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

FORM 10-Q

/X/ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the quarterly period ended March 31, 1999

Commission file number I-71

BORDEN, INC.

New Jersey	13-0511250
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

180 East Broad Street, Columbus, OH 43215
(Address of principal executive offices)

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

Not Applicable
(Former name, former address and former fiscal year, if changed since last report.)

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

Number of shares of common stock, $0.01 par value, outstanding as of the close of business on May 14, 1999: 198,974,994

INTRODUCTION

The following filing with the Securities and Exchange Commission ("SEC") by Borden, Inc. ("the Company") presents four separate financial statements: Borden, Inc. Condensed Consolidated Financial Statements, Borden, Inc. and Affiliates Condensed Combined Financial Statements, the Condensed Financial Statements of Wise Holdings, Inc. ("Wise Holdings") and the Condensed Financial Statements of Borden Foods Holdings Corporation ("Foods Holdings"). The consolidated statements present the Company after the effect of the sales of (i) the Company's former salty snacks business ("Wise") to Wise Holdings and its subsidiaries and (ii) the Company's former domestic and international foods business ("Foods") to Foods Holdings and its subsidiaries, as explained in Note 1 to the consolidated and combined financial statements. The Company, Wise Holdings, and Foods Holdings are controlled by BW Holdings, LLC ("BWHLLC"). The consolidated financial statements are those of the Company, which is the SEC Registrant.

The Borden, Inc. and Affiliates ("the Combined Companies") Condensed Combined Financial Statements are included herein to present the Company on a combined historical basis, including the financial position, results of operations and cash flows of Wise and Foods. The Combined Companies' condensed financial statements are included because management of the Company continues to control significant financial and managerial decisions with respect to Wise Holdings and Foods Holdings. In accordance with rule 3-10 of Regulation S-X, the condensed financial statements of Wise Holdings and Foods Holdings are included in Part II of this Quarterly Report on Form 10-Q because Wise Holdings and Foods Holdings are guarantors of the Company's credit facility and all of the Company's outstanding publicly held debt. The Combined Companies' condensed financial statements do not reflect pushdown accounting and therefore present financial information on a basis consistent with that on which credit was originally extended to the Company.

BORDEN, INC.

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CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
AND COMPREHENSIVE INCOME (UNAUDITED)
BORDEN, INC.

(In millions)	Three months ended March 31, 1999	1998
Net sales	$ 306.9	$ 367.1
Cost of goods sold	211.8	274.8
Gross margin	95.1	92.3
Distribution expense	12.0	12.3
Marketing expense	15.8	19.4
General & administrative expense	31.1	35.4
Operating income	36.2	25.2
Interest expense	15.3	16.4
Affiliated interest expense, net of affiliated interest income of $1.1 in 1998	4.8	4.7
Interest income and other	(8.7)	(5.3)
Equity in net loss (income) of unconsolidated subsidiaries	5.3	(0.6)
Income from continuing operations before income tax	19.5	10.0
Income tax expense	6.2	4.2
Income from continuing operations	13.3	5.8
Discontinued operations:		
Income from operations, net of tax	--	2.3
Gain on disposal, net of tax	--	26.0
Net income	13.3	34.1
Preferred stock dividends	(18.4)	(18.4)
Net (loss) income applicable to common stock	$ (5.1)	$ 15.7
Comprehensive income (see Note 3)	$ (4.4)	$ 36.3

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
AND COMPREHENSIVE INCOME (UNAUDITED) (continued)
BORDEN, INC.

(In millions, except per share data)	Three months ended March 31, 1999	1998
Basic and Diluted Per Share Data		
Income from continuing operations	$ 0.07	$ 0.03
Discontinued operations:		
Income from operations	--	0.01
Gain on disposal, net of tax	--	0.13
Net income	0.07	0.17
Preferred stock dividends	(0.09)	(0.09)
Net (loss) income applicable to common stock	$ (0.02)	$ 0.08
Dividends per common share	$ 0.06	$ 0.07
Dividends per preferred share	$ 0.75	$ 0.75
Average number of common shares outstanding during the period	199.0	199.0

See Notes to Condensed Consolidated and Condensed Combined Financial Statements

CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
BORDEN, INC.
(In millions)

ASSETS	March 31, 1999	December 31, 1998
CURRENT ASSETS		
Cash and equivalents	$ 617.1	$ 672.1
Accounts receivable (less allowance for doubtful accounts of $10.4 in 1999 and 1998)	212.4	210.7
Inventories:		
Finished and in-process goods	60.9	61.9
Raw materials and supplies	45.4	50.6
Deferred income taxes	55.3	73.3
Other current assets	19.1	18.4
	1,010.2	1,087.0
INVESTMENTS AND OTHER ASSETS		
Investments	75.8	81.3
Deferred income taxes	113.2	89.4
Prepaid pension assets	133.1	133.3
Other assets	38.2	38.0
Assets sold under contractual arrangement (net of allowance of $63.3 in 1999 and $62.6 in 1998)	47.8	46.0
	408.1	388.0
PROPERTY AND EQUIPMENT		
Land	25.1	25.7
Buildings	90.7	93.2
Machinery and equipment	653.3	676.0
	769.1	794.9
Less accumulated depreciation	(307.8)	(324.0)
	461.3	470.9
INTANGIBLES	65.3	66.3
TOTAL ASSETS	$1,944.9	$2,012.2

See Notes to Condensed Consolidated and Condensed Combined Financial Statements

CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
BORDEN, INC.
(In millions, except share data)

LIABILITIES AND SHAREHOLDERS' EQUITY	March 31, 1999	December 31, 1998
CURRENT LIABILITIES		
Debt payable within one year	$ 10.5	$ 16.1
Accounts and drafts payable	113.8	113.5
Income taxes payable	277.3	284.7
Loans payable to affiliates	418.6	415.8
Other current liabilities	180.7	208.2
	1,000.9	1,038.3
OTHER LIABILITIES		
Liabilities sold under contractual arrangement	41.6	41.6
Long-term debt	551.9	552.0
Non-pension post-employment benefit obligations	186.0	197.3
Other long-term liabilities	94.0	93.7
	873.5	884.6
Commitments and contingencies (See Note 5)		
SHAREHOLDERS' EQUITY		
Preferred stock - Issued 24,574,751 shares	614.4	614.4
Common stock - $0.01 par value: authorized 300,000,000 shares, Issued 198,974,994 shares	2.0	2.0
Paid in capital	362.5	358.9
Receivable from parent	(414.9)	(415.3)
Accumulated other comprehensive income	(68.7)	(51.0)
Accumulated deficit	(424.8)	(419.7)
	70.5	89.3
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$1,944.9	$2,012.2

See Notes to Condensed Consolidated and Condensed Combined Financial Statements

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
BORDEN, INC.

(In millions)	Three months ended March 31, 1999	1998
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Net income	$ 13.3	$ 34.1
Adjustments to reconcile net income to net cash from (used in) operating activities:		
Gain on disposal of discontinued operations	--	(90.7)
Deferred tax provision (benefit)	(2.9)	61.4
Depreciation and amortization	12.0	13.0
Unrealized gain on interest rate swap	(2.9)	(1.7)
Equity in net loss (income) of unconsolidated subsidiaries	5.3	(0.6)
Due from affiliate	--	(6.3)
Net change in assets and liabilities:		
Trade receivables	(11.5)	(13.5)
Inventories	2.5	1.4
Trade payables	1.3	7.0
Income taxes	(6.1)	26.2
Other assets	(2.3)	4.0
Other liabilities	(29.6)	(46.3)
Discontinued operations working capital	--	3.0
	(20.9)	(9.0)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		
Capital expenditures	(9.2)	(16.3)
Proceeds from the divestiture of businesses	--	304.8
Purchase of businesses, net of cash acquired	--	(14.4)
Return of investment in affiliate	(1.8)	66.9
	(11.0)	341.0
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Net short-term debt (repayments) borrowings	(5.6)	5.4
Repayment of long-term debt	(0.1)	(235.0)
Affiliated borrowings	1.0	599.7
Interest received from parent	12.4	13.3
Common stock dividends paid	(12.4)	(13.3)
Preferred stock dividends paid	(18.4)	(18.4)
	(23.1)	351.7

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED) (continued)
BORDEN, INC.

(In millions)	Three months ended March 31, 1999	1998
(Decrease) increase in cash and equivalents	$ (55.0)	$ 683.7
Cash and equivalents at beginning of period	672.1	183.6
Cash and equivalents at end of period	$ 617.1	$ 867.3
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid:		
Interest, net	$ 20.4	$ 20.4
Taxes	15.3	2.2
Non-cash activity:		
Distribution of note receivable from Company's parent to cancel options	--	28.5
Investment retained in IHDG	--	10.5
Capital contribution by parent	8.4	6.1

See Notes to Condensed Consolidated and Condensed Combined Financial Statements

CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (UNAUDITED)
BORDEN, INC.
(In millions)

	Preferred Stock	Common Stock	Paid-in Capital	Receivable from Parent	Accumulated Other Comprehensive Income	Accumulated Deficit	Total
Balance, December 31, 1998	$ 614.4	$ 2.0	$ 358.9	$ (415.3)	$ (51.0)	$ (419.7)	$ 89.3
Net income						13.3	13.3
Translation adjustments					(17.7)		(17.7)
Preferred stock dividends						(18.4)	(18.4)
Common stock dividends			(12.1)				(12.1)
Interest accrued on notes from parent			7.3	0.4			7.7
Capital contribution from parent			8.4				8.4
Balance, March 31, 1999	$ 614.4	$ 2.0	$ 362.5	$ (414.9)	$ (68.7)	$ (424.8)	$ 70.5

See Notes to Condensed Consolidated and Condensed Combined Financial Statements

CONDENSED COMBINED STATEMENTS OF OPERATIONS
AND COMPREHENSIVE INCOME (UNAUDITED)
BORDEN, INC. AND AFFILIATES

(In millions)	Three months ended March 31, 1999	1998
Net sales	$ 496.5	$ 643.6
Cost of goods sold	313.2	442.1
Gross margin	183.3	201.5
Distribution expense	28.4	33.8
Marketing expense	81.0	93.3
General & administrative expense	44.5	57.3
Gain on divestiture of businesses, net	(4.4)	(301.4)
Operating income	33.8	318.5
Interest expense	15.5	16.9
Affiliated interest expense	1.7	--
Interest income and other	(9.7)	(7.4)
Equity in net loss (income) of unconsolidated subsidiaries	5.3	(0.6)
Income from continuing operations before income tax	21.0	309.6
Income tax expense	7.0	66.8
Income from continuing operations	14.0	242.8
Discontinued operations:		
Income from operations, net of tax	--	2.3
Gain on disposal, net of tax	--	26.0
Net income	14.0	271.1
Affiliate's share of income	(0.9)	(128.7)
Preferred stock dividends	(18.4)	(18.4)
Net (loss) income applicable to common stock	$ (5.3)	$ 124.0
Comprehensive income (see Note 3)	$ (5.2)	$ 380.1

See Notes to Condensed Consolidated and Condensed Combined Financial Statements

CONDENSED COMBINED BALANCE SHEETS (UNAUDITED)
BORDEN, INC. AND AFFILIATES
(In millions)

ASSETS	March 31, 1999	December 31, 1998
CURRENT ASSETS		
Cash and equivalents	$ 635.3	$ 695.5
Accounts receivable (less allowance for doubtful accounts of $13.6 in 1999 and $13.8 in 1998)	287.5	291.7
Inventories:		
Finished and in-process goods	104.0	108.9
Raw materials and supplies	69.2	81.3
Deferred income taxes	79.9	99.2
Other current assets	33.0	33.3
	1,208.9	1,309.9
INVESTMENTS AND OTHER ASSETS		
Investments	75.8	81.3
Deferred income taxes	113.2	89.4
Prepaid pension assets	140.9	140.8
Other assets	34.7	34.8
	364.6	346.3
PROPERTY AND EQUIPMENT		
Land	38.4	39.4
Buildings	189.9	194.3
Machinery and equipment	983.3	1,000.4
	1,211.6	1,234.1
Less accumulated depreciation	(541.1)	(554.6)
	670.5	679.5
INTANGIBLES	383.6	386.2
TOTAL ASSETS	$2,627.6	$2,721.9

See Notes to Condensed Consolidated and Condensed Combined Financial Statements

CONDENSED COMBINED BALANCE SHEETS (UNAUDITED)
BORDEN, INC. AND AFFILIATES
(In millions)

LIABILITIES AND SHAREHOLDERS' EQUITY	March 31, 1999	December 31, 1998
CURRENT LIABILITIES		
Debt payable within one year	$ 17.4	$ 23.1
Accounts and drafts payable	170.9	185.4
Income taxes payable	286.4	279.8
Loans payable to affiliate	140.0	138.2
Other current liabilities	307.7	362.6
	922.4	989.1
OTHER LIABILITIES		
Long-term debt	554.5	554.6
Non-pension post-employment benefit obligations	202.9	214.6
Other long-term liabilities	119.3	129.7
	876.7	898.9
Commitments and contingencies (See Note 5)		
SHAREHOLDERS' EQUITY		
Preferred stock	614.4	614.4
Common stock	2.0	2.0
Paid in capital	671.3	653.5
Receivable from parent	(414.9)	(415.3)
Affiliate's interest in subsidiary	61.7	60.8
Accumulated other comprehensive income	(108.4)	(89.2)
Retained earnings	2.4	7.7
	828.5	833.9
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$2,627.6	$2,721.9

See Notes to Condensed Consolidated and Condensed Combined Financial Statements

CONDENSED COMBINED STATEMENTS OF CASH FLOWS (UNAUDITED)
BORDEN, INC. AND AFFILIATES

(In millions)	Three months ended March 31, 1999	1998
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Net income	$ 14.0	$ 271.1
Adjustments to reconcile net income to net cash from (used in) operating activities:		
Gain on disposal of discontinued operations	--	(90.7)
Gain on divestiture of businesses	(4.4)	(301.4)
Deferred tax provision (benefit)	(1.1)	97.2
Depreciation and amortization	20.1	23.6
Unrealized gain on interest rate swap	(2.9)	(1.7)
Equity in net loss (income) of unconsolidated subsidiaries	5.3	(0.6)
Net change in assets and liabilities:		
Trade receivables	(2.2)	22.0
Inventories	13.1	11.5
Trade payables	(7.3)	(13.9)
Income taxes	(7.3)	22.7
Other assets	0.6	(29.3)
Other liabilities	(57.4)	(48.1)
Discontinued operations working capital	--	3.0
	(29.5)	(34.6)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		
Capital expenditures	(18.4)	(22.5)
Proceeds from the divestiture of businesses	9.5	994.3
Proceeds from the sale of fixed assets	2.4	8.8
Purchase of business, net of cash acquired	--	(14.4)
	(6.5)	966.2
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Net short-term debt (repayments) borrowings	(5.7)	1.4
Repayment of long-term debt	(0.1)	(235.3)
Interest received from parent	12.4	13.3
Common stock dividends paid	(12.4)	(13.3)
Preferred stock dividends paid	(18.4)	(18.4)
	(24.2)	(252.3)

CONDENSED COMBINED STATEMENTS OF CASH FLOWS (UNAUDITED) (CONTINUED)
BORDEN, INC. AND AFFILIATES

(In millions)	Three months ended March 31, 1999	1998
(Decrease) increase in cash and equivalents	$ (60.2)	$ 679.3
Cash and equivalents at beginning of period	695.5	198.6
Cash and equivalents at end of period	$ 635.3	$ 877.9
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid:		
Interest, net	$ 17.0	$ 21.2
Taxes	15.4	34.7
Non-cash activity:		
Distribution of note receivable from Company's parent to cancel options	--	28.5
Investment retained in IHDG	--	10.5
Capital contribution by parent	8.4	6.1
Affiliate's share of income	0.9	128.7

See Notes to Condensed Consolidated and Condensed Combined Financial Statements

CONDENSED COMBINED STATEMENTS OF SHAREHOLDERS' EQUITY (UNAUDITED)
BORDEN, INC. AND AFFILIATES
(In millions)

	Preferred Stock	Common Stock	Paid-in Capital	Receivable from Parent	Affiliate's Interest in Subsidiary	Accumulated Other Comprehensive Income	Retained Earnings	Total
Balance, December 31, 1998	$ 614.4	$ 2.0	$ 653.5	$ (415.3)	$ 60.8	$ (89.2)	$ 7.7	$ 833.9
Net income							14.0	14.0
Translation adjustments						(19.2)		(19.2)
Preferred stock dividends							(18.4)	(18.4)
Common stock dividends			(12.1)					(12.1)
Interest accrued on notes from parent			7.3	0.4				7.7
Capital contribution from parent			8.4					8.4
Transfer of tax basis among affiliates			14.2					14.2
Affiliate's interest in subsidiary					0.9		(0.9)	0.0
Balance, March 31, 1999	$ 614.4	$ 2.0	$ 671.3	$ (414.9)	$ 61.7	$ (108.4)	$ 2.4	$ 828.5

See Notes to Condensed Consolidated and Condensed Combined Financial Statements

NOTES TO CONDENSED CONSOLIDATED
AND CONDENSED COMBINED FINANCIAL STATEMENTS
(Dollars in millions except per share amounts and as otherwise indicated)

1. BASIS OF PRESENTATION

The Registrant, Borden, Inc. (the "Company"), is engaged primarily in manufacturing, processing, purchasing and distributing a broad range of products worldwide. The Company's principal line of business is chemicals ("Chemical"), including formaldehyde, melamine, resins, coatings and other specialty and industrial chemicals. The Company also produces and sells consumer adhesives and provides infrastructure management services.

The Company's principal lines of business formerly included its international and domestic foods operations ("Foods") and salty snacks business ("Wise"). Subsidiaries of BWHLLC, an affiliate of the Company's parent, together with subsidiaries of Wise Holdings, Inc. ("Wise Holdings") and subsidiaries of Borden Foods Holdings Corporation ("Foods Holdings") purchased Wise and Foods on July 2, 1996 and October 1, 1996, respectively. As a result of these sales, Wise and Foods, as of their respective sale dates, are no longer legally part of the Company on a consolidated basis. However, management of the Company continues to exercise significant operating and financial control over Wise and Foods. In addition, Wise Holdings and Foods Holdings provide financial guarantees to obligations under the Company's credit facility and all of the Company's outstanding publicly held debt. Because of the aforementioned control and guarantees, the Company has included, supplementally in this filing, the financial condition and results of operations and cash flows for Borden, Inc. and Affiliates (the "Combined Companies"). The Combined Companies present financial information on a basis consistent with that upon which credit was originally extended to the Company.

The accompanying unaudited interim condensed consolidated and condensed combined financial statements contain all adjustments, consisting only of normal adjustments, which in the opinion of management are necessary for a fair statement of the results for the interim period. Results for the interim period are not necessarily indicative of results for the full year.

2. DISCONTINUED OPERATION

The Decorative Products business was sold on March 13, 1998. Since the business was a separate segment of the Company's business as defined by generally accepted accounting principles, the business' results have been reclassified to discontinued operations in the 1998 statements of operations and cash flows. A summary of the results included in these consolidated and combined financial statements follows.

	THREE MONTHS ENDED MARCH 31, 1999	1998
Net sales	-	$ 73.2
Income before income taxes	-	3.5
Income tax expense	-	1.2
Income from discontinued operations	-	2.3

3. COMPREHENSIVE INCOME

Comprehensive income was computed as follows:

	THREE MONTHS ENDED MARCH 31, CONSOLIDATED		COMBINED	
	1999	1998	1999	1998
Net income	$ 13.3	$34.1	$ 14.0	$271.1
Foreign currency translation adjustments	(17.7)	2.2	(19.2)	0.6
Reclassification adjustment	--	--	--	108.4
	$ (4.4)	$36.3	$ (5.2)	$380.1

The foreign currency translation adjustment in 1999 relates primarily to Latin American Chemical businesses. The reclassification adjustment in 1998 represents the accumulated translation adjustment recognized on the sale of the Combined Companies' KLIM business.

4. RELATED PARTY TRANSACTIONS

Foods and BWHLLC, an affiliate of the Company's parent, invest cash not used in operations with the Company. At March 31, 1999, Foods had $278.6 invested with the Company and BWHLLC had $140.0 invested with the Company. These balances are reflected as a net loan payable to an unconsolidated affiliate in the consolidated balance sheet.

The Company provides infrastructure management services to Foods and Wise. Fees received for these services are offset against the Company's general and administrative expenses, and approximated $2.4 and $3.2 for the three months ended March 31, 1999 and 1998, respectively.

5. COMMITMENTS AND CONTINGENCIES

ENVIRONMENTAL MATTERS - The Company and Combined Companies, like others in similar businesses, are subject to extensive federal, state and local environmental laws and regulations. Although environmental policies and practices are designed to ensure compliance with these laws and regulations, future developments and increasingly stringent regulation could require the Company and Combined Companies to make additional unforeseen environmental expenditures.

Accruals for environmental matters are recorded when it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated. Environmental accruals are routinely reviewed on an interim basis as events and developments warrant. The Company and the Combined Companies have each accrued approximately $19.0 and $19.6 at March 31, 1999, and December 31, 1998, respectively, for probable environmental remediation and restoration liabilities. This is management's best estimate of these liabilities, based on currently available information and analysis. The Company and Combined Companies believe that it is reasonably possible that costs associated with such liabilities may exceed current reserves by amounts that may prove insignificant, or by amounts, in the aggregate, of up to approximately $12.0.

LEGAL MATTERS - The Company and Combined Companies have recorded $16.8 and $23.5, respectively, in liabilities at March 31, 1999, for legal costs that they believe are probable and reasonably estimable. These liabilities at December 31, 1998, totaled $17.6 for the Company and $32.1 for the Combined Companies. Actual costs are not expected to exceed these amounts. In addition, the Company and Combined Companies may be held responsible for certain environmental liabilities incurred at Borden Chemicals and Plastics Limited Partnership facilities, which were previously owned by the Company. Management believes, based upon the information it currently possesses, and taking into account its established reserves for estimated liability and its insurance coverage, that the ultimate outcome of the foregoing proceedings and actions is unlikely to have a material adverse effect on the Company's or Combined Companies' financial position or operating results.

OTHER COMMITMENTS - A wholly owned subsidiary serving as general partner of Borden Chemicals and Plastics Limited Partnership ("BCP") has certain fiduciary responsibilities to BCP's unitholders. The Company and Combined Companies believe that such responsibilities will not have a material adverse effect on their financial statements.

6. SEGMENT INFORMATION

SALES TO UNAFFILIATED CUSTOMERS:

	THREE MONTHS ENDED MARCH 31,			
	CONSOLIDATED		COMBINED	
	1999	1998	1999	1998
Foods ongoing			$134.0	$149.6
Foods Unaligned			5.6	73.0
Wise			50.0	53.9
Chemical	$285.6	$319.7	285.6	319.7
Corporate and other	21.3	19.3	21.3	19.3
Businesses held for sale	-	28.1	-	28.1
	$306.9	$367.1	$496.5	$643.6

OPERATING EBITDA:

	THREE MONTHS ENDED MARCH 31,			
	CONSOLIDATED		COMBINED	
	1999	1998	1999	1998
Foods ongoing			$ (1.2)	$ 0.1
Foods Unaligned			1.7	3.8
Wise			0.8	(0.6)
Chemical	$ 49.6	$ 44.2	49.6	44.2
Corporate and other	(1.4)	(7.0)	(1.4)	(7.0)
Businesses held for sale	-	1.0	-	1.0
Combining adjustments	-	-	-	(0.8)
ADJUSTED OPERATING EBITDA (1)	48.2	38.2	49.5	40.7
Significant unusual items (2)	-	-	4.4	301.4
OPERATING EBITDA	48.2	38.2	53.9	342.1
Depreciation and amortization	(12.0)	(13.0)	(20.1)	(23.6)
OPERATING INCOME	$ 36.2	$ 25.2	$ 33.8	$318.5

(1) Adjusted Operating EBITDA represents net income (loss), excluding discontinued operations, non-operating income and expense, interest, taxes, depreciation, amortization and significant unusual items.

(2) 1999 includes gains on the sale of Foods Unaligned businesses due to additional proceeds and lower than expected exit costs related to the 1998 KLIM sale. 1998 includes gains on the sale of Foods Unaligned businesses.

PART I. FINANCIAL INFORMATION

Item 2: MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Following is a comparison of sales and operating income by business unit.

(Dollars in millions)

	THREE MONTHS ENDED MARCH 31,	
NET SALES	1999	1998
Chemical	$ 285.6	$ 319.7
Businesses held for sale	-	28.1
Corporate and other	21.3	19.3
CONSOLIDATED NET SALES	306.9	367.1
Foods ongoing	134.0	149.6
Foods Unaligned	5.6	73.0
Total Foods	139.6	222.6
Wise	50.0	53.9
COMBINED NET SALES	$ 496.5	$ 643.6
OPERATING INCOME		
Chemical	$ 39.7	$ 34.1
Businesses held for sale	-	(0.3)
Corporate and other	(3.5)	(8.6)
CONSOLIDATED OPERATING INCOME	36.2	25.2
Foods ongoing	(7.5)	(7.0)
Foods Unaligned	1.6	1.8
Gain on sale of Foods Unaligned businesses	4.4	301.4
Total Foods	(1.5)	296.2
Wise	(0.9)	(2.1)
Combining adjustment	-	(0.8)
COMBINED OPERATING INCOME	$ 33.8	$ 318.5

CONSOLIDATED AND COMBINED THREE MONTHS ENDED MARCH 31, 1999 VERSUS THREE MONTHS ENDED MARCH 31, 1998

Consolidated Summary

Consolidated sales decreased $60.2 million or approximately 16% from $367.1 million in 1998 to $306.9 million in 1999. The sales decline was caused primarily by the 1998 divestiture of the commercial and industrial wallcoverings business, previously classified as "Businesses held for sale," and lower Chemical sales due primarily to unfavorable currency exchange rates and lower unit pricing, partially offset by improved volume in North America Chemical businesses. Operating income improved $11.0 million from $25.2 million in 1998 to $36.2 million in 1999, due primarily to improved volume and margins in the Chemical business and timing differences in corporate expenses.

Combined Summary

Combined sales decreased $147.1 million or approximately 23% from $643.6 million in 1998 to $496.5 million in 1999. The decline in sales was caused primarily by the divestiture of Foods Unaligned businesses in 1998, reduction in pasta volumes, and the factors described above for consolidated sales. Combined operating income declined $284.7 million primarily due to $301.4 million of gains on divestitures of Foods Unaligned businesses in 1998, compared to $4.4 million in 1999. Absent these gains, operating income improved $12.3 million or approximately 72%, and primarily reflects the consolidated operating income results, as well as a decline in Foods operating results offset by a $7.5 million gain on the favorable settlement of litigation in 1999.

Chemical

Chemical sales were down $34.1 million or approximately 11% from 1998. The decline reflects unfavorable currency exchange rates in Canada and Latin America, substantially lower North America pricing, the 1998 shutdown of a European operation, and the 1998 sales of non-core businesses in North America and Latin America, all partially offset by improved volumes, primarily in the North America forest products resins business.

The impact of unfavorable currency exchange rates on sales was approximately $15 million, with most of the impact coming from Latin America, reflecting the recent currency devaluation in Brazil.

The effect of significantly lower pricing in North America was approximately $20 million and reflects competitive market conditions as well as contractual arrangements that require pass-through of significantly lower raw material costs, primarily for methanol, phenol and urea.

The 1998 closure of a European operation and the 1998 sales of the North America paper resins business and the Latin America plastic films business resulted in a sales decline of approximately $12 million versus the prior year.

Overall volume improvement of 4% had a positive impact on sales of approximately $12 million, with most of the improvement coming from the North America forest products resins business. The improved volume in North America was driven by continued low interest rates and strong housing and construction activity, especially in Canada.

Operating income increased $5.6 million or approximately 16% from 1998. The improvement is due primarily to improved gross margins, which reflect significantly higher volumes, lower raw material costs, and lower manufacturing costs resulting from specific cost reduction and control programs. These improvements were partially offset by higher selling, general and administrative expenses, and unfavorable currency exchange rates in Canada and Latin America. The favorable impact of significantly lower raw materials costs was substantially offset by lower selling prices necessitated by contractual arrangements, under which resin selling prices are tied directly to raw material costs. Operating income in Latin America was down just 10% despite the recent significant currency devaluation in Brazil, as management was able to increase prices to mitigate the effect of higher imported raw material costs.

Corporate and other

Corporate and other sales increased $2.0 million or 10% from $19.3 million in 1998 to $21.3 million in 1999 due to improved volumes and sales mix in the consumer adhesives business. Operating income improved $5.1 million from a loss of $8.6 million to a loss of $3.5 million, due primarily to timing differences in normal business expenses.

Foods

Foods sales for the three months ended March 31, 1999, were $139.6 million, down $83.0 million or approximately 37% compared to $222.6 million for the three months ended March 31, 1998. The decrease is due primarily to the absence of sales from Foods Unaligned businesses sold during 1998. Sales from ongoing businesses declined $15.6 million primarily due to lower pasta volumes caused primarily by the timing of promotional programs and customer inventory adjustments.

Foods operating results declined $297.7 million from income of $296.2 million to a loss of $1.5 million in 1999. This decline is primarily due to gains on the sale of Foods Unaligned businesses in 1998. Results from Foods ongoing businesses declined $0.5 million or 7% from a loss of $7.0 million in 1998 to a loss of $7.5 million in 1999. Excluding a $7.5 million gain on the favorable settlement of litigation in 1999, results of ongoing operations decreased $8.0 million. The positive effects of improving gross margins through lower raw materials prices and manufacturing efficiencies were more than offset by the volume decline, increased investment in brands, and $3.8 million additional general and administrative expense related to implementing enterprise-wide information technology systems.

Wise

Wise sales declined $3.9 million or approximately 7% from the first quarter of 1998. This sales decline is the result of the sale of the company's Caribbean based distributorship. Operating results improved $1.2 million from a loss of $2.1 million in 1998 to a loss of $0.9 million in 1999. The improvement was primarily due to the absence of a $1.0 million loss recorded on the sale of the company's Caribbean based distributorship in the first quarter of 1998.

NON-OPERATING EXPENSES AND INCOME TAXES

Following is a comparison of non-operating expenses for the three months ended March 31, 1999 and 1998.

	THREE MONTHS ENDED MARCH 31,			
	CONSOLIDATED		COMBINED	
(Dollars in millions)	1999	1998	1999	1998
Interest expense	$ 15.3	$ 16.4	$ 15.5	$ 16.9
Affiliated interest expense, net	4.8	4.7	1.7	-
Interest income and other	(8.7)	(5.3)	(9.7)	(7.4)
Equity in net loss (income) of unconsolidated subsidiaries	5.3	(0.6)	5.3	(0.6)
	$ 16.7	$ 15.2	$ 12.8	$ 8.9

Consolidated non-operating expense increased $1.5 million from $15.2 million in 1998 to $16.7 million in 1999. This increase was primarily due to equity in net losses of unconsolidated subsidiaries in 1999 compared to income in 1998, partially offset by greater interest income on a higher average cash balance in 1999 than 1998. Average cash balances were higher in the first quarter of 1999 due to the sale of certain businesses in 1998. The Company's affiliated net interest expense remained flat.

Combined non-operating expense increased $3.9 million from $8.9 million in 1998 to $12.8 million in 1999. The increase resulted primarily from the factors described above for consolidated reporting, adjusted for the elimination of Foods and Wise activity.

Following is comparison of income taxes for the three months ended March 31, 1999 and 1998.

	THREE MONTHS ENDED MARCH 31,			
	CONSOLIDATED		COMBINED	
(Dollars in millions)	1999	1998	1999	1998
Income tax expense	$ 6.2	$ 4.2	$ 7.0	$ 66.8
Effective tax rate	32%	42%	33%	22%

The 1999 consolidated and combined effective tax rates reflect a higher portion of net income derived from foreign operations and the effect of lower tax rates in foreign jurisdictions.

The 1998 consolidated effective income tax rate approximates the statutory rate for the Company. The Foods Unaligned divestitures in 1998 led to a lower effective tax rate for the Combined Companies as a portion of the gains are not subject to corporate tax.

LIQUIDITY AND CAPITAL RESOURCES

Operating Activities

Consolidated cash used in operating activities totaled $20.9 million for the first quarter of 1999 and $9.0 million for the first quarter of 1998. Although there was improvement in 1999 working capital and net income before gain on divestiture, the increase in cash used between years is due primarily to an increase in tax payments of $13.1 million and the payment of approximately $13.0 million to settle certain long term disability claims.

The Combined Companies reduced cash outflows from operating activities by $5.1 million for the first quarter of 1999. Combined operating cash flows reflect the items noted above, a reduction of cash taxes paid by Foods and a reduction of cash generated by Wise operating activities. Higher cash taxes paid by Foods in the first quarter of 1998 related to gains recognized on the sale of certain Foods Unaligned businesses. The reduction in cash generated from Wise's first quarter operating activities is primarily due to the timing of payments.

Investing Activities

First quarter consolidated investing activities used cash of $11.0 million in 1999 compared to generating cash of $341.0 million in 1998. The decline of $352.0 million between years is due primarily to the absence of proceeds from business sales in 1998 and reduced affiliated debt repayments from Foods, which repaid its outstanding affiliated debt balance in 1998.

Combined investing cash flows reflect primarily the items noted above excluding the affiliated debt repayments which are eliminated.

Financing Activities

Consolidated financing activities used $23.1 million in cash during the first quarter of 1999 compared to $351.7 million generated during the same period in 1998. In the first quarter of 1998, cash generated from investing activities was used to repay the $235.0 million outstanding revolving line of credit balance. The Company's $599.7 million affiliated borrowings in the first quarter of 1998 represent proceeds from the sale of Foods Unaligned businesses, which were in turn invested in cash equivalents.

Combined financing activities primarily reflect the above with the exception of the Foods affiliated borrowing activity which is eliminated.

IMPACT OF THE YEAR 2000 ISSUE

Overview

The Year 2000 issue is the result of computer programs written using two digits rather than four to define the applicable year. Any of the Company's and Combined Companies' computer programs that have date-sensitive software may recognize a date using "00" as the year 1900 rather than the year 2000. This could result in a system failure or miscalculations causing disruptions of operations including, among other things, a temporary inability to process transactions, send invoices, or engage in similar normal business activities. If not addressed, the Year 2000 issue could have a material adverse impact on the business operations and financial results of the Company and Combined Companies.

To address this issue, the Company's and Combined Companies' Year 2000 Program is a risk-based plan divided into three phases that are being executed by both internal and external resources. These phases are: Phase I - an inventory of all systems, assigning a business priority for each system and performing a preliminary assessment of Year 2000 susceptibility; Phase II - completion of a detailed Year 2000 susceptibility analysis and development of remediation plans and contingency plans; and Phase III - implementation of the remediation plans and, if necessary, contingency plan(s) and completing final system testing.

The Year 2000 efforts are divided into three areas that include (1) systems being replaced by new enterprise-wide system implementations; (2) systems that will not be replaced by the new enterprise-wide system implementations, including non-information technology systems such as plant process controls; and (3) external suppliers and customers. A discussion of each area of activity relative to the three phased approach follows.

Enterprise-Wide Systems

The comprehensive new enterprise-wide system being implemented by each of the Company's and the Combined Companies' businesses will replace most business and accounting systems. The enterprise-wide system versions are said to be Year 2000 compliant by the vendors and include SAP, PeopleSoft and J.D. Edwards. Due to the relative complexity and importance of the existing business and accounting systems to ongoing operations, the new enterprise-wide system implementations will address the significant majority of the Company's and Combined Companies' internal Year 2000 risk. Three out of five of these new system implementations were substantially completed by April 30, 1999. All of the new enterprise-wide system implementations are planned to be completed by July 1, 1999.

Other Systems

For the systems not to be replaced by enterprise-wide implementations, Phase I and Phase II are complete, and Phase III remediation and testing are in process. As of March 31, 1999, the Company and Combined Companies have completed approximately 80% of the needed remediation work for these other systems. The remaining remediation work and all system testing activities are planned to be completed by June 30, 1999.

Suppliers and Customers

The Company and Combined Companies have completed Phase I of the plan to assess and address the risks related to third party suppliers and customers. Supplier and customer responses are being evaluated and appropriate procedures are being performed to determine the extent to which the Company and Combined Companies may be vulnerable to the failure of third parties to resolve their own Year 2000 issues. Efforts related to suppliers and customers, including development of contingency plans where appropriate, are targeted for completion by June 30, 1999. Although the Company's and Combined Companies' systems do not rely significantly on systems of other companies, the Company and Combined Companies cannot provide assurance that failure of third parties to address the Year 2000 issue will not have an adverse impact on business operations and results.

Costs
- -----

Significant investments in enterprise-wide information systems have been made since 1996 that will total approximately $74 million for the Company and $118 million for the Combined Companies by the Year 2000. The cost to make the remaining systems Year 2000 compliant is estimated to be $7 million for the Company and $15 million for the Combined Companies. As of March 31, 1999, the Company and Combined Companies had incurred costs of approximately $69 million and $105 million, respectively, for enterprise-wide systems and approximately $4 million and $11 million, respectively, for other systems and efforts.

Risks
- -----

Due to the general uncertainty inherent in the Year 2000 problem, including primarily the uncertainty associated with suppliers and customers, the potential effect of the Year 2000 issue on the financial results and condition of the Company and Combined Companies has not been measured. The Company and Combined Companies intend the Year 2000 Program, as described above, to be completed on a timely basis so as to significantly reduce the level of uncertainty and the impact on business operations and financial results. Contingency plans have been and will continue to be developed and implemented to mitigate Year 2000 risks and the effect of Year 2000 issues. Previously, these contingency plans primarily related to remediation of existing business systems in the event the enterprise-wide implementations are delayed beyond the targeted completion dates. Contingency plans will also be developed to address potential Year 2000 incidents and issues, primarily related to third parties, that may occur in 2000.

Readers are cautioned that forward-looking statements contained in the Year 2000 Update should be read in conjunction with the disclosure under the heading "Forward-Looking and Cautionary Statements."

FORWARD-LOOKING AND CAUTIONARY STATEMENTS
- --

The Company and its officers may, from time to time, make written or oral statements regarding the future performance of the Company, including statements contained in the Company's filings with the Securities and Exchange Commission. Investors should be aware that these statements are based on currently available financial, economic, and competitive data and on current business plans. Such statements are inherently uncertain and investors should recognize that events could cause the Company's actual results to differ materially from those projected in forward-looking statements made by or on behalf of the Company. Such risks and uncertainties are primarily in the areas of results of operations by business unit, liquidity, legal, environmental liabilities, and Year 2000 compliance.

PART II

Item 1: LEGAL PROCEEDINGS

There have been no material developments in the ongoing legal proceedings that are discussed in the Company's Annual Report on Form 10-K for the year ended December 31, 1998.

The Company is involved in various litigation throughout the United States, which is considered to be in the ordinary course of the Company's business.

The Company believes, based on the information it presently possesses, and taking into account its established reserves for estimated liability and its insurance coverages, that the ultimate outcome of the foregoing proceedings is unlikely to have a materially adverse effect on the Company's financial position or operating results.

Item 6: EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

a. Exhibits

(27) Financial Data Schedule

b. Financial Statement Schedules

Included are the separate financial statements of Foods Holdings and Wise Holdings filed in accordance with rule 3-10 of Regulation S-X. Foods Holdings and Wise Holdings are guarantors of the Company's credit facility and all of the Company's outstanding publicly held debt.

c. Reports on Form 8-K

There were no reports on Form 8-K issued during the first quarter of 1999.

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 May 14, 1999

By /s/ William H. Carter

William H. Carter
Executive Vice President and
Chief Financial Officer
(Principal Financial Officer and
Principal Accounting Officer)

BORDEN FOODS HOLDINGS CORPORATION

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED
MARCH 31, 1999 AND 1998

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
AND COMPREHENSIVE INCOME (UNAUDITED)

BORDEN FOODS HOLDINGS CORPORATION

(In thousands except per share and share amounts)	Three Months Ended March 31, 1999	1998
Net sales	$ 139,621	$ 222,618
Cost of goods sold	68,995	132,053
Gross margin	70,626	90,565
Distribution expense	9,584	14,555
Marketing expense	57,065	64,695
General & administrative expense	8,739	13,509
Gain on divestiture of businesses	(3,088)	(187,146)
Operating (loss) income	(1,674)	184,952
Interest expense	210	1,408
Interest income	(3,448)	(6,102)
Other income, net	(195)	(213)
Income before income tax	1,759	189,859
Income tax expense	359	37,310
Net income	1,400	152,549
Affiliate's share of income	(866)	(128,745)
Net income applicable to common stock	$ 534	$ 23,804
Comprehensive income (Note 5)	$ (1,387)	$ 184,384
Basic and diluted earnings per common share	$ 5,340	$ 238,040
Average number of common shares outstanding during the period	100	100

See accompanying Notes to the Condensed Consolidated Financial Statements.

CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

BORDEN FOODS HOLDINGS CORPORATION

(In thousands)

ASSETS	March 31, 1999	December 31, 1998
CURRENT ASSETS		
Cash and equivalents	$ 295,480	$ 300,104
Accounts receivable (less allowance for doubtful accounts of $1,386 and $1,391, respectively)	39,153	47,339
Other receivables	16,949	12,513
Inventories:		
Finished and in-process goods	38,923	42,933
Raw materials and supplies	20,678	26,853
Deferred income taxes	22,165	24,181
Amounts due from affiliates	2,063	2,130
Other current assets	10,137	11,076
	445,548	467,129
OTHER ASSETS	9,615	9,138
PROPERTY AND EQUIPMENT		
Land	10,262	10,879
Buildings	42,367	44,094
Machinery and equipment	151,557	147,720
	204,186	202,693
Less accumulated depreciation	(60,640)	(59,535)
	143,546	143,158
INTANGIBLES		
Goodwill	14,177	15,658
Trademarks and other intangibles	110,210	110,987
	124,387	126,645
TOTAL ASSETS	$ 723,096	$ 746,070

See accompanying Notes to the Condensed Consolidated Financial Statements.

CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

BORDEN FOODS HOLDINGS CORPORATION

(In thousands except per share and share amounts)

LIABILITIES AND SHAREHOLDER'S EQUITY	March 31, 1999	December 31, 1998
CURRENT LIABILITIES		
Debt payable within one year	$ 6,774	$ 6,824
Accounts and drafts payable	43,321	55,847
Accrued customer allowances	17,738	19,600
Amounts due to affiliates	3,147	2,948
Income tax payable	17,869	5,418
Other current liabilities	94,434	116,349
	183,283	206,986
OTHER LIABILITIES		
Long-term debt	2,643	2,602
Deferred income taxes	22,827	38,823
Other long-term liabilities	26,141	22,899
	51,611	64,324
Commitments and Contingencies (Note 8)		
SHAREHOLDER'S EQUITY		
Common stock - $0.01 par value; 100 shares authorized, issued, and outstanding	--	--
Shareholder's investment in affiliates	61,690	60,824
Paid in capital	405,817	390,988
Accumulated translation adjustment	(10,893)	(8,106)
Retained earnings	31,588	31,054
	488,202	474,760
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	$ 723,096	$ 746,070

See accompanying Notes to the Condensed Consolidated Financial Statements.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

BORDEN FOODS HOLDINGS CORPORATION

(In thousands)	Three Months Ended March 31, 1999	1998
CASH FLOWS USED IN OPERATING ACTIVITIES		
Net income	$ 1,400	$ 152,549
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation and amortization	3,969	6,201
Deferred tax provision	849	3,301
Gain on divestiture of businesses	(3,088)	(187,146)
Net change in assets and liabilities:		
Accounts receivable	8,186	41,773
Other receivables	2,164	5,287
Inventories	5,995	9,280
Accounts and drafts payable	(12,526)	(17,271)
Accrued customer allowances	(1,862)	(4,884)
Income taxes	(488)	4,820
Other amounts due to/from affiliates	266	666
Other current assets and liabilities	(10,867)	(34,740)
Other assets and liabilities	(3,367)	(11,425)
	(9,369)	(31,589)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	(7,105)	(4,711)
Proceeds from the sale of fixed assets	2,424	8,806
Proceeds from the sale of businesses	9,476	686,224
	4,795	690,319
CASH FLOWS USED IN FINANCING ACTIVITIES		
Net short-term debt payments	(50)	(3,973)
Repayment of loans with affiliates	--	(12,962)
Repayment of long-term debt payable to affiliates	--	(47,616)
	(50)	(64,551)
(DECREASE) INCREASE IN CASH AND EQUIVALENTS	(4,624)	594,179
CASH AND EQUIVALENTS AT BEGINNING OF PERIOD	300,104	28,736
CASH AND EQUIVALENTS AT END OF PERIOD	$ 295,480	$ 622,915

See accompanying Notes to the Condensed Consolidated Financial Statements.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

BORDEN FOODS HOLDINGS CORPORATION

(In thousands)	Three Months Ended March 31, 1999	1998
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid:		
Interest	$ 253	$ 1,987
Taxes	112	32,113
Non-cash activity:		
Shareholder's investment in affiliates (Note 4)	$ (866)	$(128,745)
Affiliate's share of income (Note 4)	866	128,745

See accompanying Notes to the Condensed Consolidated Financial Statements.

CONDENSED CONSOLIDATED STATEMENT OF SHAREHOLDER'S EQUITY (UNAUDITED)

BORDEN FOODS HOLDINGS CORPORATION

(In thousands)

	Paid in Capital	Shareholder's Investment in Affiliate	Retained Earnings	Accumulated Translation Adjustments	Total
Balance at December 31, 1998	$ 390,988	$ 60,824	$ 31,054	$ (8,106)	$ 474,760
Net income			1,400		1,400
Foreign currency translation adjustments				(2,787)	(2,787)
Affiliate's share of income		866	(866)		-
Transfer of tax basis among affiliates	14,829				14,829
Balance at March 31, 1999	$ 405,817	$ 61,690	$ 31,588	$ (10,893)	$ 488,202

See accompanying Notes to the Condensed Consolidated Financial Statements.

BORDEN FOODS HOLDINGS CORPORATION
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Dollars in thousands)

1. NATURE OF OPERATIONS

Borden Foods Holdings Corporation ("Foods Holdings"), a wholly owned subsidiary of Borden Foods Holdings, LLC ("LLC"), owns approximately 98% of Borden Foods Corporation ("BFC"). The remaining interest in BFC is owned directly by LLC. BFC is a manufacturer and distributor of a variety of food products worldwide, including pasta, pasta sauce, soups and bouillon. At March 31, 1999, BFC's operations included 11 production facilities, 4 of which are located in the United States. The remaining facilities are located primarily in Canada and Europe.

2. BASIS OF PRESENTATION

Foods Holdings has fully and unconditionally guaranteed obligations under Borden, Inc.'s ("Borden") Credit Facility and all of Borden's publicly held debt on a pari passu basis. As a result of the financial guarantee and in accordance with Regulation S-X rule 3-10, Borden is required to include in its filings with the Securities and Exchange Commission separate financial statements for Foods Holdings as if it were a registrant. Foods Holdings' financial statements are prepared on a purchase accounting basis. Borden elected not to apply push down accounting in its consolidated or combined financial statements and, as such, Borden's financial statements are reported on a historical cost basis.

The accompanying unaudited condensed consolidated financial statements include all adjustments (consisting only of normal recurring adjustments) which management believes to be necessary for the fair presentation of operating results for the interim periods. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to the rules and regulations of the Securities and Exchange Commission. The results for the interim period are subject to seasonal variations and are not necessarily indicative of results for the full year. The interim financial statements should be read in conjunction with Foods Holdings' audited financial statements for the year ended December 31, 1998.

Certain prior year amounts have been reclassified to conform to the 1999 presentation.

3. BUSINESS REALIGNMENT

Restructuring of Aligned Businesses
- ----------------------------------

In 1996, management approved the closure of five domestic pasta plants in order to reduce its SKU complexity and manufacturing capacity. On January 5, 1999, a remaining facility was sold for proceeds of $2,424.

As of March 31, 1999 and December 31, 1998, reserves related to the restructuring of aligned businesses of $1,669 and $7,570, respectively, remained in other current liabilities. It is anticipated that the remaining balance will be disbursed by the end of fiscal 1999.

Divested Businesses

During the first quarter of 1999, BFC received proceeds of $9,476 for working capital settlements on the sale of KLIM, of which $8,400 was included in other receivables as of December 31, 1998, and reduced current liabilities by $2,012, as costs were lower than previously estimated.

During the first quarter of 1998, BFC and Investment LP sold the Signature Flavor business to Eagle Family Foods, Inc. for $376,500 and the KLIM business to Nestle, S.A for $330,000. As a result of these divestitures, BFC recorded a pre-tax gain of $187,146, net of charges for work-force reductions, closure of facilities, selling and legal fees, contract terminations, transition services and other miscellaneous costs.

Activities related to the divestiture reserves during the three months ended March 31, 1999, which were recorded in other current liabilities, were as follows:

	Work-Force Reductions(1)	Business & Contractual Obligations(2)	Selling, Legal & Other(3)	TOTAL
Balance at December 31, 1998	$ 7,110	$ 35,071	$ 19,711	$ 61,892
Utilized	(536)	(3,815)	(275)	(4,626)
Other(4)			(2,012)	(2,012)
Balance at March 31, 1999	$ 6,574	$ 31,256	$ 17,424	$ 55,254

(1) Includes severance and other employee related benefits.

(2) Includes charges related to the termination of leases, distributor arrangements, and other contractual agreements.

(3) Includes selling and legal fees, facility closings, and other miscellaneous costs.

(4) Changes in estimates.

Subsequent Divestiture

On April 30, 1999, BFC sold the milk powder business located in China to Royal Numico for approximately $7.1 million, which resulted in a pre-tax gain of approximately $10.8 million.

4. AFFILIATE'S SHARE OF INCOME

In accordance with BFC Investment LP's limited partnership agreement with BFC and LLC, LLC was allocated an affiliate's share of income (see accompanying condensed consolidated statements of operations) of $866 and $128,745 during the first quarter of 1999 and 1998, respectively. The 1998 allocation was primarily due to a gain on divestiture of the Signature Flavor business.

5. COMPREHENSIVE INCOME

Comprehensive income (loss) was computed as follows:

	Three months ended March 31, 1999	1998
Net income	$ 1,400	$ 152,549
Foreign currency translation adjustments	(2,787)	(3,079)
Reclassification adjustment	-	34,914
	$(1,387)	$ 184,384

The reclassification adjustment in 1998 represents the accumulated translation adjustment recognized on the sale of the KLIM business.

6. RELATED PARTIES

Borden and a subsidiary of Borden provide certain administrative services to BFC at negotiated fees. These services include processing of payroll, active and retiree group insurance claims, securing insurance coverage for catastrophic claims, and information systems support. BFC also reimburses the Borden subsidiary for payments for general disbursements and post-employment benefit claims. The amount owed by BFC for reimbursement of payments, services, and other liabilities was $3,135 at March 31, 1999 and $2,935 at of December 31, 1998.

Eligible U.S. employees are provided employee pension benefits under the Borden domestic pension plan to which BFC contributes, and can participate in the Borden retirement savings plan. BFC has recognized expenses associated with these benefits, certain of which are determined by Borden's actuary. The liabilities for these obligations are included in BFC's financial statements.

The following summarizes the affiliate charges for the three months ended March 31, 1999 and 1998:

	Three months ended March 31, 1999	1998
Employee benefits	$ 685	$ 1,351
Group and general insurance	1,250	1,399
Administrative services	3,329	4,102
	$ 5,264	$ 6,852

BFC performs certain administrative services on behalf of other Borden affiliates. These services include sales administration, promotion, purchasing and research and development. BFC charged affiliates $237 and $285 for such services for the three months ended March 31, 1999 and 1998, respectively. The receivable for these services was $769 at March 31, 1999 and $505 at December 31, 1998.

BFC invests cash not used in operations with Borden. BFC's investment balance was $278,550 at March 31, 1999 and $277,591 at December 31, 1998. The funds are invested overnight earning a rate set by Borden that generally approximates money market rates. BFC earned interest income of $3,257 and $5,815 on these funds for the three months ended March 31, 1999 and 1998, respectively. Amounts receivable for interest were $1,294 and $1,625 as of March 31, 1999 and December 31, 1998, respectively.

Borden continues to provide executive, financial and strategic management to BFC for which it charges a quarterly fee of $250.

7. UNIT INCENTIVE PLAN

During the first quarter of 1999, LLC sold 389,125 Class C units to certain BFC management employees. The Class C units are generally restricted as to transfer and allow for LLC, at its discretion, to repurchase the units, upon certain conditions including termination of the unitholders' employment, prior to full vesting after five years.

Under the Unit Incentive Plan, BFC issued four UAR's with an exercise price of $8 per unit for each Class C unit purchased. The UAR entitles the unitholder to receive an amount in cash equal to the excess of the market price (as defined in the UAR agreement) of the unit over the exercise price of the UAR. The UAR's vest ratably over five years and expire upon certain events, including termination of the unitholders' employment, but in no case to exceed ten years.

8. COMMITMENTS AND CONTINGENCIES

Legal Matters

In early 1999, BFC and Helm Tomatoes, Inc. reached agreement to settle a claim of wrongful termination of a tomato packing agreement with payments from BFC of $3,300 in May 1999 and $3,400 in May 2000. A gain of $7,500, derived from the difference between an initial reserve of $14,500 less the settlement and legal fees, was recorded in general and administrative expense during the first quarter of 1999.

BFC is involved in certain other legal proceedings arising through the normal course of business. Management is of the opinion that the final outcomes of such proceedings should not have a material impact on BFC's results of operations or financial position.

Year 2000

The Year 2000 issue is the result of computer programs written using two rather than four digits to define the applicable year. Many of BFC's computer programs that have date-sensitive software may recognize a date using "00" as the year 1900 rather than the year 2000. This could result in a system failure or miscalculations causing disruptions of operations including, among other things, a temporary inability to process transactions, send invoices, or engage in similar normal business activities. If not addressed, the Year 2000 issue could have a negative material impact on the business operations and financial results of BFC.

BFC's Year 2000 Program is a risk-based plan divided into three phases that are being executed by both internal and external resources. These phases are: (I) an inventory of all systems, assigning a business priority for each system and performing a preliminary assessment of Year 2000 susceptibility, (II) completion of a detailed Year 2000 susceptibility analysis and development of remediation plans and contingency plans, and (III) implementation of the remediation and, if necessary, contingency plans and completing final system testing.

The Year 2000 efforts are divided into three categories: (1) ERP - business systems being replaced by new enterprise-wide system implementation, (2) Non-ERP - - business systems that will not be replaced by the new enterprise-wide system implementation, including non-information technology systems such as plant process controls, and (3) Third Parties - external suppliers and customers.

ERP - The comprehensive new enterprise-wide system being implemented by BFC will replace most business and accounting systems. The enterprise-wide system versions are warranted by the vendor to be Year 2000 compliant by utilizing a four digit standard, including PeopleSoft, Vista and I2. Due to the relative complexity and importance of the business and accounting systems to ongoing operations, the new enterprise-wide system implementation will address the significant majority of BFC's internal Year 2000 risk. Implementation of the new system is underway and expected to be completed no later than June 30, 1999.

Non-ERP - BFC plans to remediate systems not to be replaced by the enterprise-wide system. For these systems, Phase I is complete, Phase II is complete, and Phase III is approximately 75% complete. BFC expects to complete system remediation and all system testing activities by June 30, 1999.

Third Parties - The Year 2000 Program also includes procedures to assess the risks related to suppliers and customers. As a result of initial inquiries, supplier and customer responses have been received. These responses will be evaluated and appropriate procedures will be performed to determine the extent to which BFC may be vulnerable to such parties' failure to resolve their own Year 2000 issues. Efforts related to suppliers and customers, including development of contingency plans where appropriate, are targeted for substantial completion by June 30, 1999. Although BFC's systems do not rely significantly on systems of other companies, BFC cannot provide assurance that failure of third parties to address the Year 2000 issue will not have an adverse impact on business operations and results.

Significant investments in an enterprise-wide information system and Year 2000 program expenses addressing non-compliance across all areas of the company will total approximately $42,700 by the year 2000. This amount consists of $35,500 for the enterprise-wide information system and $7,200 of total Year 2000 costs and write-offs. Year 2000 costs and write-offs are comprised of $4,400 for business remediation, $1,900 for other related areas and program management, and $900 in write-offs of non-compliant hardware and systems. As of March 31, 1999, BFC has incurred expense and capital of $27,110 for the enterprise-wide system and $4,502 for Year 2000 compliance.

Due to the general uncertainty inherent in the Year 2000 problem, including the uncertainty associated with suppliers and customers, the potential effect on the financial results and condition of BFC has not been measured. BFC intends the Year 2000 Program to be completed on a timely basis so as to significantly reduce the level of uncertainty and the impact on business operations and financial results. Contingency plans have been and will continue to be developed and implemented to mitigate Year 2000 risks and the effect of Year 2000 issues. To date, contingency plans are being implemented to reduce the risk of potential delays in the enterprise-wide system implementation.

[LOGO]

WISE HOLDINGS, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS FOR THE THREE MONTHS ENDED
MARCH 31, 1999 AND 1998

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)
WISE HOLDINGS, INC. AND SUBSIDIARIES

(Dollars in thousands)	THREE MONTHS ENDED MARCH 31, 1999	1998
Net sales	$ 49,956	$ 53,881
Cost of goods sold	31,415	33,730
Gross margin	18,541	20,151
Distribution expense	6,765	6,941
Marketing expense	8,136	9,211
General & administrative expense	4,375	5,242
Operating loss	(735)	(1,243)
Interest expense	119	122
Other expense(income)	42	(10)
Loss before income taxes	(896)	(1,355)
Income tax benefit	(335)	(608)
Net loss	$ (561)	$ (747)
Per Share Data		
Basic and diluted loss per common share	$ (8.01)	$ (10.67)
Average number of common shares outstanding during the period	70	70

See Notes to Condensed Consolidated Financial Statements

CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
WISE HOLDINGS, INC. AND SUBSIDIARIES

(Dollars in thousands)

ASSETS	MARCH 31, 1999	DECEMBER 31, 1998
CURRENT ASSETS		
Cash and equivalents	$ 3,271	$ 2,610
Accounts receivable (less allowance for doubtful accounts of $1,789 and $1,971, respectively)	20,181	22,181
Affiliated receivables	57	15
Inventories:		
Finished goods	4,151	4,045
Raw materials and supplies	3,177	3,886
Deferred income taxes, net	2,452	2,651
Prepaid and other current assets	3,685	3,660
	36,974	39,048
PROPERTY AND EQUIPMENT		
Land	1,412	1,412
Buildings and improvements	5,527	5,352
Machinery and equipment	45,850	45,120
	52,789	51,884
Less accumulated depreciation	20,880	19,769
	31,909	32,115
INTANGIBLES AND OTHER ASSETS		
Trademarks (net of accumulated amortization of $1,999 and $1,880, respectively)	16,812	16,931
Other assets	657	808
	17,469	17,739
TOTAL ASSETS	$86,352	$88,902

See Notes to Condensed Consolidated Financial Statements

CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
WISE HOLDINGS, INC. AND SUBSIDIARIES

(Dollars in thousands)

LIABILITIES AND SHAREHOLDER'S EQUITY	MARCH 31, 1999	DECEMBER 31, 1998
CURRENT LIABILITIES		
Debt payable within one year	$ 170	$ 168
Accounts and drafts payable	13,811	16,060
Affiliated payables	500	463
Accrued liabilities	13,090	14,954
	27,571	31,645
OTHER LIABILITIES		
Long-term debt payable to Borden, Inc.	7,450	5,000
Deferred income taxes, net	1,882	2,198
Non-pension postemployment benefit obligations	9,475	9,513
Affiliated employee benefit obligation	2,362	2,165
Other long-term liabilities	250	455
Minority interest	215	218
	21,634	19,549
Commitments and Contingencies (Note 6)		
SHAREHOLDER'S EQUITY		
Common stock - $0.01 par value 70 shares authorized, issued and outstanding	--	--
Preferred stock - $0.01 par value 30 shares authorized, none issued and outstanding	--	--
Paid in capital	34,980	34,980
Retained earnings	2,167	2,728
	37,147	37,708
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	$86,352	$88,902

See Notes to Condensed Consolidated Financial Statements

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
WISE HOLDINGS, INC. AND SUBSIDIARIES

(Dollars in thousands)	THREE MONTHS ENDED MARCH 31, 1999	1998
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Net loss	$ (561)	$ (747)
Adjustments to reconcile net loss to net cash from operating activities		
Minority interest's share in loss	(3)	(97)
Depreciation	1,429	1,308
Amortization	119	118
Other non-cash	123	164
Net change in assets and liabilities:		
Accounts receivable	2,182	2,440
Affiliated receivables	(42)	67
Inventories	603	756
Prepaid and other current assets	(25)	179
Other assets	151	52
Accounts and drafts payable	(2,249)	2,823
Affiliated payables	37	(472)
Accrued liabilities	(1,447)	(2,284)
Post-employment benefits other than pensions	(38)	(53)
Affiliated employee benefit obligation	197	322
Other long-term liabilities	(205)	36
	271	4,612
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		
Capital expenditures	(2,065)	(1,484)
Proceeds from sales of equipment	3	8
	(2,062)	(1,476)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Short-term borrowings	2	--
Long-term borrowings	2,450	
Repayment of short-term borrowings	--	(270)
	2,452	(270)
INCREASE IN CASH AND EQUIVALENTS	661	2,866
Cash and equivalents at beginning of period	2,610	3,604
Cash and equivalents at end of period	$ 3,271	$ 6,470
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid for interest:	$ 175	$ --
Cash paid for taxes:	92	--

See Notes to Condensed Consolidated Financial Statements

WISE HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Dollars in thousands, except for per share information)

1. BACKGROUND

In September 1994, Borden, Inc. ("Borden") entered into a merger agreement that provided for the acquisition of all of Borden's outstanding common stock by affiliates of Kohlberg Kravis Roberts & Co. ("KKR"). Borden elected not to apply push down accounting in its consolidated financial statements as a result of public debt that was outstanding prior to the acquisition, and as such, Borden's financial statements (including Wise) are reported on Borden's historical cost basis. As discussed in the "Basis of Presentation," Wise's financial statements have been prepared on a purchase accounting basis from the date of KKR's acquisition of Borden. The effective date of the merger agreement was January 1, 1995 for accounting and financial statement presentation purposes.

Effective July 2, 1996, in a taxable transaction (the "Incorporation"), Borden sold its salty snacks business ("Wise operations") to Wise Holdings Inc. ("Wise"), a KKR affiliate, for $45 million. The purchase price was based on an independent valuation of the business. There was no change in the financial reporting basis of the assets and liabilities as of July 2, 1996 from that described below under "Basis of Presentation" because Borden's principal stockholders continue to exercise significant financial control over Wise. Wise fully and unconditionally guarantees obligations under Borden's credit facility and all of Borden's publicly held debt on a pari passu basis. In connection with this guarantee, Wise receives an annual fee of $210.

2. NATURE OF OPERATIONS

Wise is a producer and distributor of salty snacks in the eastern United States. Wise's product line includes potato chips, cheese flavored baked and fried corn snacks, pretzels, tortilla chips, corn chips, onion rings, pork rinds and other assorted snacks. Wise markets its products under the brand names of WISE(R), CHEEZ DOODLES(R), QUINLAN(R), NEW YORK DELI(R), KRUNCHERS!(R), BRAVOS(R), MOORE'S(R) and WISE CHOICE(TM) and conducts its business through two principal divisions: Wise and Moore's. The Wise and Moore's divisions manufacture and distribute primarily in the eastern United States. Wise's products are distributed through both independent and company-owned distribution networks.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

As a result of the financial guarantee and in accordance with Regulation S-X rule 3-10, Borden is required to include in its filings with the Securities and Exchange Commission separate financial statements for Wise as if it were a registrant. The accompanying financial statements subsequent to the purchase by KKR have been prepared on a purchase accounting basis that allocates approximately $51 million of the original KKR purchase price of Borden to the Wise operations. The purchase price has been allocated to tangible and intangible assets and liabilities of Wise based on independent appraisals and management estimates.

The condensed consolidated financial statements of Wise collectively include the financial position of Wise Holdings, Inc. and subsidiaries as of March 31, 1999 and December 31, 1998. These financial statements also include the statements of operations of Wise for the three months ended March 31, 1999 and 1998 and cash flows of Wise for the three months ended March 31, 1999 and 1998. These unaudited interim condensed consolidated financial statements reflect all normal and recurring adjustments that are, in the opinion of management, necessary for the fair presentation of the results for the interim periods presented.

Reclassifications

Certain prior year amounts have been reclassified to conform with the 1999 presentation.

Per Share Information

Basic and diluted loss per common share at March 31, 1999 and 1998 is computed by dividing net income or loss by the weighted average number of common shares outstanding during the period ended March 31, 1999 and 1998, respectively. On April 24, 1998 the number of shares authorized and outstanding were reduced for administrative and tax purposes. The Per Share information for March 31, 1999 and 1998 is computed based on the adjusted shares outstanding. Options issued by subsidiaries that enable the holder to obtain stock of the subsidiary were not assumed exercised because they were antidilutive for both 1999 and 1998. Wise has no other potentially dilutive securities.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. The most significant estimates in Wise's financial statements are related to allowance for doubtful accounts, accruals for trade promotions, general and group insurance, income taxes, post-retirement benefits, asset lives and corporate allocations. Actual results could differ from those estimates.

Recently Issued Accounting Statements

In March 1998, the American Institute of Certified Public Accountants issued Statement of Position 98-1, Accounting for the Costs of Computer Software Developed or Obtained for Internal Use. Wise implemented this pronouncement as of January 1, 1999. Wise estimates that internal costs approximating $600 will be eligible for capitalization in 1999 which would have been expensed as incurred.

In June 1998, the FASB issued SFAS No. 133, Accounting for Derivative Instruments and Hedging Activities. This standard is effective for fiscal years beginning after June 15, 1999 and requires all derivatives be measured at fair value and recorded on a company's balance sheet as a asset or liability, depending upon the company's underlying rights or obligations associated with the derivative instrument. Wise is investigating the impact of this pronouncement, but does not expect it to have a material impact on the company's results of operations, financial position or cash flows.

4. ACCRUED LIABILITIES

Accrued liabilities were as follows:

	March 31, 1999	December 31, 1998
Compensation	$ 1,661	$ 2,557
General insurance	5,282	5,292
Advertising and promotion	3,560	3,772
Other	2,587	3,333
Total	$13,090	$14,954

5. AFFILIATED LONG-TERM DEBT

In conjunction with the Incorporation, Wise entered into a long-term loan agreement (the "Loan Agreement") to borrow funds from Borden.

Revolving Loan

The Loan Agreement provides for a revolving loan facility of up to $5 million maturing in December 1999, at a variable interest rate equal to Borden's cost of funds for 30 day LIBOR borrowings plus 0.25%. A commitment fee based on a variable rate tied to Borden's leverage is charged on the unused portion of the revolving loan facility. Wise had no borrowings under the revolving agreement at March 31, 1999 and December 31, 1998.

Long-Term Loan

The Loan Agreement also provides for a $10 million term loan with a fixed interest rate of 11% maturing in November 2000, payable in full at the maturity date. At March 31, 1999 and December 31, 1998, $7.5 million and $5.0 million respectively remained outstanding under this loan agreement.

The Loan Agreement contains certain restrictions on the activities of Wise and its subsidiaries, including restrictions on liens, the incidence of indebtedness, mergers and consolidations, sales of assets, investments, payment of dividends (requires prior approval from Borden), changes in nature of business, prepayments of certain indebtedness, transactions with affiliates, capital expenditures, changes in control of the company and the use of proceeds from asset sales.

6. COMMITMENTS AND CONTINGENCIES

Environmental Contingencies

Wise, like others in similar businesses, is subject to extensive Federal, state and local environmental laws and regulations. Although Wise's environmental policies and practices are designed to ensure compliance with these laws and regulations, future developments and increasingly stringent regulations could require Wise to make additional unforeseen environmental expenditures.

Environmental accruals are routinely reviewed on an interim basis as events and developments warrant and are subject to an annual comprehensive review.

Litigation

Wise is subject to various investigations, claims and legal proceedings covering a wide range of matters in the ordinary course of its business activities. Each of these matters is subject to various uncertainties and some of these matters may be resolved unfavorably to Wise. Wise has established accruals for matters that are probable and reasonably estimable. Management believes that any liability that may ultimately result from the resolution of these matters in excess of amounts provided will not have a material adverse effect on the financial statements of Wise.

7. RELATED PARTIES

Wise is engaged in various transactions with Borden and its affiliated companies in the ordinary course of business. A subsidiary of Borden provides certain administrative services to Wise at negotiated fees. These services include: processing of payroll and active and retiree group insurance claims. Wise reimburses the Borden subsidiary for payments for general disbursements, and general and group insurance and retirement benefit claims. The amount owed by Wise for these services is included in affiliated payables and was $500 and $463 at March 31, 1999 and December 31, 1998, respectively.

Wise is generally self-insured for general insurance claims and post-employment benefits other than pensions. The liabilities for these obligations are included in Wise's financial statements. The following table summarizes the charges to Wise for these costs.

	Quarter ended March 31,	
	1999	1998
Employee benefits	$ 431	$ 564
Group and general insurance	1,164	761
Information services	109	65
Corporate staff departments and overhead	360	514
	$2,064	$1,904

Wise also invests excess cash with Borden in one-day investments that totaled $1,950 and $1,700 at March 31, 1999 and December 31, 1998, respectively which is included as a component of cash.

3-MOS
DEC-31-1999
JAN-01-1999
MAR-31-1999
231,100
386,000
212,400
10,400
106,300
1,010,200
769,100
307,800
1,944,900
1,000,900
551,900
0
614,400
2,000
(545,900)
1,944,900
306,900
306,900
211,800
211,800
58,900
0
15,300
19,500
6,200
13,300
0
0
0
13,300
.07
.07