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

(X) QUARTERLY REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 1995

OR

( ) TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

for the transition period from to

For Quarter Ended	Commission File Number
September 30, 1995	1-713

TEJON RANCH CO.
(Exact name of Registrant as specified in its charter)

Delaware	77-0196136
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

P.O. Box 1000, Lebec, California	93243
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code...(805) 248-6774

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

Yes X No

Total Shares of Common Stock issued and outstanding on September 30, 1995, were 12,682,244.

PART I FINANCIAL INFORMATION

TEJON RANCH CO. AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)
(Unaudited)

	THREE MONTHS ENDED September 30		NINE MONTHS ENDED September 30	
	1995	1994	1995	1994
Revenues:				
Livestock	$ 4,393	$ 508	$ 5,286	$ 4,709
Farming	3,035	101	3,206	335
Oil and Minerals	425	360	1,007	962
Commercial and Land Use	543	523	1,386	1,330
Interest Income	320	335	1,032	1,074
	8,716	1,827	11,917	8,410
Costs and Expenses:				
Livestock	3,839	808	5,157	4,273
Farming	1,665	268	2,790	993
Oil and Minerals	38	43	90	134
Commercial and Land Use	842	373	2,009	1,186
Corporate Expense	543	529	1,684	1,570
Interest Expense	171	61	353	219
	7,098	2,082	12,083	8,375
Operating Income (Loss)	1,618	(255)	(166)	35
Income Tax Expense (Benefit)	648	(102)	(66)	14

Net Income (Loss)	$ 970	$ (153)	$ (100)	$ 21
Earnings (Loss) Per Share	$ .08	$ (.01)	$ (.01)	$ .00
Cash Dividends Paid Per Share	$ --	$ --	$ .025	$ .025

See Notes to Consolidated Condensed Financial Statements.

TEJON RANCH CO. AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEETS
(In thousands)

	SEPTEMBER 30,1995 (Unaudited)	DECEMBER 31, 1994*
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	$ 33	$ 68
Short-term Investments	20,547	23,718
Accounts & Notes Receivable	3,267	2,125
Inventories:		
Cattle	3,123	3,020
Farming	2,188	39
Other	79	69
Prepaid Expenses and Other	972	1,223
Total Current Assets	30,209	30,262
PROPERTY AND EQUIPMENT-NET	14,854	13,284
OTHER ASSETS	1,030	1,374
TOTAL ASSETS	$ 46,093	$ 44,920
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Trade Accounts Payable	$ 685	$ 1,061
Other Accrued Liabilities	350	465
Other Current Liabilities	4,370	1,950
Total Current Liabilities	5,405	3,476
LONG-TERM DEBT	1,750	1,950
DEFERRED CREDITS	2,517	2,736
Total Liabilities	9,672	8,162
STOCKHOLDERS' EQUITY		
Common Stock	6,341	6,341
Additional Paid-In Capital	387	387
Retained Earnings	29,985	30,402
Marketable Securities - Unrealized Gains (Losses), Net	5	(372)
Defined Benefit Plan - Funding Adjustment, Net	(297)	---
Total Stockholders' Equity	36,421	36,758
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 46,093	$ 44,920

See Notes to Consolidated Condensed Financial Statements.

* The Balance Sheet at December 31, 1994 has been derived from the audited financial statements at that date.

TEJON RANCH CO. AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOW
(In thousands)
(Unaudited)

	NINE MONTHS ENDED September 30 1995	NINE MONTHS ENDED September 30 1994
OPERATING ACTIVITIES		
Net Income	$ (100)	$ 21
Items Not Effecting Cash:		
Depreciation and Amortization	756	669
Decrease in Deferred Items	---	(29)
Decrease in Deferred Taxes	(89)	---
(Gain) Loss on Sale of Investments	6	(52)
Changes in Operating Assets and Liabilities:		
Receivables, Inventories and Other Assets, Net	(3,256)	183
Current Liabilities, Net	1,814	(1,039)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(869)	(247)
INVESTING ACTIVITIES		
Maturities and Sales of Marketable Securities	5,816	13,216
Funds Invested in Marketable Securities	(2,079)	(9,830)
Property and Equipment Expenditures	(2,274)	(1,345)
Net Change in Breeding Herds	(64)	(52)
Other	(46)	(53)
NET CASH PROVIDED BY INVESTING ACTIVITIES	1,353	1,936
FINANCING ACTIVITIES		
Decrease in Long-Term Debt	(200)	(1,600)
Cash Dividend Paid	(317)	(317)
NET CASH USED IN FINANCING ACTIVITIES	(517)	(1,917)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(33)	(228)
Cash and Cash Equivalents at Beginning of Year	68	247
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 35	$ 19

See Notes to Consolidated Condensed Financial Statements.

TEJON RANCH CO. AND SUBSIDIARIES
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS
(Unaudited)

September 30, 1995

NOTE A - BASIS OF PRESENTATION

The summarized information furnished by Registrant pursuant to the instructions to Part I of Form 10-Q is unaudited and reflects all adjustments which are, in the opinion of Registrant's Management, necessary for a fair statement of the results for the interim period. All such adjustments are of a normal recurring nature.

The results of the period reported herein are not indicative of the results to be expected for the full year due to the seasonal nature of Registrant's agricultural activities. Historically, the largest percentage of revenues are recognized during the fourth quarter.

For further information, refer to the Consolidated Financial Statements and footnotes thereto included in Registrant's Annual Report on Form 10-K for the year ended December 31, 1994.

NOTE B - CALCULATIONS OF EARNINGS PER SHARE

Earnings per share are calculated using the weighted average number of common shares outstanding during the period. Common shares outstanding for the three month and nine month periods ended September 30, 1995 and 1994 were 12,682,244. Registrant has a Stock Option Plan providing for the granting of options to purchase a maximum of 230,000 shares of Registrant's Common Stock to employees, advisors and consultants of Registrant. Currently, options to purchase 130,000 shares are outstanding at prices equal to the fair market value at date of grant (96,000 shares at $20.00 and 20,000 shares at $15.00, and 14,000 shares at $11.88). Stock options granted will be treated as common stock equivalents in accordance with the treasury method when such amounts would be dilutive. Fully diluted common shares outstanding for the three month period ended September 30, 1995 were 12,685,198. For the nine month period ended September 30, 1995 fully diluted common shares were 12,683,946. At September 30, 1994, common stock equivalents were antidilutive.

NOTE C - MARKETABLE SECURITIES

Registrant has elected to classify its securities as available-for-sale per Statement of Financial Accounting Standard No. 115, Accounting for Certain Investments in Debt and Equity Securities, and therefore is required to adjust securities to fair value at each reporting date.

Marketable securities consist of the following at:

	September 30 1995		December 31 1994	
	Cost	Estimated Fair Value	Cost	Estimated Fair Value
Marketable securities:				
U.S. Treasury and agency notes	$15,354	$15,331	$18,837	$18,409
Corporate notes	5,185	5,216	5,445	5,309
	$20,539	$20,547	$24,282	$23,718

As of September 30, 1995, the cumulative fair value adjustment is an $8,000 unrealized gain. The cumulative fair value adjustment to stockholders' equity, net of a deferred tax expense of $3,000, is an unrealized gain of $5,000. Registrant's gross unrealized holding gains equals $222,000, while gross unrealized holding losses equals $214,000. On September 30, 1995, the average maturity of U.S. Treasury and agency securities was 2.3 years and corporate notes was 1.5 years. Currently, Registrant has no securities with a weighted average life of greater than five years. During 1995, Registrant has recognized losses of $6,000 on the sale of $4.1 million of securities, carried at historical cost adjusted for amortization and accretion.

Market value equals quoted market price, if available. If a quoted market price is not available, market value is estimated using quoted market prices for similar securities. Registrant's investments in Corporate notes are with companies with a credit rating of A or better.

NOTE D - COMMODITY DERIVATIVES USED TO HEDGE PRICE FLUCTUATIONS

Registrant uses commodity derivatives to hedge its exposure to price fluctuations on its purchased stocker cattle. The objective is to protect or create a future price for stocker cattle that will provide a profit once the cattle are sold and all costs are deducted and protect Registrant against market declines. To help achieve this objective Registrant uses the cattle futures and cattle options markets. Registrant continually monitors any open futures and options contracts to determine the appropriate hedge based on market movement of the underlying asset, stocker cattle. The option and futures contracts used typically expire on a quarterly or semi-annual basis and are structured to expire close to or during the month the stocker cattle are scheduled to be sold. Payments received and paid related to options contracts are deferred in prepaid and other current assets and were approximately $19,000 at September 30, 1995. Cattle futures contracts are carried off-balance sheet until the contracts are settled. Realized gains, losses, and costs associated

with closed contracts equal to $32,000 of net gain is included in cattle inventory and will be recognized in cost of sales expense at the time the hedged stocker cattle are sold. Registrant maintains a margin account with its commodity broker for the purpose of buying and selling cattle futures and options. At September 30, 1995, Registrant's margin account was zero.

There were no cattle futures contracts or options contracts outstanding at September 30, 1995.

NOTE E - CONTINGENCIES

Registrant leases land to National Cement Company of California, Inc. ("National") for the purpose of manufacturing portland cement from limestone deposits on the leased acreage. National, LaFarge Corporation (the parent company of the previous operator) and Registrant have been ordered to cleanup and abate an old industrial waste landfill site on the leased premises. Under existing lease agreements, National and LaFarge are required to indemnify Registrant for costs and liabilities incurred in connection with the cleanup order. Due to the financial strength of National and LaFarge, Registrant believes that it is remote there will be a material effect on the Company.

MANAGEMENT'S ANALYSIS OF FINANCIAL STATEMENTS

Results of Operations

RESULTS OF OPERATIONS

Total revenues, including interest income, for the first nine months of 1995 were $11,917,000 compared to $8,410,000 for the first nine months of 1994. The increase in revenues during 1995 is attributable to increases in livestock revenues and farming revenues. Livestock revenues increased due to the sale of 7,233 head of cattle during 1995 compared to 7,190 head of cattle in 1994 and to higher average weights on the cattle sold during 1995. Farming revenues are higher due to the timing of the crop harvest and the recording of crop revenues. In 1995, almond and zinfandel grape harvests were completed during the third quarter whereas in 1994 harvests were not completed until the fourth quarter for all crops. Approximately $2,900,000 of the increase in revenues is attributable to this timing difference in farming revenues.

Operating activities during the first nine months of 1995 resulted in a net loss of $100,000 or $.01 per share, compared to net income of $21,000, or $.00 per share, for the same period in 1994. The decrease in net income compared to 1994 is due to a $400,000 pre tax charge-off ($240,000, or $.02 per share, after tax) of almond trees destroyed by wind during a storm in January 1995, an increase in consultant and legal fees of approximately $862,000 related to right-o f -way issues, easement issues and land planning activities, increased farming expenses, and increased cost of sales within livestock operations. Farming expenses increased when compared to 1994 due to the timing of the recognition of expenses for almonds and zinfandel grapes, which are related to the farming revenues described above. Livestock cost of sales have increased due to the added costs of feeding the cattle sold on feedlots throughout the summer months. These unfavorable variances were partially offset by the increase in revenues described above.

Total revenues for the third quarter, including interest income, were $8,716,000 compared to $1,827,000 for the third quarter of 1994. The increase in third quarter revenues is due to the sale of 5,622 head of cattle during the third quarter of 1995 compared to 505 head of cattle during 1994. Normally the cattle sold during the third quarter of 1995 would have been sold during the second quarter but due to low cattle prices Registrant decided to delay the sale of these cattle and place them on feed throughout the summer. The cattle were then scheduled for sale during the period of August through October. Revenues also increased due to the timing of farming revenues as described above.

During the third quarter of 1995 Registrant recognized net income of $970,000, or $.08 per share, compared to a loss of $153,000, or $.01 per share, for the same period in 1994. The increase in net income compared to 1994 is due to the increase in revenues as described above. These revenues were partially offset by increased livestock cost of sales and to increased farming costs as explained above.

As explained in Management's Discussion and Analysis of Financial Condition and Results of Operations of Registrant's 1994 Form 10-K, Registrant's farming operations suffered damages as a result of high winds that were associated with a series of winter storms. Nearly all of the loss occurred in Registrant's producing almond orchards. Approximately 200 acres of trees were uprooted by a combination of high winds and saturated soil conditions due to heavy rainfall. The loss of these trees resulted in the charge-off described above. Registrant is currently replanting the damaged acreage with new almond trees. The loss of mature trees will affect future revenues until the replanted crops begin full production which could take three to five years.

Registrant's farming revenues will be affected by the loss of trees as described above but not as severally as originally reported for 1995. At this point in the crop harvest it appears that higher grape production and higher almond prices will offset the lost revenue from the destroyed almond trees for 1995. In future years revenue will be affected until the replanted almond trees begin production which generally takes three to five years.

As described in Part I, Item 1 - "Business - Farming Operations" of Registrant's 1994 Form 10-K, Laval Farms Limited Partnership (Laval), formerly named Tejon Agricultural Partners, entered into an agreement for the sale of its farmland and eventual dissolution of the partnership. As of April 20, 1995 all of the 13,000 acres that existed at the start of the sale program have been sold. Laval is continuing to utilize Registrant's management services until the partnership is dissolved. Registrant is currently receiving $10,000 per month for management services and is expected to receive this fee for the remainder of 1995.

Registrant is involved in various environmental proceedings related to leased acreage. For a further discussion refer to Registrant's 1994 Form 10-K, Part I, item 3, - "Legal Proceedings". There have been no changes since the filing of the 1994 Form 10-K.

Prices received by Registrant for many of its products are dependent upon prevailing market conditions and commodity prices. Therefore, Registrant is unable to accurately predict revenue, just as it cannot pass on any cost increases caused by general inflation, except to the extent reflected in market conditions and commodity prices. The operations of the Registrant are seasonal and results of operations cannot be predicted based on quarterly results.

Liquidity and Capital Resources

Cash and short-term investments on September 30, 1995 were $20.6 million compared to $23.8 million on December 31, 1994. Working capital on September 30, 1995 was $24.8 million compared to $26.8 million on December 31, 1994. The decrease in working capital at September 30, 1995 as compared to December 31, 1994 is primarily due to a temporary increase in short-term borrowings due to the timing of c a t tle sales, the purchase of property, capital improvement expenditures, and the payment of dividends.

Cash provided from operations and cash and short-term investments on hand are expected to be sufficient to satisfy all anticipated working capital and capital expenditure needs in the near term.

Impact of Accounting Change

None

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

Not Applicable

Item 2. Changes in Securities

Not Applicable

Item 3. Defaults upon Senior Securities

Not Applicable

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

Not Applicable

Item 5. Other Information

None

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits - None
(b) Reports - None

SIGNATURES

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

TEJON RANCH CO.
(Registrant)

BY

Date

Allen E. Lyda
Vice President, Finance
& Treasurer

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE BALANCE SHEET, INCOME STATEMENT, AND FOOTNOTES AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS

9-MOS
DEC-31-1995
SEP-30-1995
33
20,547
3,267
0
5,390
30,209
28,234
(13,380)
46,093
5,405
0
6,341
0
0
30,080
46,093
11,197
11,197
10,046
10,046
1,684
0
353
(166)
(66)
(100)
0
0
0
(100)
(.01)
(.01)