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, 2000

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

For the transition period from -------- to --------

Commission file Number 0-16109

ADVANCED POLYMER SYSTEMS, INC.
(Exact name of registrant as specified in its charter)

Delaware	94-2875566
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

123 Saginaw Drive, Redwood City, CA 94063
(Address of principal executive offices)

(650) 366-2626
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes X No ---

At October 31, 2000, the number of outstanding shares of the Company's common stock, par value $.01, was 20,206,064.

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Signatures

PART I. FINANCIAL INFORMATION

ITEM 1. Financial Statements (unaudited):

CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

	September 30, 2000	December 31, 1999
ASSETS		
Current assets:		
Cash and cash equivalents	$ 9,903,741	$ 3,705,194
Marketable securities	13,898,983	--
Trade accounts receivable, net	1,211,945	3,580,026
Receivables for royalties, license and option fees and R&D fees	1,071,963	1,492,634
Accrued interest receivable	110,810	756
Inventory	67,537	60,650
Advances and loans to officers and employees	89,912	84,632
Prepaid expenses and other	619,404	318,450
Net assets held for sale (Note 4)	--	7,664,482
Total current assets	26,974,295	16,906,824
Property and equipment, net	1,875,020	2,007,932
Deferred loan costs, net	--	39,853
Other long-term assets	157,300	342,047
Total assets	$ 29,006,615	$ 19,296,656
LIABILITIES & SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 701,677	$ 1,029,534
Accrued expenses	3,869,524	1,263,186
Taxes payable	450,558	13,480
Deferred revenue	446,000	575,000
Current portion - long-term debt	--	891,111
Total current liabilities	5,467,759	3,772,311
Deferred revenue - non-current	935,626	1,079,644
Long-term debt	--	2,408,933
Total liabilities	6,403,385	7,260,888
Commitments and Contingencies		
Shareholders' equity:		
Common stock and common stock warrants	85,954,027	85,530,952
Accumulated deficit	(63,350,797)	(73,495,184)
Total shareholders' equity	22,603,230	12,035,768
Total liabilities and shareholders' equity	$ 29,006,615	$ 19,296,656

See accompanying notes.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME (Unaudited)

	Three Months Ended		Nine Months Ended	
	September 30, 2000	September 30, 1999	September 30, 2000	September 30, 1999
Royalties and R&D fees	$ 605,392	$ 669,698	$ 1,594,634	$ 1,722,991
License and option fees	--	--	--	1,100,000
Product revenues	281,170	291,657	891,215	922,551
Total revenues	886,562	961,355	2,485,849	3,745,542
Cost of sales	116,627	147,141	304,121	408,914
Operating expenses:				
Research & development, net	790,295	623,762	2,194,810	1,845,445
Selling & marketing	149,517	100,051	426,321	382,582
General & administration	722,116	769,925	2,113,568	2,144,112
Total operating expenses	1,661,928	1,493,738	4,734,699	4,372,139
Operating loss	(891,993)	(679,524)	(2,552,971)	(1,035,511)
Interest income	302,192	52,291	421,243	133,021
Interest expense	(66,208)	(150,340)	(294,247)	(454,236)
Other income (expense), net	(1,992)	(1,919)	4,523	(3,563)
Loss from continuing Operations	(658,001)	(779,492)	(2,421,452)	(1,360,289)
Discontinued operations:				
Income from discontinued operations, net of taxes	30,980	1,389,563	1,381,046	3,012,966
Gain on disposition of discontinued operations, net of taxes	11,184,793	--	11,184,793	--
Net income	$10,557,772	$ 610,071	$10,144,387	$ 1,652,677
Basic earnings per common share:				
Loss from continuing operations	$ (0.03)	$ (0.04)	$ (0.12)	$ (0.07)
Net income	$ 0.52	$ 0.03	$ 0.50	$ 0.08
Diluted earnings per common share:				
Loss from continuing operations	$ (0.03)	$ (0.04)	$ (0.12)	$ (0.07)
Net income	$ 0.52	$ 0.03	$ 0.50	$ 0.08
Weighted average common shares outstanding-basic	20,190,181	20,092,148	20,170,351	20,066,263
Weighted average common shares outstanding-diluted	20,194,157	20,335,481	20,194,017	20,295,550

See accompanying notes.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	For the nine months ended September 30, 2000	For the nine months ended September 30, 1999
Net cash used in operating activities	$ (1,588,649)	$ (1,525,864)
Cash flows from investing activities:		
Purchases of property and equipment	(141,678)	(183,808)
Purchase of intangibles	(100,000)	--
Purchases of marketable securities	(13,866,677)	--
Net cash used in investing activities	(14,108,355)	(183,808)
Cash flows from financing activities:		
Proceeds from disposal of discontinued operations	25,000,000	--
Proceeds from the exercise of common stock options and warrants and issuance of restricted stock	120,000	229,525
Proceeds from issuance of shares under the Employee Stock Purchase Plan	75,595	83,718
Proceeds from long-term debt	--	4,000,000
Repayment of debt	(3,300,044)	(3,539,168)
Net cash provided by financing activities	21,895,551	774,075
Net increase (decrease) in cash and cash equivalents	6,198,547	(935,597)
Cash and cash equivalents, beginning of the period	3,705,194	4,088,173
Cash and cash equivalents, end of the period	$ 9,903,741	$ 3,152,576
Cash paid for interest	$ 250,025	$ 358,530
Non-cash investing activities:		
Change in unrealized appreciation of marketable securities	$ 7,234	$ --

See accompanying notes.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SEPTEMBER 30, 2000 AND 1999 (UNAUDITED)

(1) Basis of Presentation

In the opinion of management, the accompanying unaudited condensed consolidated financial statements contain all adjustments, consisting only of normal recurring adjustments, necessary to present fairly the financial position of Advanced Polymer Systems, Inc. and subsidiaries ("the Company" or "APS") as of September 30, 2000 and the results of their operations for the three and nine months ended September 30, 2000 and 1999.

These condensed consolidated statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 1999 included in the Company's Annual Report on Form 10-K.

The condensed consolidated financial statements include the financial statements of the Company and its subsidiaries, Premier, Inc. ("Premier") and APS Analytical Standards, Inc. All significant intercompany balances and transactions have been eliminated in consolidation.

The Company considers all short-term investments in debt securities which have original maturities of less than three months at date of purchase to be cash equivalents. Investments which have original maturities longer than three months are classified as marketable securities in the accompanying balance sheets.

Certain reclassifications have been made to the prior period financial statements to conform with the presentation in 2000.

(2) Common Shares Outstanding and Earnings Per Share Information

Common stock outstanding as of September 30, 2000 is as follows:

	Number of Shares
Common stock outstanding as of December 31, 1999	20,119,042
Warrants exercised after December 31, 1999	40,000
Shares issued to Directors after December 31, 1999	10,197
Shares issued under the Employee Stock Purchase Plan	23,324
Total shares	20,192,563

The following table sets forth the computation of the Company's basic and diluted loss per share:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2000	1999	2000	1999
Loss from continuing operations (numerator)	$ (658,001)	$ (779,492)	$(2,421,452)	$(1,360,289)
Shares calculation (denominator):				
Weighted average shares				

outstanding - basic	20,190,181	20,092,148	20,170,351	20,066,263
Effect of dilutive securities:				
Stock options and employee stock purchase plan	3,976	225,281	21,584	173,909
Warrants	--	18,052	2,082	55,378
Weighted average shares outstanding - diluted	20,194,157	20,335,481	20,194,017	20,295,550
Loss per share - basic	$ (0.03)	$ (0.04)	$ (0.12)	$ (0.07)
Loss per share - diluted	$ (0.03)	$ (0.04)	$ (0.12)	$ (0.07)

The following options with expiration dates ranging from February 13, 2001 to August 8, 2010 were outstanding during the periods presented, but were not included in the computation of diluted earnings per share since the exercise prices of the options were greater than the average market price of the common shares:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2000	1999	2000	1999
Number outstanding	3,621,859	1,921,411	3,587,109	2,732,738
Range of exercise prices	$3.34-$15.00	$5.56-$15.00	$4.00-$15.00	$5.25-$15.00

(3) Revenue Recognition

Licensing agreements that generally provide for the Company to receive periodic minimum payments, royalties, and/or non-refundable license fees typically allow customers to sell the Company's proprietary products in a specific field or territory. The license agreements provide for APS to earn future revenue through royalty payments. The license fees are non-refundable even if the agreements are terminated before their term or APS fails to supply product to the licensee. These license fees are amortized on a straight-line basis over the estimated life of the product to which they relate. When the customer fails to meet applicable contract terms and product supply is no longer required, any unamortized license fees are recognized as revenue.

(4) Discontinued Operations

On July 25, 2000, the Company completed the sale of certain technology rights for topical pharmaceuticals and its cosmeceutical product lines and other assets ("cosmeceutical and toiletry business") to R.P. Scherer Corporation, a subsidiary of Cardinal Health, Inc. The Company received $25 million up-front and could receive up to an additional $26.5 million over the next three years relating to the performance milestones of the cosmeceutical and toiletry business. In accordance with Accounting Principles Board Opinion No. 30 "Reporting the Results of Operations - Reporting the Effects of Disposal of a Segment of a Business, and Extraordinary, Unusual and Infrequently Occurring Events and Transactions," the cosmeceutical and toiletry business is reported as a discontinued operation for all periods presented in the accompanying Condensed Consolidated Statements of Operations.

All assets and liabilities relating to the cosmeceutical and toiletry business are reported in the accompanying condensed Consolidated Balance Sheet as of December 31, 1999 as "Net assets held for sale" and consist of the following:

	December 31, 1999
Inventory	$ 4,524,347
Prepaid expenses	59,763
Property, plant & equipment, net	6,023,144
Other intangible assets	1,259,020
Other long-term assets	4,350
Deferred revenue - short-term	(620,396)
Deferred revenue - long-term	(3,585,746)
	$ 7,664,482

"Gain on disposal of discontinued operations" in the accompanying condensed Consolidated Statement of Operations for the three and nine months ended September 30, 2000 is reported net of a provision for income taxes of $450,500.

Basic and diluted income per common share from discontinued operations was $0.00 and $0.07 for the three and nine months ended September 30, 2000, respectively. Basic and diluted income per common share from discontinued operations was $0.07 and $0.15 for the three and nine months ended September 30, 1999.

(5) Comprehensive Income

Comprehensive income for the three and nine months ended September 30, 2000 consists of the following:

	Three Months Ended		Nine Months Ended	
	September 30, 2000	September 30, 1999	September 30, 2000	September 30, 1999
Net income	$10,557,772	$ 610,071	$10,144,387	$ 1,652,637
Unrealized holding gains arising during the period	7,234	--	7,234	--
Comprehensive income	$10,565,006	$ 610,071	$10,151,621	$ 1,652,637

See accompanying notes.

(6) Long-Lived Assets, Including Goodwill and Other Intangibles

The Company evaluates the carrying value of long-lived assets, including goodwill, whenever changes have occurred that would require revision of the remaining estimated lives of recorded long-lived assets, including goodwill, or render those assets not recoverable. If such circumstances arise, recoverability is determined by comparing the undiscounted net cash flows of long-lived assets, including goodwill to their respective carrying values. The amount of impairment, if any, is measured based on the projected discounted cash flows using an appropriate discount rate. At this time, the Company believes that no impairment of long-lived assets, including goodwill and other intangibles, has occurred and that no reduction of the estimated useful lives or carrying values of such assets is warranted.

(7) Inventory

The major components of inventory are as follows:

	September 30, 2000	December 31, 1999
Raw materials	$44,257	$33,383
Finished goods	23,280	27,267
Total inventory	$67,537	$60,650

(8) Legal Proceedings

In February 2000, Douglas Kligman and Albert Kligman filed a complaint against the Company in the U.S. District Court for the Eastern District of Pennsylvania. The complaint alleges that the plaintiffs entered into a partnership with the Company to pursue development and sales of a product developed by the plaintiffs. The complaint states various claims, dissolution of partnership, implied-in-law contract and other claims. The complaint alleges damages in excess of $75,000, but otherwise makes no specific damage claim.

The Company has denied liability and is vigorously defending the claims, basing its defense on the assertion that its rights to the product are governed by a binding license agreement that was executed in November 1995 and amended in September 1996 and that there are no partnership agreements entered into by the parties.

The Company expects that the outcome of this legal proceeding will not have a material adverse effect on the consolidated financial statements.

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations (all dollar amounts rounded to the nearest thousand)

Results of Operations for the Three Months Ended September 30, 2000 and 1999

Except for statements of historical fact, the statements herein are forward-looking and are subject to a number of risks and uncertainties that could cause actual results to differ materially from the statements made. These include, among others, uncertainty associated with timely approval, launch and acceptance of new products, establishment of new corporate alliances, progress in research and development programs and other risks described below or identified from time to time in the Company's Securities and Exchange Commission filings.

The Company's revenues are derived principally from product sales, license fees, royalties and R&D fees. Under strategic alliance arrangements entered into with certain corporations, APS can receive non-refundable upfront fees, future milestone payments and royalties based on third party product sales. Until July 25, 2000, the Company manufactured and sold Microsponge(R) and Polytrap (R) delivery systems for use by customers in approximately 100 different personal care and cosmetic products.

Royalties and R&D fees for the three months ended September 30, 2000 totaled $605,000, a decrease of $64,000 from the corresponding quarter of the prior year.

Product revenues relating to sales of analytical standards decreased by $10,000 compared to the corresponding quarter of the prior year.

Gross profit as a percentage of product sales for the third quarter of 2000 represented 59% compared with 50% in the corresponding quarter of the prior year, due mainly to sales mix.

Research and development expense for the quarter ended September 30, 2000 totaled $790,000, an increase of $167,000 over the corresponding quarter of the prior year. This increase was primarily attributable to the cost of materials for pre-clinical trials on the company's proprietary bioerodible drug delivery systems.

Selling and marketing expense for the quarter ended September 30, 2000 totaled $150,000, an increase of $49,000 over the corresponding period of the prior year. This increase was primarily attributable to higher commission expense on sales of analytical standards and higher overhead allocation compared with the prior year. General and administrative expense for the quarter ended September 30, 2000 totaled $722,000, a decrease of $48,000. This decrease was primarily attributable to lower salary expense due to lower headcount.

Interest income for the quarter ended September 30, 2000 was $302,000 compared with $52,000 in the corresponding quarter of the prior year, an increase of $250,000, due to the receipt of $25 million on the divestiture of a portion of the company to R.P. Scherer, Inc. Interest expense for the three months ended September 30, 2000 totaled $66,000, a decrease of $84,000, due to the repayment of all outstanding debt on the receipt of the $25 million from R.P. Scherer.

Income from discontinued operations represents the net contribution attributable to the cosmeceutical and toiletries product lines which were sold to R.P. Scherer Corporation in July 2000. For the three months ended September 30, 2000, the net contribution totaled $31,000, being the contribution earned prior to the closing of the sale transaction in July 2000, compared with $1,390,000 in the third quarter of the prior year. This decrease was primarily due to unabsorbed overhead at the manufacturing facility in Louisiana, resulting from a planned reduction in inventory levels and a shift in sales mix from toiletries to cosmeceutical products which require less Microsponge entrapment.

Results of Operations for the Nine Months Ended September 30, 2000 and 1999

Royalties and R&D fees for the nine months ended September 30, 2000 totaled $1,595,000, a decrease of $128,000 from the corresponding period of the prior year. This decrease was primarily due to the absence of R&D fees in the current period. Product sales for the nine months ended September 30, 2000 totaled $891,000, a decrease of $32,000 or 3%. License and option fees in the year-ago period related to revenues recognized on the exercise of an option and subsequent purchase of a proprietary product line by a third party.

As a percentage of product sales, gross profit increased to 66% from 56% due principally to sales mix.

Research and development expense for the nine months ended September 30, 2000 totaled $2,195,000, an increase of $349,000 over the corresponding period of the prior year. This increase was mainly due to the cost of materials and laboratory supplies for pre-clinical trials on the Company's proprietary bioerodible drug delivery systems.

Selling and marketing expense for the nine months ended September 30, 2000 was $426,000, an increase of $44,000 over the corresponding period of the prior year. This increase is due mainly to higher commission expense on sales of analytical standards and higher allocation costs.

General and administrative expenses for the nine months ended September 30, 2000 totaled $2,114,000, a decrease of $31,000 due mainly to lower salary expense as a result of lower headcount.

Interest income for the nine months ended September 30, 2000 totaled $421,000, an increase of $288,000 over the corresponding period of the prior year. This increase was due mainly to higher cash balances, resulting from the receipt of $25 million from the sale of the company's cosmeceutical product lines and certain technology rights to topical pharmaceuticals in July 2000. Interest expense for the nine months ended September 30, 2000 totaled $294,000, a decrease of $160,000 from the corresponding period of the prior year. This decrease was mainly due to the repayment of all outstanding debt by the company in July 2000.

Income from discontinued operations for the nine months ended September 30, 2000 totaled $1,381,000, compared with $3,013,000 in the corresponding period of the prior year. This represents the net contribution of the cosmeceutical and toiletries product lines earned prior to the closing of the sale transaction in July 2000.

Capital Resources and Liquidity

Total assets as of September 30, 2000 were $29,007,000 compared with $19,297,000 at December 31, 1999. Working capital increased to $21,507,000 from $13,135,000. This was due primarily to the sale of the company's cosmeceutical product lines and certain technology rights to topical pharmaceuticals to R.P. Scherer, Inc. for an upfront cash payment of $25 million. The Company could receive up to an additional $26.5 million over the next three years relating to performance milestones of the purchased business.

Cash, cash equivalents and marketable securities increased to $23,803,000 from $3,705,000 at December 31, 1999. During the first nine months of 2000, the Company's operating activities used $1,589,000 compared with $1,526,000 in the corresponding period of the prior year. In the first nine months of 2000, the Company invested approximately $2,195,000 in product research and development.

Trade accounts receivable decreased to $1,212,000 at September 30, 2000 from $3,580,000 due primarily to the sale of the Company's cosmeceutical product lines in July 2000.

Receivables for royalties, license and option fees and R&D fees decreased to $1,072,000 from $1,493,000 at December 31, 1999 due mainly to the collection of the receivable from the sale of proprietary product rights in the year-ago period.

Capital expenditures for the nine months ended September 30, 2000 totaled $142,000 a decrease of $42,000 from the corresponding period of the prior year.

Purchases of marketable securities of $13,867,000 were made using the proceeds of the sale of a portion of the Company to R.P. Scherer, Inc. for $25 million. These proceeds were also used to repay the Company's outstanding debt in full.

The Company raised $25 million from the sale of its cosmeceutical and toiletries product lines and certain technology rights to topical pharmaceuticals to R.P. Scherer, Inc. in July 2000.

The Company has also financed its operations, including technology and product research and development, from amounts raised in debt and equity financings, the sale of Microsponge and Polytrap delivery systems and analytical standard products, payments received under licensing agreements, and interest earned on short-term investments.

The Company's existing cash and cash equivalents, collections of trade accounts receivable, together with interest income and other revenue-producing activities including royalties, license and option fees and R&D fees, are expected to be sufficient to meet the Company's working capital requirements for the foreseeable future, assuming no changes to existing business plans.

New Accounting Standards

In June 1998, the FASB issued SFAS No. 133 "Accounting for Derivative Instruments and Hedging Activities" (SFAS 133) which as amended by SFAS No. 137 "Accounting for Derivative Instruments and Hedging Activities, Deferral of the Effective Date of FASB Statement No. 133, and Amendment of FASB Statement No. 133" and SFAS No. 138, "Accounting for Certain Derivative Instruments and Certain Hedging Activities, an amendment of FASB Statement No. 133", issued in June 2000, will be effective for all fiscal quarters of fiscal years beginning after June 15, 2000. SFAS 133 establishes accounting and reporting standards for derivative instruments and for hedging activities. It requires that an entity recognize all derivatives as either assets or liabilities in the statement of financial position and measure those instruments at fair value. SFAS 133 generally provides for matching the timing of gain or loss recognition on the hedging instrument with the recognition of (a) the changes in the fair value of the hedged asset or liability that are attributed to the hedged risk or (b) the earnings effect of hedged forecasted transactions. Earlier application of all provisions of this statement is encouraged but it is permitted only as of the beginning of any fiscal quarter that begins after issuance of this statement. The Company anticipates that adoption of this statement will not have a material effect on the consolidated financial statements.

On December 3, 1999, the SEC staff issued Staff Accounting Bulletin No. 101, Revenue Recognition in Financial Statements (SAB 101). SAB 101 summarizes certain of the staff's views in applying generally accepted accounting principles to revenue recognition in financial statements. In March 2000, the SEC issued SAB 101A, which amends SAB 101 to defer the effective date of required adoption. In June 2000, the SEC issued SAB 101B which further amends the transition guidance for SAB 101, and extends the implementation date of SAB 101 once more. On October 12, 2000, the SEC staff released a Frequently Asked Questions (FAQ) document to provide additional guidance on implementing SAB No. 101. The FAQ does not change the implementation date of SAB No. 101, or any of the guidance included in the SAB. As amended, SAB 101 is required to be adopted in the fourth quarter of a fiscal year that ends on December 31, 2000, and in first, second, and third quarters, respectively, of fiscal years ending in March, June and September 2001. The Company believes that the adoption of SAB 101 will not have a material effect on its consolidated financial statements.

In March 2000, the FASB issued Interpretation No. 44, Accounting for Certain Transactions Involving Stock Compensation, an interpretation of APB Opinion No. 25. This Interpretation clarifies the application of Opinion 25 for certain issues: a) the definition of employee for purposes of applying Opinion 25, b) the criteria for determining whether a plan qualifies as a noncompensatory plan, c) the accounting consequence of various modifications to the terms of a previously fixed stock option or award, and d) the accounting for an exchange of stock compensation awards in a business combination. This Interpretation was effective July 1, 2000. The adoption of

Interpretation No. 44 did not have a material effect on our consolidated financial statements.

ITEM 3. Quantitative and Qualitative Disclosure about Market Risk

Our exposure to market rate risk for changes in interest rates relates primarily to our investment portfolio. We do not use derivative financial instruments in our investment portfolio. We manage our interest rate risk by maintaining an investment portfolio primarily consisting of debt instruments of high credit quality and relatively short average maturities. We also manage our interest rate risk by maintaining sufficient cash and cash equivalent balance such that we are typically able to hold our investments to maturity. At September 30, 2000, our cash equivalents, and marketable securities included debt securities of $8,011,700. Notwithstanding our efforts to manage interest rate risks, there can be no assurances that we will be adequately protected against the risks associated with interest rate fluctuations.

PART II. OTHER INFORMATION

ITEM 6. Exhibits and Reports on Form 8-K

(a) Exhibits: 27 Financial Data Schedules as of and for the nine months ended September 30, 2000 and September 30, 1999.

(b) On August 9, 2000 the Company filed a current report on Form 8-K reporting the completion of the sale of its cosmeceutical and toiletry business on July 25, 2000. The Asset Purchase Agreement between the Company and R.P. Scherer Corporation dated June 22, 2000 filed as Exhibit 2.1 to Form 8-K is incorporated here by reference.

SIGNATURES

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.

ADVANCED POLYMER SYSTEMS, INC.

Date: November 13, 2000 By: /S/ Michael O'Connell

Michael O'Connell
President and Chief
Executive Officer

Date: November 13, 2000 By: /S/ Gordon Sangster

Gordon Sangster
Chief Financial Officer

EXHIBIT INDEX

Form 10-Q

EXHIBIT	DESCRIPTION
27	Financial Data Schedules