

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

## FORM 11-K

(Mark One)

( X ) Annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934 (Fee Required) For the fiscal year ended December 31, 1995 or

( ) Transition report pursuant to Section 15(d) of the Securities Exchange Act of 1934 (No Fee Required)  
For the transition period from ---- to ----  
-----

Commission File Number 0-16109

ADVANCED POLYMER SYSTEMS, INC.  
SALARY REDUCTION PROFIT SHARING PLANADVANCED POLYMER SYSTEMS, INC.  
3696 Haven Avenue  
Redwood City, California 94063  
Telephone: (415) 366-2626

ADVANCED POLYMER SYSTEMS, INC.  
SALARY REDUCTION PROFIT SHARING PLAN

STATEMENT OF FINANCIAL CONDITION  
at December 31, 1995

	Nationwide American Balanced Fund -----	Nationwide Bond Fund of America -----	Fidelity Magellan Fund -----	Nationwide Twentieth Century Growth -----	Nationwide Guaranty and Savings Fund -----	APS Common Stock -----	Participant Loans -----	Total All Funds -----
<b>ASSETS:</b>								
Cash account	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,114	\$ 0	\$ 0	\$ 7,114
Investments, at market	293,031	156,631	122,349	491,553	352,975	33,808	0	1,450,347
Participant loans	0	0	0	0	0	0	6,531	6,531
Contributions receivable	3,458	2,570	8,911	6,582	5,583	1,254	0	28,358
	-----	-----	-----	-----	-----	-----	-----	-----
<b>TOTAL ASSETS</b>	<b>\$296,489</b>	<b>\$159,201</b>	<b>\$131,260</b>	<b>\$498,135</b>	<b>\$365,672</b>	<b>\$35,062</b>	<b>\$6,531</b>	<b>\$1,492,350</b>
	=====	=====	=====	=====	=====	=====	=====	=====
<b>LIABILITIES:</b>								
Distributions payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	-----	-----	-----	-----	-----	-----	-----	-----
<b>TOTAL LIABILITIES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>PLAN EQUITY:</b>								
Salary Reduction Accounts	250,543	135,232	104,974	420,447	301,560	28,418	6,531	1,247,705
Employer Matching Accounts	45,946	23,969	26,286	77,688	64,112	6,644	0	244,645
	-----	-----	-----	-----	-----	-----	-----	-----
<b>TOTAL EQUITY</b>	<b>296,489</b>	<b>159,201</b>	<b>131,260</b>	<b>498,135</b>	<b>365,672</b>	<b>35,062</b>	<b>6,531</b>	<b>1,492,350</b>
	-----	-----	-----	-----	-----	-----	-----	-----
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$296,489</b>	<b>\$159,201</b>	<b>\$131,260</b>	<b>\$498,135</b>	<b>\$365,672</b>	<b>\$35,062</b>	<b>\$6,531</b>	<b>\$1,492,350</b>
	=====	=====	=====	=====	=====	=====	=====	=====

See accompanying notes.

ADVANCED POLYMER SYSTEMS, INC.  
SALARY REDUCTION PROFIT SHARING PLAN

STATEMENT OF FINANCIAL CONDITION  
at December 31, 1994

	Nationwide American Balanced Fund -----	Nationwide Bond Fund of America -----	Fidelity Magellan Fund -----	Nationwide Twentieth Century Growth -----	Nationwide Guaranty and Savings Fund -----	APS Common Stock -----	Participant Loans -----	Total All Funds -----
<b>ASSETS:</b>								
Cash account	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,965	\$ 0	\$ 0	\$ 1,965
Investments, at market	194,624	137,245	23,372	400,805	240,328	22,894	0	1,019,268
Participant loans	0	0	0	0	0	0	10,108	10,108
Contributions receivable	0	0	0	0	1,430	0	0	1,430
<b>TOTAL ASSETS</b>	<b>\$194,624</b> =====	<b>\$137,245</b> =====	<b>\$23,372</b> =====	<b>\$400,805</b> =====	<b>\$243,723</b> =====	<b>\$22,894</b> =====	<b>\$10,108</b> =====	<b>\$1,032,771</b> =====
<b>LIABILITIES:</b>								
Distributions payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>TOTAL LIABILITIES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>PLAN EQUITY:</b>								
Salary Reduction Accounts	165,942	117,673	20,449	342,841	206,140	18,892	10,108	882,045
Employer Matching Accounts	28,682	19,572	2,923	57,964	37,583	4,002	0	150,726
<b>TOTAL EQUITY</b>	<b>194,624</b>	<b>137,245</b>	<b>23,372</b>	<b>400,805</b>	<b>243,723</b>	<b>22,894</b>	<b>10,108</b>	<b>1,032,771</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$194,624</b> =====	<b>\$137,245</b> =====	<b>\$23,372</b> =====	<b>\$400,805</b> =====	<b>\$243,723</b> =====	<b>\$22,894</b> =====	<b>\$10,108</b> =====	<b>\$1,032,771</b> =====

See accompanying notes.

ADVANCED POLYMER SYSTEMS, INC.  
SALARY REDUCTION PROFIT SHARING PLAN

STATEMENT OF INCOME AND CHANGES IN PLAN EQUITY  
for the year ended December 31, 1995

	Nationwide American Balanced Fund	Nationwide Bond Fund of America	Fidelity Magellan Fund	Nationwide Twentieth Century Growth	Nationwide Guaranty and Savings Fund	APS Common Stock
	-----	-----	-----	-----	-----	-----
Investment Income:						
Interest and dividends	\$ 0	\$ 0	\$ 0	\$ 0	\$ 18,162	\$ 0
Total investment income	0	0	0	0	18,162	0
Net realized and unrealized gains (losses) on investments	46,387	21,690	26,872	71,238	0	5,247
Contributions:						
Employee	43,172	19,728	57,220	61,994	66,221	11,399
Employer	12,777	7,237	20,869	21,815	22,760	4,036
Rollovers	3,458	3,270	2,417	18,285	16,689	0
Total contributions	59,407	30,235	80,506	102,094	105,670	15,435
Withdrawals, transfers and distributions:						
Member accounts withdrawn & distributed	(12,848)	(20,558)	(7,413)	(57,690)	(22,723)	(2,885)
Member accounts transferred-in (out)	8,919	(9,411)	7,923	(18,312)	20,840	(5,629)
Net withdrawals, transfers and distributions	(3,929)	(29,969)	510	(76,002)	(1,883)	(8,514)
Net increase (decrease) in plan equity	101,865	21,956	107,888	97,330	121,949	12,168
Plan equity:						
Beginning of the year	194,624	137,245	23,372	400,805	243,723	22,894
End of the year	\$ 296,489	\$ 159,201	\$ 131,260	\$ 498,135	\$ 365,672	\$ 35,062
	=====	=====	=====	=====	=====	=====

	Participant Loans	Total All Funds
	-----	-----
Investment Income:		
Interest and dividends	\$ 753	\$ 18,915
Total investment income	753	18,915
Net realized and unrealized gains (losses) on investments	0	171,434
Contributions:		
Employee	0	259,734
Employer	0	89,494
Rollovers	0	44,119
Total contributions	0	393,347
Withdrawals, transfers and distributions:		
Member accounts withdrawn & distributed	0	(124,117)
Member accounts transferred-in (out)	(4,330)	0
Net withdrawals, transfers and distributions	(4,330)	(124,117)
	-----	-----

Net increase (decrease) in plan equity	(3,577)	459,579
Plan equity:		
Beginning of the year	10,108	1,032,771
	-----	-----
End of the year	\$ 6,531	\$ 1,492,350
	=====	=====

See accompanying notes.

ADVANCED POLYMER SYSTEMS, INC.  
SALARY REDUCTION PROFIT SHARING PLAN

STATEMENT OF INCOME AND CHANGES IN PLAN EQUITY  
for the year ended December 31, 1994

	Nationwide American Balanced Fund	Nationwide Bond Fund of America	Fidelity Magellan Fund	Nationwide Twentieth Century Growth	Nationwide Guaranty and Savings Fund	APS Common Stock
	-----	-----	-----	-----	-----	-----
Investment Income:						
Interest and dividends	\$ 0	\$ 0	\$ 0	\$ 0	\$ 11,201	\$ 0
	-----	-----	-----	-----	-----	-----
Total investment income	0	0	0	0	11,201	0
	-----	-----	-----	-----	-----	-----
Net realized and unrealized gains (losses) on investments	(3,954)	(8,797)	449	(8,297)	0	(3,460)
	-----	-----	-----	-----	-----	-----
Contributions:						
Employee	47,870	22,930	7,831	81,238	54,366	9,375
Employer	11,858	6,741	1,396	20,285	12,505	2,381
Rollovers	0	0	0	0	0	0
	-----	-----	-----	-----	-----	-----
Total contributions	59,728	29,671	9,227	101,523	66,871	11,756
	-----	-----	-----	-----	-----	-----
Withdrawals, transfers and distributions:						
Member accounts withdrawn	(133,785)	(31,598)	0	(217,652)	(92,441)	(21,528)
Distributions	0	0	0	0	(2,005)	0
Member accounts transferred-in (out)	(27,892)	18,819	13,696	(43,724)	45,804	(3,149)
	-----	-----	-----	-----	-----	-----
Net withdrawals, transfers and distributions	(161,677)	(12,779)	13,696	(261,376)	(48,642)	(24,677)
	-----	-----	-----	-----	-----	-----
Net increase (decrease) in plan equity	(105,903)	8,095	23,372	(168,150)	29,430	(16,381)
	-----	-----	-----	-----	-----	-----
Plan equity:						
Beginning of the year	300,527	129,150	0	568,955	214,293	39,275
	-----	-----	-----	-----	-----	-----
End of the year	\$ 194,624	\$ 137,245	\$23,372	\$ 400,805	\$ 243,723	\$ 22,894
	=====	=====	=====	=====	=====	=====

	Participant Loans	Total All Funds
	-----	-----
Investment Income:		
Interest and dividends	\$ 966	\$ 12,167
	-----	-----
Total investment income	966	12,167
	-----	-----
Net realized and unrealized gains (losses) on investments	0	(24,059)
	-----	-----
Contributions:		
Employee	0	223,610
Employer	0	55,166
Rollovers	0	0
	-----	-----
Total contributions	0	278,776
	-----	-----
Withdrawals, transfers and distributions:		
Member accounts withdrawn	0	(497,004)
Distributions	0	(2,005)
Member accounts transferred-in (out)	(3,554)	0
	-----	-----

Net withdrawals, transfers and distributions	(3,554)	(499,009)
	-----	-----
Net increase (decrease) in plan equity	(2,588)	(232,125)
Plan equity:		
Beginning of the year	12,696	1,264,896
	-----	-----
End of the year	<u>\$ 10,108</u>	<u>\$ 1,032,771</u>
	=====	=====

See accompanying notes.

ADVANCED POLYMER SYSTEMS, INC.  
SALARY REDUCTION PROFIT SHARING PLAN

STATEMENT OF INCOME AND CHANGES IN PLAN EQUITY  
for the year ended December 31, 1993

	Nationwide American Balanced Fund	Nationwide Bond Fund of America	Nationwide Twentieth Century Growth	Nationwide Guaranty and Savings Fund	APS Common Stock	Participant Loans	Total All Funds
Investment Income:							
Interest and dividends	\$ 0	\$ 0	\$ 0	\$ 9,982	\$ 0	\$ 2,722	\$ 12,704
Total investment income	0	0	0	9,982	0	2,722	12,704
Net realized and unrealized gains (losses) on investments	21,185	12,622	16,374	0	(21,224)	0	28,957
Contributions:							
Employee	53,960	25,598	135,817	36,714	12,827	0	264,916
Employer	7,631	3,697	19,776	6,726	2,112	0	39,942
Rollovers	313	0	313	428	0	0	1,054
Total contributions	61,904	29,295	155,906	43,868	14,939	0	305,912
Withdrawals, transfers and distributions:							
Member accounts withdrawn	(10,960)	(7,071)	(60,080)	(8,185)	(1,314)	0	(87,610)
Distributions	0	0	2,319	1,814	0	0	4,133
Member accounts transferred-in (out)	44,620	(2,929)	(35,123)	15,562	(1,416)	(20,714)	0
Net withdrawals, transfers and distributions	33,660	(10,000)	(92,884)	9,191	(2,730)	(20,714)	(83,477)
Net increase (decrease) in plan equity	116,749	31,917	79,396	63,041	(9,015)	(17,992)	264,096
Plan equity:							
Beginning of the year	183,778	97,233	489,559	151,252	48,290	30,688	1,000,800
End of the year	\$ 300,527	\$ 129,150	\$ 568,955	\$ 214,293	\$ 39,275	\$ 12,696	\$ 1,264,896

See accompanying notes.

ADVANCED POLYMER SYSTEMS, INC.  
SALARY REDUCTION PROFIT SHARING PLAN  
Notes to Financial Statements  
December 31, 1995, 1994 and 1993

1. DESCRIPTION OF THE PLAN

The following description of the Advanced Polymer Systems, Inc. Salary Reduction Profit Sharing Plan (the "401(k) Plan" or the "Plan") provides only general information. Members should refer to the 401(k) Plan document for more complete information.

(a) General

The 401(k) Plan is a defined contribution plan covering active employees of Advanced Polymer Systems, Inc. ("APS" or the "Company"). For 1993 and years prior, any employee who had completed six consecutive calendar months of service and had attained age 21 was eligible to become a voluntary member of the 401(k) Plan. Further, any newly hired employee who was an active participant in another 401(k) plan for the ninety day period immediately prior to employment with the Company, was immediately eligible to become a voluntary member of the Company's 401(k) Plan as of the date of employment. Beginning with the 1994 Plan year, the Plan document was amended to allow participants to be eligible immediately upon employment.

The 401(k) Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

(b) Contributions - Employee

Eligible domestic employees may contribute up to 15% of their total compensation for each calendar year, limited to \$9,240 in 1995 and 1994, and \$8,994 in 1993 (the "Employee Contribution").

(c) Contributions - Employer

For 1993 and years prior, the Company made matching contributions equal to 25% of each member's Employee Contribution during a Plan year up to a maximum amount equal to the lesser of 1.5% of each member's annual compensation, or \$1,000 per calendar year (the "Employer Matching Contribution"). The Plan document was subsequently amended for the 1994 Plan year to increase the Company's matching contribution to 50%. The Company may also contribute additional discretionary amounts as it may determine (the "Employer Discretionary Contribution"). No Employer Discretionary Contributions have been made to the Plan since its inception. Beginning with the 1995 Plan year, the Plan document was amended to change the maximum Employer Matching Contribution to 3% of the participants' annual gross compensation, limited to \$4,500.

(d) Members' Accounts

The company maintains separate Employee Contribution accounts, Employer Matching Contribution accounts and Employer Discretionary Contribution accounts for each member. Contributions are credited to the member accounts each semi-monthly payroll period.

In 1994, the plan trustees added the Fidelity Magellan Fund to the investment options offered to the participants. Each member may elect from the following investment options for his/her Employee Contribution accounts:

## Company Common Stock:

The Common Stock of APS will be purchased by the 401(k) Plan's investment manager for the member in a market transaction at the then current market price as quoted on the NASDAQ National Market System. Each member may elect to invest up to 10% of his/her Employee Contributions and Employer Matching Contributions in this option.

## Fidelity Magellan Fund:

A mutual fund seeking capital growth by investing primarily in common stocks and securities convertible into common stock of domestic and foreign multinational issuers of all sizes.

## Nationwide Twentieth Century Growth:

A mutual fund seeking capital growth by investing primarily in common stocks that are considered by fund management to have better-than-average prospects for appreciation.

## Nationwide American Balanced Fund:

A mutual fund seeking conversion of capital, current income and long-term growth of both capital and income through investments in stocks, bonds and other fixed-income securities.

## Nationwide Bond Fund of America:

A mutual fund seeking to provide shareholders as high a level of current income as is consistent with the preservation of capital by investing primarily in bonds such as marketable corporate debt securities, U.S. Government securities, mortgage related securities and cash or money market instruments.

## Nationwide Guaranty and Savings Fund:

Money market funds invested in short-term securities with a guaranteed rate of 6.1% in 1995, 5.6% in 1994 and 6.2% in 1993.

Members may change their investment options at specified dates during the Plan year as set forth in the 401(k) Plan document. Income from the selected investments of 401(k) Plan assets is allocated quarterly in the proportion that each member's investment option balance bears to the cumulative balance of each investment option.

## (e) Vesting

The 401(k) Plan provides that the allocated contribution and income of both the Employee Contribution account and the Employer Matching Contribution account are immediately and fully vested. Employer Discretionary Contributions become vested over a period of 6 years in accordance with the following schedule:

Years of Service -----	Vested Percentage -----
Less than 1	0%
1	10%
2	20%
3	40%
4	60%
5	80%
6 or more	100%

(f) Withdrawal of Member Accounts

The full amounts in a member's accounts, other than the amounts constituting Employer Discretionary Contributions, will be distributed upon retirement (at 62 years of age or if later, the employee's fifth anniversary of employment with the Company), death, or permanent disability of the member.

If a member's employment with the Company terminates prior to normal retirement (as defined above) for any reason other than death or disability, the participant will be entitled to a distribution equal to the vested portion of his/her accounts.

Members should refer to the 401(k) Plan document for a more complete description of procedures and calculations for the withdrawal of accounts.

(g) Trustees

The 401(k) Plan is administered by the Company. A Trustee is responsible for investing the assets of the Plan which are held in Trust. The current trustee is Michael O'Connell.

The Trustee has retained Pension Management Systems, Inc. ("PMSI") to provide recordkeeping services to the 401(k) Plan. PMSI also invests Plan assets in the various mutual funds offered by Nationwide Life Insurance.

Members of the Board of Directors and employees of the Company serving as Trustees receive no additional compensation for services in connection with the administration of the 401(k) Plan.

(h) Participant loans

Participants are allowed to borrow from the Plan assets. The Plan will allow a participant to borrow up to the lesser of 50% of his/her vested Plan balance or \$50,000. The loan, secured by the vested Plan balance of the participant, is repayable in installments over a period up to 5 years at the prime rate plus 2%. The term of the loan can be extended for more than 5 years if the loan is used to purchase the principal dwelling of the participant.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Investment Valuation

The value of investments is based upon quoted market values on the last business day of the year.

(b) Security Transactions and Investment Income

Securities transactions are recorded on a trade date basis. The difference between cost and market value of investments at the beginning and end of the period is reported as unrealized appreciation or depreciation in the market value of investments using the average cost method.

(c) Expenses of the 401(k) Plan

Reasonable fees and expenses incurred in the establishment and administration of the 401(k) Plan, and reasonable compensation of attorneys, accountants, investment managers, actuaries, consultants, or expenses of the Trustees or any agent of the Trustees if not employed by the Company will be paid out of the assets of the 401(k) Plan, except to the extent that the Company pays such expenses directly. For the three-year period ended December 31, 1995, all such expenses were paid by the Company.

## (d) Forfeited Funds

If a Participant terminates employment with APS prior to completing six years of service, the unvested portion of such member's Employer Discretionary Contribution account will be forfeited and allocated among the remaining participants in the 401(k) Plan.

## (e) Basis of Accounting

The financial statements are prepared on the accrual basis of accounting.

## 3. INVESTMENTS

Investments of the 401(k) Plan at market value as of December 31 are summarized as follows:

	1995	1994
	----	----
Nationwide American Balanced Fund	\$293,031	\$194,624
Nationwide Bond Fund of America	156,631	137,245
Fidelity Magellan Fund	122,349	23,372
Nationwide Twentieth Century Growth	491,553	400,805
Nationwide Guaranty and Savings Fund	352,975	240,328
APS Common Stock	33,808	22,894

Investment option elections of the members of the 401(k) Plan at December 31 are summarized as follows:

	Number of Participants	
	1995	1994
	----	----
Nationwide American Balanced Fund	40	23
Nationwide Bond Fund of America	29	20
Fidelity Magellan Fund	33	11
Nationwide Twentieth Century Growth	49	34
Nationwide Guaranty and Savings Fund	43	37
APS Common Stock	39	29

## 4. INCOME TAXES

APS received a favorable determination from the Internal Revenue Service ("IRS") stating that the 401(k) Plan is qualified under Section 401 of the Internal Revenue Code ("Code") as amended, and is exempt from federal income taxation under Section 501 of the Code. Accordingly, the financial statements do not contain a provision for income taxes. The continued qualification is dependent on the Plan's future operation.

Members do not become subject to income taxes as a result of participation in the 401(k) Plan until assets in the member's accounts are distributed. Under certain circumstances, a distribution from the 401(k) Plan is subject to income tax as ordinary income.

## 5. PLAN TERMINATION

Although it has not expressed any intent to do so, APS has the right to terminate the 401(k) Plan at any time. In the event of termination, all accounts will become fully vested, all net assets will be allocated and

distributed to the members based on their respective account balances.

#### 6. SCHEDULE OF MARKETABLE SECURITIES

Marketable Securities of the 401(k) Plan at December 31, 1995 and 1994, inclusive of contributions receivable, consisted of the following:

Units -----	Description -----	Cost ----	Market Value -----
1995 ----			
153,015	Nationwide American Balanced Fund	\$ 211,711	\$ 296,489
78,610	Nationwide Bond Fund of America	123,491	159,201
73,602	Fidelity Magellan Fund	103,939	131,260
133,760	Nationwide Twentieth Century Growth	378,666	498,135
337,790	Nationwide Guaranty and Savings Fund	317,841	365,672
6,375	APS Common Stock	31,869	35,062
		-----	-----
		\$1,167,517	1,485,819
1994 ----			
127,693	Nationwide American Balanced Fund	\$156,233	\$194,624
80,136	Nationwide Bond Fund of America	123,225	137,245
17,931	Fidelity Magellan Fund	22,923	23,372
129,523	Nationwide Twentieth Century Growth	352,574	400,805
243,723	Nationwide Guaranty and Savings Fund	214,054	243,723
5,233	APS Common Stock	24,768	22,894
		-----	-----
		\$893,777	\$1,022,663

## INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders of Advanced Polymer Systems, Inc. and the Trustees and Participants in the Advanced Polymer Systems, Inc. Salary Reduction Profit Sharing Plan:

We have audited the accompanying statements of financial condition of the Advanced Polymer Systems, Inc. Salary Reduction Profit Sharing Plan as of December 31, 1995 and 1994, and the related statements of income and changes in Plan equity for each of the years in the three-year period ended December 31, 1995. These financial statements are the responsibility of the Plan'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 financial statements referred to above present fairly, in all material respects, the financial position of the Advanced Polymer Systems, Inc. Salary Reduction Profit Sharing Plan as of December 31, 1995 and 1994, and the results of its operations and its changes in Plan equity for each of the years in the three-year period ended December 31, 1995 in conformity with generally accepted accounting principles.

KPMG Peat Marwick LLP

San Francisco, California  
March 15, 1996

23 Consent of Independent Certified Public Accountants

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the plan) have duly caused this annual report to be signed by the undersigned thereunto duly authorized.

Advanced Polymer Systems, Inc.  
Salary Reduction Profit Sharing Plan

Date: March 27, 1996

/s/ Michael O'Connell  
-----  
Michael O'Connell  
Trustee

EXHIBIT INDEX

Form 11-K Annual Report

ADVANCED POLYMER SYSTEMS, INC.  
SALARY REDUCTION PROFIT SHARING PLAN

23 Consent of Independent Certified Public Accountants

EXHIBIT 23  
CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

The Board of Directors and Stockholders of Advanced Polymer Systems, Inc. and the Trustees and Participants in the Advanced Polymer Systems, Inc. Salary Reduction Profit Sharing Plan;

We consent to incorporation by reference in the Registration Statement (No. 33-29084) on Form S-8 of the Advanced Polymer Systems, Inc. Salary Reduction Profit Sharing Plan of our report dated March 15, 1996 relating to the statements of financial condition of the Advanced Polymer Systems, Inc. Salary Reduction Profit Sharing Plan as of December 31, 1995 and 1994 and the related statements of income and changes in Plan equity for each of the years in the three-year period ended December 31, 1995, which report appears in the December 31, 1995 annual report on Form 11-K of the Advanced Polymer Systems, Inc. Salary Reduction Profit Sharing Plan.

KPMG Peat Marwick LLP

San Francisco, California  
March 27, 1996