payment terms.

Equity in earnings of affiliates increased by \$0.2 million to \$0.5 million for the six months ended June 29, 1996 from \$0.3 million for the six months ended July 1, 1995. This increase was primarily due to the acquisition.

For the six months ended June 29, 1996, the Company's provision for taxes was \$3.8 million, while pre-tax income was \$10.0 million, resulting in an effective tax rate of 38.0%. The difference between the effective tax rate and the Federal statutory rate is primarily a result of the restructuring of certain foreign subsidiaries, thereby allowing the utilization of losses currently. For the balance of the year, the Company expects its effective tax rate to be slightly over 38.0%. For the six months ended July 1, 1995, the Company's provision for taxes was \$2.3 million, while the pre-tax loss was \$10.2 million. The difference between the tax provision and the amount that would have been recoverable by applying the statutory rate to the pre-tax loss was attributable substantially to the non-deductibility for income tax purposes of the \$15.5 million appreciation in the value of the stock issued to senior management. On a pro-forma basis, pre-tax income was \$5.3 million, resulting in a pro-forma effective tax rate of 43.4%. The difference between the pro-forma effective tax rate and the Federal statutory rate relates primarily to state income taxes and non-deductible net losses of certain foreign subsidiaries which were not included in the Company's consolidated tax return.

LIQUIDITY AND CAPITAL RESOURCES

The Company's principal capital requirements have been to fund (a) working capital needs resulting from increased sales, extended payment terms on various products and special inventory buying opportunities, (b) capital expenditures, and (c) acquisitions. Since sales have traditionally been strongest during the fourth quarter and special inventory buying opportunities have traditionally been most prevalent just before the end of the year, the Company's working capital requirements are generally higher from the end of the third quarter to the end of the first quarter of the following year. The Company has historically financed its business primarily through revolving credit facilities and recently through public stock issuances.

Net cash used in operating activities for the six months ended June 29, 1996 of \$17.3 million resulted primarily from a net increase in working capital of \$26.5 million offset in part by net income (adjusted for non-cash charges relating to primarily depreciation and amortization) of \$10.2 million. The increase in working capital was primarily due to a \$18.5 million increase in accounts receivable resulting from increased sales and extended payment terms, and a decrease in accounts payable and other accrued expenses of \$9.2 million. The Company anticipates future increases in working capital as a result of its continued sales growth.

Net cash used in investing activities for the six months ended June 29, 1996 of \$13.7 million was used primarily to make acquisitions of \$7.0 million and capital expenditures of \$5.3 million. The increased amount of capital expenditure over comparable prior periods was due to development of its new order entry and accounts receivable systems, as well as expenditures for additional operating facilities. The Company expects that it will continue to incur capital expenditures for the development of its new order entry and accounts receivable systems.

Net cash provided by financing activities for the six months ended June 29, 1996 of \$116.2 million resulted primarily from the net cash proceeds of a public offering of its common stock (completed on June 21, 1996) of \$124.1 million, partially offset by debt repayments of approximately \$10.2 million.

A balloon payment of approximately \$3.7 million is due on October 31, 1997 under a term loan associated with a foreign acquisition.

In addition, with respect to the acquisitions completed during fiscal 1995, as well as certain other acquisitions and ventures which have been completed or for which agreements have been executed, holders of minority interest in the acquired entities or ventures have the right at certain times to require the Company to acquire their interest at either fair market value or a formula price based on earnings of the entity. One of the acquisitions also provides for contingent consideration of up to approximately \$2.0 million if certain financial targets are satisfied.

The Company's cash and cash equivalents as of June 29, 1996 of \$92.9 million are invested primarily in short-term tax exempt securities rated AAA by Standard & Pears (or an equivalent rating). These investments have staggered maturity dates and have a high degree of liquidity.

The Company entered into a \$65.0 million, four-year revolving credit facility on July 5, 1995. Borrowings under the facility were \$14.5 million at June 29, 1996. At June 29, 1996, this facility was unsecured. In addition, the Company's subsidiaries have revolving credit facilities that total approximately \$12.1 million.

The Company believes that its cash and cash equivalents of \$92.9 million as of June 29, 1996, its anticipated cash flow from operations, its ability to access public debt and equity markets, and the availability of funds under its existing credit agreements, will provide it with liquidity sufficient to meet its capital needs for at least the forthcoming year.

Disclosure Regarding Forward-Looking Statements

The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for forward-looking statements. This report contains forward-looking statements based on current expectations that could be affected by the risks and uncertainties involved in the Company's business. These risks and uncertainties include, but are not limited to, the effect of economic and market conditions, the impact

of the consolidation of healthcare practitioners, the impact of healthcare reform, opportunities for acquisitions and the Company's ability to effectively integrate acquired companies, the acceptance and quality of software products, acceptance and ability to manage operations in foreign markets, possible disruptions in the Company's computer systems or telephone systems, possible increases in shipping rates or interruptions in shipping service, the level and volatility of interest rates and currency values, the impact of current or pending legislation and regulation, as well as the risks described from time to time in the Company's reports to the Securities and Exchange Commission, which include the Company's Annual Report on Form 10-K for the year ended December 30, 1995. Subsequent written or oral statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by the cautionary statements in this Form 10-Q and those in the Company's reports previously filed with the Securities and Exchange Commission.

PART II. OTHER INFORMATION

Item 4 -- Submission of Matters to a Vote of Security-Holders

At the Company's Annual Meeting of Stockholders held on May 8, 1996, the stockholders of the Company approved the 1996 Non-Employee Director Stock Option Plan (16,209,374 shares voting for; 430,881 shares against; 218,940 shares abstaining; and 0 broker non-votes).

Item 5 -- Other Information

On June 21, 1996, the Company sold 3,734,375 shares and certain of its stockholders sold 2,812,000 shares of Common Stock of the Company in an underwritten public offering at a price to the public of \$35.00 per share.

Item 6 -- Exhibits and Reports on Form 8-K

(a) Exhibits.

11.1 -Computation of Earnings per Share
27.1 -Financial Data Schedule

(b) Reports on Form 8-K.

No reports on Form 8-K were filed during the quarter ended June 29, 1996.

SIGNATURE

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

HENRY SCHEIN, INC.
(Registrant)

Dated: August 12, 1996

By: _____
Steven Paladino
Senior Vice President and
Chief Financial Officer
(Principal Financial Officer and
Principal Accounting Officer)

EXHIBIT 11.1

HENRY SCHEIN, INC. AND SUBSIDIARIES
 COMPUTATION OF PRO FORMA EARNINGS PER SHARE
 (unaudited)

	Three months ended		Six months ended	
	June 29, 1996	July 1, 1995	June 29, 1996	July 1, 1995
Pro forma net income per consolidated statements of operations (in thousands)	\$ 4,214	\$ 2,066	\$ 6,678	\$ 3,002
Pro forma weighted average common shares outstanding:				
Shares outstanding at December 25, 1993	11,390,544	11,390,544	11,390,544	11,390,544
1994 issuances:				
Shares issued, in part, to extinguish liability under long-term executive incentive compensation plan	489,456	489,456	489,456	489,456
Shares issued to ESOP trust in 12/94	128,257	128,257	128,257	128,257
Stock options granted and to be granted in 1995 at an exercise price of \$4.21 per share (1) .	221,397	237,897	221,397	237,897
IPO Options (Class B)	408,400	--	408,400	--
1995 issuances:				
IPO Shares	5,090,000	--	5,090,000	--
Shares issued as of September 1, 1995 in connection with one of the Acquisitions	1,260,416	--	1,260,416	--
	18,988,470	12,246,154	18,988,470	12,246,154
Less treasury stock	(55,654)	--	(55,654)	--
	18,932,816	12,246,154	18,932,816	12,246,154
1996 issuances:				
Secondary Offering Shares	373,309	--	188,642	--
	19,306,125	12,246,154	19,121,458	12,246,154
Less assumed repurchase of shares under treasury stock method based on an average price of \$31.86 per share (2):				
Stock options---221,397 shares x \$4.21 -----				
	\$932,081 /\$31.86	(26,707) (4)	(29,256) (5)	(62,597) (3)
IPO options----408,400 shares x \$16.00 -----		(62,597) (3)		
	\$6,534,400 /\$31.86	(187,232) (4)	(205,097) (5)	--
ESOP shares---Compensation expense assumed to be proceeds for period prior to issuance-\$900,000 /\$16.00	--	--	--	--
Pro forma weighted average common shares outstanding	19,092,186	12,183,557	18,887,105	12,183,557
Pro forma net income per common share	\$.22	\$.17	\$.35	\$.25

- (1) Considered "cheap stock" and treated as outstanding since January 1, 1995.
 (2) The treasury stock method was not used for the shares issued to settle the long-term incentive plan liability and the compensatory portion of the stock options granted because the related special compensation charges have been/will be excluded from pro forma net income and, therefore, were not assumed to be proceeds.
 (3) Computed using IPO value per share of \$16.00 on 237,897 stock options.
 (4) Computed using the average closing value per share for the three months ended June 29, 1996.
 (5) Computed using the average closing value per share for the six months ended June 29, 1996.

HENRY SCHEIN, INC. AND SUBSIDIARIES
FINANCIAL DATA SCHEDULE

The schedule contains summary financial information extracted from the consolidated financial statements and is qualified in its entirety by reference to such financial statements.

1,000

	6-MOS	
	DEC-28-1996	
	DEC-31-1995	
	JUN-29-1996	
		92,851
		0
		112,637
		(2,903)
		97,600
	329,078	69,561
		(36,343)
		413,997
110,329		28,533
	0	0
		221
		272,698
413,997		380,081
	380,081	267,202
		267,202
	101,705	
		389
	2,309	
		9,990
		3,823
6,678		0
	0	0
		0
		6,678
		0.35
		0.35