

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

FORM 8-K

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

Date of Report (date of earliest event reported): September 19, 1997
(September 4, 1997)

Borden, Inc.

(Exact name of registrant as specified in its charter)

New Jersey	I-71	13-0511250
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(State or other jurisdiction of incorporation)	(Commission file number)	(IRS Employer Identification No.)

180 East Broad Street, Columbus, Ohio	43215-3799
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(Address of principal executive offices)	(zip code)

Registrant's telephone number, including area code: (614)-225-4000

ITEM 2. Disposal of Assets.

On September 4, 1997, Borden, Inc. ("the Company") completed the previously announced transaction to sell the stock of Borden/Meadow Gold Dairies Holdings, Inc. and its subsidiaries ("Dairy") to Mid-America Dairymen, Inc. for \$435 million, subject to certain adjustments (the "Transaction"). Under the terms of the Transaction, Mid-America Dairymen, Inc. acquired the Meadow Gold, Viva, Lite Line and Mountain High brand names, and a license to use the Borden and Elsie the Cow trademarks in the United States on certain dairy products. Proceeds of the Transaction were used by Borden to pay down debt.

ITEM 7. Financial Statements and Exhibits.

- b. Pro forma condensed consolidated and combined financial statements (unaudited).

The following unaudited pro forma condensed consolidated and combined consolidated financial statements are filed with this report:

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The consolidated statements present the Company after the effect of the sales of (i) the Company's former salty snacks business to Wise Holdings, Inc. and its subsidiaries ("Wise") and (ii) the Company's former domestic and international foods business to Borden Foods Holdings Corporation and its subsidiaries ("Foods"). The Company, Wise and Foods are controlled by BW Holdings, LLC ("BWHLLC"). The consolidated financial statements are those of the Company, which is the SEC Registrant. Combined financial statements are included herein to present the Company on a combined historical basis, including the financial position and results of operations of Wise and Foods. The combined financial statements are included because management of the Company continues to control significant financial and managerial decisions with respect to Wise and Foods. The combined financial statements do not reflect push-down accounting and therefore present financial information on a basis consistent with that on which credit was originally extended to the Company.

The following pro forma condensed consolidated and combined balance sheets as of June 30, 1997 and the pro forma condensed consolidated and combined statements of income for the six month period then ended and the year ended December 31, 1996 give effect to the Transaction. The adjustments related to the condensed consolidated and combined balance sheets assume the transaction was consummated at June 30, 1997, while the adjustments to the pro forma condensed consolidated and combined income statements assume the Transaction was consummated at the beginning of the periods presented.

The unaudited pro forma consolidated and combined financial statements have been prepared based on assumptions deemed proper by the Company. The unaudited pro forma condensed consolidated and combined financial statements presented herein are shown for illustrative purposes only and are not necessarily indicative of the future financial position or future results of operations of the Company or of the financial position or results of operations of the Company that would have actually occurred had the transaction been in effect as of the date or for the periods presented.

c. Exhibits

2.1 Stock Purchase and Merger Agreement, dated May 22, 1997 between Borden, Inc. and Mid America Dairymen, Inc. incorporated herein by reference to Exhibit 10 to Form 10-Q dated June 30, 1997.

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.

BORDEN, INC.

Date: September 19, 1997

s/

Executive Vice President and
Chief Financial Officer
(Principal Financial Officer &
Duly Authorized Signing Officer)

BORDEN, INC.
 PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET (unaudited)
 June 30, 1997

(In millions)

	Pro Forma Adjustments			Pro Forma
	As Reported	Sale Adjustments(a)	Other Adjustments	
Cash and cash equivalents	\$ 97.5	\$ 364.9	\$ (364.9)(b)	\$ 97.5
Net receivables	328.2			328.2
Finished and in-process goods	133.6			133.6
Raw materials and supplies	66.2			66.2
Deferred income taxes	134.8	(68.5)		66.3
Other current assets	42.1			42.1
Net assets of discontinued operations	172.9	(172.9)		-
Total current assets	975.3	123.5	(364.9)	733.9
Investments in and advances to affiliates	108.5			105.5
Deferred income taxes	159.7			159.7
Other assets	70.0			70.0
Assets sold under contractual arrangement	676.3			676.3
Total investments and other assets	1,014.5	-	-	1,014.5
Land	27.6			27.6
Buildings	146.3			146.3
Machinery and equipment	742.4			742.4
Less: Accumulated depreciation	(440.8)			(440.8)
Total property and equipment	475.5			475.5
Intangibles	61.5			61.5
Total assets	<u>\$2,526.8</u>	<u>\$ 123.5</u>	<u>\$ (364.9)</u>	<u>\$2,285.4</u>

See notes to pro forma financial statements

BORDEN, INC.
 PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET (unaudited)
 June 30, 1997

(In millions)

	Pro Forma Adjustments			Pro Forma
	As Reported	Sale Adjustments(a)	Other Adjustments	
Debt payable within one year	\$ 108.6	\$ -	\$ -	\$ 108.6
Accounts and drafts payable	200.1			200.1
Income taxes	245.2			245.2
Other current liabilities	436.2	(40.0)		396.2
	-----	-----	-----	-----
Total current liabilities	990.1	(40.0)		950.1
Liabilities sold under contractual arrangement	434.7			434.7
Long-term debt	914.0		(364.9)(b)	549.1
Non-pension postemployment benefits	251.0	(14.4)		236.6
Other long-term liabilities	93.2	(1.5)		91.7
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Total noncurrent liabilities	1,692.9	(15.9)	(364.9)	1,312.1
Preferred stock	614.4			614.4
Common stock	2.0			2.0
Paid in capital	382.1			382.1
Receivable from parent	(443.6)			(443.6)
Accumulated translation adjustment	(36.2)			(36.2)
Minimum pension liability and other	(109.2)	30.0		(79.2)
Retained earnings(deficit)	(565.7)	149.4		(416.3)
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Total equity	(156.2)	179.4	-	23.2
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Total liabilities and equity	\$2,526.8	\$ 123.5	\$ (364.9)	\$2,285.4
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See notes to pro forma financial statements

BORDEN, INC.
 PRO FORMA CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)
 FOR THE SIX MONTHS ENDING JUNE 30, 1997

(In millions, except per share data)

	Pro Forma Adjustments			Pro Forma
	As Reported	Sale Adjustments(a)	Other Adjustments	
Net sales	\$ 946.0	\$ -	\$ -	\$ 946.0
Cost of goods sold	692.8	-	-	692.8
Gross profit margin	253.2	-	-	253.2
Distribution expense	36.2	-	-	36.2
Marketing expense	75.5	-	-	75.5
General & administrative expense	83.7	-	10.0(c)	93.7
Operating income	57.8	-	(10.0)	47.8
Interest expense	47.8	-	(14.0)(b)	33.8
Affiliated interest income	(11.4)	-	-	(11.4)
Other (income)	(12.7)	-	(0.1)(d)	(12.8)
Income from continuing operations before income taxes	34.1	-	4.1	38.2
Income tax expense	15.6	-	1.6	17.2
Income from continuing operations	\$ 18.5	\$ -	\$ 2.5	\$ 21.0
Share Data:				
Per share income from continuing operations	\$ 0.09			\$ 0.11
Average number of common shares outstanding during the period	199.0			199.0

See notes to pro forma financial statements

BORDEN, INC.
 PRO FORMA CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)
 FOR THE PERIOD ENDING DECEMBER 31, 1996

(In millions, except per share data)

	Pro Forma Adjustments			Pro Forma
	As Reported	Sale Adjustments(a)	Other Adjustments	
Net sales	\$ 3,681.3	\$ (910.9)	\$ -	\$ 2,770.4
Cost of goods sold	2,660.3	(696.0)		1,964.3
Gross profit margin	1,021.0	(214.9)	-	806.1
Distribution expense	235.4	(103.9)		131.5
Marketing expense	410.2	(59.3)		350.9
General & administrative expense	177.6	(23.8)	10.0(c)	163.8
Gain on divestiture	(62.0)			(62.0)
Operating income	259.8	(27.9)	(10.0)	221.9
Interest expense	112.8		(27.4)(b)	85.4
Other expense (income)	(8.7)	0.4	(0.4)(d)	(8.7)
Income from continuing operations before income taxes	155.7	(28.3)	17.8	145.2
Income tax expense	80.2	(11.2)	6.9	75.9
Income from continuing operations	\$ 75.5	\$ (17.1)	\$ 10.9	\$ 69.3
Share Data:				
Per share income from continuing operations	\$ 0.38			\$ 0.35
Average number of common shares outstanding during the period	199.0			199.0

See notes to pro forma financial statements

BORDEN, INC. AND AFFILIATES
 PRO FORMA CONDENSED COMBINED BALANCE SHEET (UNAUDITED)
 AS OF JUNE 30, 1997

(In millions)	Pro Forma Adjustments			Pro Forma
	As Reported	Sale Adjustments(a)	Other Adjustments	
Cash and cash equivalents	\$ 113.9	\$ 364.9	\$ (364.9)(b)	\$ 113.9
Net receivables	510.2			510.2
Finished and in-process goods	286.2			286.2
Raw materials and supplies	125.4			125.4
Deferred income taxes	165.2	(68.5)		96.7
Other current assets	75.5			75.5
Net assets of discontinued operations	172.9	(172.9)		-
Total current assets	1,449.3	123.5	(364.9)	1,207.9
Investments in and advances to affiliates	108.5			108.5
Deferred income taxes	251.1			251.1
Other assets	86.3			86.3
Total investments and other assets	445.9	-	-	445.9
Land	48.7			48.7
Buildings	317.9			317.9
Machinery and equipment	1,316.8			1,316.8
	1,683.4	-	-	1,683.4
Less: Accumulated depreciation	(879.4)			(879.4)
Total property and equipment	804.0	-	-	804.0
Intangibles	435.6			435.6
Total assets	\$3,134.8	\$ 123.5	\$ (364.9)	\$2,893.4

See notes to pro forma financial statements

BORDEN, INC. AND AFFILIATES
 PRO FORMA CONDENSED COMBINED BALANCE SHEET (UNAUDITED)
 AS OF JUNE 30, 1997

(In millions)

	Pro Forma Adjustments			Pro Forma
	As Reported	Sale Adjustments(a)	Other Adjustments	
Debt payable within one year	\$ 121.3	\$ -	\$ -	\$ 121.3
Accounts and drafts payable	342.4			342.4
Income taxes	248.9			248.9
Other current liabilities	621.3	(40.0)		581.3
	-----	-----	-----	-----
Total current liabilities	1,333.9	(40.0)	-	1,293.9
Long-term debt	927.9		(364.9)(b)	563.0
Non-pension postemployment	273.4	(14.4)		259.0
Other long-term liabilities	141.0	(1.5)		139.5
	-----	-----	-----	-----
Total noncurrent liabilities	1,342.3	(15.9)	(364.9)	961.5
Preferred stock	614.4			614.4
Common stock	2.0			2.0
Paid in capital	685.3			685.3
Receivable from parent	(443.6)			(443.6)
Affiliate's interest in subsidiary	87.6			87.6
Accumulated translation adjustment	(149.2)			(149.2)
Minimum pension liability and other	(109.2)	30.0		(79.2)
Retained earnings(deficit)	(228.7)	149.4		(79.3)
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Total equity	458.6	179.4	-	638.0
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Total liabilities and equity	\$3,134.8	\$ 123.5	\$ (364.9)	\$2,893.4
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See notes to pro forma financial statements

BORDEN, INC. AND AFFILIATES
 PRO FORMA CONDENSED COMBINED INCOME STATEMENT (UNAUDITED)
 FOR THE PERIOD ENDING JUNE 30, 1997

(In millions)	Pro Forma Adjustments			Pro Forma
	As Reported	Sale Adjustments(a)	Other Adjustments	
Net sales	\$1,935.1	\$ -	\$ -	\$1,935.1
Cost of goods sold	1,289.1	-	-	1,289.1
Gross profit margin	646.0	-	-	646.0
Distribution expense	95.7	-	-	95.7
Marketing expense	346.6	-	-	346.6
General & administrative expense	143.8	-	10.0(c)	153.8
Operating income	59.9	-	(10.0)	49.9
Interest expense	48.4	-	(14.0)(b)	34.4
Other (income)	(20.1)	-	(0.1)(d)	(20.2)
Income from continuing operations before income taxes	31.6	-	4.1	35.7
Income tax expense	14.3	-	1.6	15.9
Income from continuing operations	\$ 17.3	\$ -	\$ 2.5	\$ 19.8

See notes to pro forma financial statements

BORDEN, INC. AND AFFILIATES
 PRO FORMA CONDENSED COMBINED INCOME STATEMENT (UNAUDITED)
 FOR THE PERIOD ENDING DECEMBER 31, 1996

(In millions)	Pro Forma Adjustments			Pro Forma
	As Reported	Sale Adjustments(a)	Other Adjustments	
Net sales	\$5,765.1	\$ (910.9)	\$ -	\$4,854.2
Cost of goods sold	3,933.8	(696.0)		3,237.8
Gross profit margin	1,831.3	(214.9)	-	1,616.4
Distribution expense	354.9	(103.9)		251.0
Marketing expense	990.3	(59.3)		931.0
General & administrative expense	282.2	(23.8)	10.0(c)	268.4
Gain on divestiture	(55.9)			(55.9)
Operating income	259.8	(27.9)	(10.0)	221.9
Interest expense	116.4		(27.4)(b)	89.0
Other expense (income)	(13.3)	0.4	(0.4)(d)	(13.3)
Income from continuing operations before income taxes	156.7	(28.3)	17.8	146.2
Income tax expense	74.8	(11.2)	6.9	70.5
Income from continuing operations	\$ 81.9	\$ (17.1)	\$ 10.9	\$ 75.7

See notes to pro forma financial statements

Notes to Pro Forma Financial Statements

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- a) Reflects the elimination of the Dairy business and the receipt of \$435 million of proceeds net of a \$40 million deposit received in May 1997, \$16.6 million of compensation expense paid on the settlement of stock options, \$5.3 million of proceeds attributable to the minority shareholders and other closing costs. The June 30, 1997 income statements already classify Dairy as a discontinued operation.
 - b) Reflects the repayment of long-term debt with cash proceeds from the Transaction and the associated interest savings. The weighted average interest rate used to compute the interest savings was 7.7% for the six months ended June 30, 1997 and 7.5% for the twelve months ended December 31, 1996.
 - c) Reflects the Company's partial settlement loss that was not recognized in the gain calculation.
 - d) Reflects the elimination of minority interest in the results of the Dairy business.