SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended: March 31, 1996

OR

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

For the transition period from ____________________ to ____________________

Commission file number 1-8625

CITADEL HOLDING CORPORATION
(Exact name of Registrant as specified in its charter)

DELAWARE	95-3885184
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

550 South Hope Street Suite 1825 Los Angeles CA	90071
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (213) 239-0540

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 twelve 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 ______

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. As of May 13, 1996, there were 6,003,924 shares of Common Stock, $0.01 par value per share, and 1,329,114 shares of Serial Preferred Stock, $0.01 par value per share outstanding.

CITADEL HOLDING CORPORATION AND SUBSIDIARIES

INDEX

CITADEL HOLDING CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	March 31, 1996	December 31, 1995
	(In thousands of dollars)	
ASSETS		
ASSETS		
Cash and cash equivalents	$ 16,026	$ 16,291
Properties held for sale	7,897	7,942
Rental properties, net	14,396	14,251
Other receivables	396	437
Other assets	1,650	894
Total assets	$ 40,365	$ 39,815
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Security deposits payable	$ 254	253
Accrued legal fees	174	313
Accounts payable and accrued liabilities	1,976	1,343
Deferred proceeds from bulk sales agreement	4,000	4,000
Mortgage notes payable	16,115	16,186
Total liabilities	22,519	22,095
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY		
Serial preferred stock, par value $.01, 5,000,000 shares authorized, 3% Cumulative Voting Convertible, ($3.95 per share or $5,250,000 stated value) 1,329,114 shares issued and outstanding	13	13
Common stock, par value $.01, 20,000,000 shares authorized, 6,669,924 issued and outstanding	67	67
Additional paid-in capital	65,080	65,197
Retained (deficit)	(45,899)	(46,142)
Cost of treasury shares, 666,000 shares	(1,415)	(1,415)
Total stockholders' equity	17,846	17,720
Commitments and contingencies		
Total liabilities and stockholders' equity	$ 40,365	$ 39,815

See accompanying notes to consolidated financial statements.

CITADEL HOLDING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended March 31, 1996	Three Months Ended March 31, 1995
	(In thousands of dollars, except per share amounts)	
Real Estate Operations:		
Rental income	$1,530	$1,037
Interest income	210	76
	1,740	1,113
Real estate operating expenses	760	545
Depreciation and amortization	122	100
Interest expense	398	238
General and administrative expenses	217	425
Total expenses	1,497	1,308
Gain on sale of properties	--	1,541
Earnings before income taxes	243	1,346
Provision for income taxes	--	--
Net earnings	243	1,346
Earnings per common and common equivalent share	$ 0.03	$ 0.15

See accompanying notes to consolidated financial statements.

CITADEL HOLDING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended March 31, 1996	1995
	(In thousands of dollars)	
OPERATING ACTIVITIES		
Net earnings	$ 243	$ 1,346
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	122	85
Gain on sale of rental property	--	(1,541)
Amortization of deferred loan costs	12	15
Changes in operating assets and liabilities:		
Decrease (increase) in other receivables	41	(55)
Decrease (increase) in other assets	(768)	163
Increase (decrease) in security deposits	1	(91)
Increase (decrease) in accrued liabilities	494	(1,332)
Net cash provided by (used in) operating activities	145	(1,410)
INVESTING ACTIVITIES		
Proceeds from sale of property	--	8,837
Purchase of and additions to real estate	(222)	(2,336)
Net cash provided by (used in) investing activities	(222)	6,501
FINANCING ACTIVITIES		
Dividends paid on Preferred Stock	(117)	--
Repayments of long-term borrowings	(71)	(3,722)
Net cash (used in) financing activities	(188)	(3,722)
Increase (decrease) in cash and cash equivalents	(265)	1,369
Cash and cash equivalents at beginning of period	16,291	4,805
Cash and cash equivalents at end of period	$16,026	$ 6,174

SUPPLEMENTAL DISCLOSURES:

Interest paid during the three months ended March 31, 1996 and 1995 was $393,000 and $238,000, respectively.

See accompanying notes to consolidated financial statements.

CITADEL HOLDING CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The consolidated financial statements include the accounts of Citadel Holding Corporation ("Citadel") and its wholly owned subsidiaries (collectively the "Company"). In the opinion of management, the accompanying unaudited consolidated financial statements contain all adjustments of a recurring nature considered necessary for a fair presentation of its financial position as of March 31, 1996 and December 31, 1995, and the results of operations and its cash flows for the three months ended March 31, 1996 and 1995. The results of operations for the three month period ended March 31, 1996 are not necessarily indicative of the results of operations to be expected for the entire year.

The accompanying unaudited consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and, therefore, do not include all information and footnotes required to be in conformity with generally accepted accounting principles. The financial information provided herein, including the information under the heading, "Management's Discussion and Analysis of Financial Condition and Results of Operations," is written with the presumption that the users of the interim financial statements have read, or have access to, the most recent Annual Report on Form 10-K which contains the latest audited financial statements and notes thereto, together with the Management's Discussion and Analysis of Financial Condition and Results of Operations as of December 31, 1995 and for the year then ended.

Cash and Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Included in cash and cash equivalents at March 31, 1996 is approximately $15.6 million which is being held in institutional money market mutual funds.

Earnings Per Share

Earnings per common and common equivalent share is based on 8,200,960 and 8,866,960 shares, the weighted average number of shares of common stock and common stock equivalents outstanding during the three months ended March 31, 1996 and 1995. The 3% Cumulative Voting Convertible Preferred Stock, the outstanding Warrants and stock options are common stock equivalents. The calculation of the weighted average shares of common stock outstanding included the effect of shares assumed to be issued on the conversion of the Preferred Stock as of the beginning of the periods being reported. The number of shares assumed converted as of the January 1, 1996 and 1995 amounted to 2,197,036 and was calculated as of March 31, 1996 in accordance with the Preferred Stock conversion terms described in Note 4.

NOTE 2 - RENTAL PROPERTIES AND PROPERTIES HELD FOR SALE

The Company's rental properties at March 31, 1996 and December 31, 1995 consist of the following:

	March 31, 1996	December 31, 1995
	(in thousands)	
Land	$ 4,699	$ 4,699
Building and improvements	10,077	9,855
Total	$ 14,776	$ 14,554
Less accumulated depreciation	(380)	(303)
Rental properties, net	$ 14,396	$ 14,251

At March 31, 1996 and December 31, 1995, rental properties consisted of one apartment building and two commercial buildings. Properties held for sale was comprised of one apartment building and an undeveloped parcel of land amounting to $7,497,000 and $400,000, respectively, at March 31, 1996.

On March 26, 1996, the Company entered into a Purchase and Sale Agreement to sell the apartment rental property included in Properties held for sale at March 31, 1996. The Buyer agreed to purchase the property for approximately $9.3 million, of which $0.5 million has been deposited in escrow. As of March 31, 1996, this property was encumbered by a mortgage in the amount of approximately $5,698,000. Pursuant to the terms of the Purchase and Sale Agreement, the closing date, subject to certain conditions precedent, is scheduled to occur on or before May 29, 1996.

During the three months ended March 31, 1995, the Company sold an apartment building and an office building which resulted in a gain of approximately $1,541,000.

NOTE 3 - TAXES ON INCOME

For the three months ended March 31, 1996 and 1995, no provision for income taxes was required due to the realization for financial statement purposes of deferred tax assets previously reserved.

NOTE 4 - 3% CUMULATIVE VOTING CONVERTIBLE PREFERRED STOCK

On November 10, 1994, the Company issued 1,329,114 shares of 3% Cumulative Voting Convertible Preferred Stock ("Preferred Stock") at a stated value of $3.95 per share or $5,250,000 to Craig Corporation, a stockholder affiliate.

The Preferred Stock carries a liquidation preference equal to its stated value and bears a cumulative (noncompounded) annual dividend equal to 3% of the stated value. Each share of the Preferred Stock entitles the holder to vote on all matters submitted to a vote of the Company's stockholders on the basis of one vote per share. The Preferred stock is convertible at the option of the holder into common stock. The conversion ratio is one share of Preferred Stock for a fraction of a share of common stock; the numerator of which is $3.95 per share plus any unpaid dividends, and the denominator of which is the average of the closing price per share of the Company's common stock, as defined ("Market Price"). If the Market Price exceeds $5.00 per share the conversion ratio will be calculated using a denominator of $5.00 per share and if the Market Price is below $3.00, the Company can redeem the Preferred Stock tendered for conversion. Except in the case of a tender at a conversion price of less than $3.00 per share, the Company does not have the right to call for the redemption of the Preferred Stock prior to November 1997. Thereafter, the Company has the right, at its sole option, to redeem at the sum of (1) $3.95 per share, (2) any unpaid dividends, and (3) a premium at the redemption equal to an accrual on the Stated Value ranging from 9% per annum during the period from November 1994 to November 1998 and thereafter reducing over time from the period November 1998 to November 2006 at the rate of 1% per year. The same formula pricing is also applicable to any redemption in connection with a tender for conversion. If the redemption date is after November 2006 there is no premium. The Market Price calculated in accordance with the terms of the Preferred Stock provisions approximated $2.39 at March 31, 1996, which price, would result in the Preferred Stock converting into approximately 2,197,000 shares of the Company's common stock.

Recorded as a reduction of paid in capital for the three months ended is $118,125, representing cumulative dividends declared for the nine month period ended March 31, 1996. At March 31, 1996, there are no undeclared cumulative dividends.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Citadel Holding Corporation, a Delaware corporation ("Citadel" and collectively with its wholly owned subsidiaries, the "Company") has been engaged primarily in the ownership and management of commercial and residential property since August 1994.

RESULTS OF OPERATIONS

The following is a comparison of the results of operations for the three months ended March 31, 1996 ("1996 Quarter") with the three months ended March 31, 1995 ("1995 Quarter"). Due to the nature of the Company's business activities, revenues and earnings have varied significantly reflecting the operating results of its managed real estate and asset sales during those periods.

The Company's net earnings for the three months ended March 31, 1996 were $243,000 or $0.03 per share compared to $1,346,000 or $0.15 per share for the three month period ended March 31, 1995. Included in the earnings for the 1995 Quarter is approximately $1,541,000 from the sale of the Sherman Oaks and Harbor City properties.

Rental income amounted to $1,530,000 for the 1996 Quarter as compared to $1,037,000 for the 1995 Quarter. The increase in the 1996 Quarter from the previous quarters reflects the change in composition of the Company's rental properties between the 1995 and 1996 Quarters. The 1996 Quarter includes rental income from the Company's May 1995 acquisition of the Glendale property amounting to approximately $485,000. The increase in real estate operating expenses to $760,000 in the 1996 Quarter as compared to $545,000 in the 1995 Quarter is principally due to the costs associated with operating the Glendale Building as well as an increase in deferred maintenance costs incurred at the apartment building held for sale.

Interest expense was $398,000 in the 1996 Quarter as compared to $238,000 in the 1995 Quarter. The increase in interest expense is a result of additional mortgage loans obtained during the periods reported and an increase in overall interest rates. The Company obtained two mortgages aggregating approximately $6.1 million since the 1995 Quarter.

General and administrative expenses amounted to $217,000 for the three months ended March 31, 1996 as compared to $425,000 for the three months ended March 31, 1995. Such decrease is attributable to (1) a reduction in outside professional and legal costs and (2) a decrease in directors fees related to a payment for past services authorized by the Board to a director in the 1995 Quarter. In addition, the 1996 Quarter includes a reimbursement of approximately $40,000 for consulting services provided by employees of the Company to its shareholder affiliate, Reading Company.

REAL ESTATE INTERESTS

The table below provides an overview of the properties which constituted all of the real properties owned by the Company at March 31, 1996.

Address	Type	Units/ Sq. Feet	% Leased	Major Tenants	Remaining Lease Term
ARBOLEDA 1661 Camelback Rd. Phoenix, Arizona	Office/ Restaurant	178,000	99	American Express Others	Feb. 1999 1-5 Yrs.
BRAND 600 N. Brand Glendale, CA	Office	89,000	65	Fidelity	May 2005
PARTHENIA 21028 Parthenia Canoga Park, CA	Apartment	27 26,000	89	None	6-12 months
VESELICH 3939 Veselich Ave. Los Angeles, CA	Apartment	216 176,000	93	None	6-12 months
CLAREMONT	Land	26 Acres	--	--	--

Arboleda, Phoenix

At March 31, 1996, this property is substantially leased through February 1999 to American Express Company, which occupies 58% (100,098 sq. ft.) of the property.

Brand, Glendale

The Glendale Building was at the time of acquisition, the headquarters building of Fidelity Federal Bank, FSB ("Fidelity"). Citadel and Fidelity have entered into a 10 year, full service gross lease for four of the six floors of the Glendale Building. The rental rate for the first five years of the lease term is $26,000 per month (including parking) for the ground floor and approximately $75,000 per month (including parking) for the fourth, fifth and sixth floors. The lease provides for annual rental increases at a rate equal to the lower of the increase in the Consumer Price Index or 3%. After the first five years of the lease term, the rental rate for the ground floor will be adjusted to the higher of the then current market rate or the prevailing rental rate in the fifth year of the lease and the rental rate for the upper floors will be adjusted to the higher of the then current market rate or $1.50 per square feet increased by the annual rental rate increase applied during the first five years of the lease as described in the preceding sentence. Fidelity has the option to extend the lease of the ground floor for two consecutive five year terms at a market rental rate and has the option to purchase the Glendale Building at the market value at the expiration of the lease term, provided that the Company then owns the building. Fidelity has subsequently relocated its headquarters and is currently attempting to sublease all or a portion of its leased premises.

Until April 1996, Public Storage occupied 30,879 square feet (two floors) with a total rental of $53,900 per month ($1.75/sq. ft.). The Company is actively seeking potential tenants for these premises. No agreements have been reached at this time and the Company can make no assurance that attractive terms will be reached with an alternative tenant.

Veselich, Los Angeles

During the fourth quarter of 1995, the Company determined to seek offers for the sale of the property and on March 26, 1996 entered into a Purchase and Sale Agreement to sell the property for approximately $9.3 million. Pursuant to the terms of the Agreement, the closing date, subject to certain conditions precedent, is scheduled to occur on or before May 29, 1996. However, the Company can make no assurance that the sale will be closed.

Claremont

The Company foreclosed on a loan previously made by Fidelity and received in the Restructuring on August 14, 1995. The property is currently carried on the books at $400,000. The Company is currently marketing this property for sale, however, due to certain conditions attached to the entitlements which require action of the adjacent owners, the Company can make no assurance that the property can be sold in the near term.

FINANCING OF REAL ESTATE INTERESTS

The Company's acquisition of the Arboleda and Veselich properties was 100% leveraged: $10.2 million was obtained in the form of conventional mortgage loans by Fidelity against the Arboleda and Veselich properties, while the balance was obtained through drawdowns ($3.5 million) on an $8.2 million line of credit (the "Craig Line of Credit") from Craig Corporation ("Craig").

With respect to the Veselich property, Fidelity extended a ten year loan, amortizing over thirty years, at an adjustable rate of interest tied to the one year Treasury rate plus approximately 3.7% per annum, with an initial rate of 7.25%. The rate on the Veselich loan is currently 8.75%. The loan secured by the Arboleda property has a seven year term, amortizing over 25 years, with an adjustable rate of interest tied to the six month LIBOR rate plus 4.5% per annum, with an initial rate of 9.25% per annum. The rate on this loan is currently 9.668%.

The remainder of the purchase price of the Arboleda and Veselich properties was drawn on the Craig Line of Credit. The Craig Line was initially committed in the amount of $8.2 million, of which $6.2 million was immediately drawn down to purchase the Arboleda and Veselich properties and an additional property that has since been sold. On November 10, 1994, the Company retired $5.25 million of the Craig Line of Credit by issuance to Craig of 1,329,114 shares of the Company's 3% Cumulative Voting Convertible Preferred Stock. The remaining

$950,000 of the Craig Line of Credit was retired in May 1995 and, accordingly, the Company has no further funds available under the Craig Line of Credit.

With regard to the purchase of the Glendale Building, Fidelity extended a 5 year loan, amortizing over twenty years, at an adjustable rate of interest tied to LIBOR plus 4.5% per annum, adjustable monthly, in the amount of $5.34 million. The Company paid Fidelity points of 1% plus normal closing costs. The loan is subject to prepayment penalties in year one of 4%, decreasing 1% in each subsequent year. The current interest rate is 9.668%.

On May 1, 1995, the Company obtained a loan of $765,000 on the Parthenia property. The loan has a term of 30 years, with an adjustable rate of interest at 2.95% over the 11th District cost of funds, currently amounting to 7.824%.

BUSINESS PLAN, CAPITAL RESOURCES AND LIQUIDITY

Cash and cash equivalents decreased by approximately $265,000 from $16,291,000 at December 31, 1995 to $16,026,000 at March 31, 1996. During the three months ended March 31, 1996 the Company utilized cash proceeds of approximately $118,000 to pay dividends on the outstanding 3% Cumulative Convertible Preferred Stock and $222,000 to fund repairs at the Glendale Building.

The Company expects that its sources of funds in the near term will include cash on hand ($16 million at March 31, 1996), cash flow from the operations of its real estate properties, consulting fees and proceeds from the sale of its properties net of the mortgage loan repayments.

In the short term, uses of funds are expected to include (i) funding of the repair of the earthquake damage to the parking structure of the Glendale Building, (ii) operating expenses, (iii) any amounts that may become payable under the $4 million Bulk Sale Indemnity, (iv) debt service under the property mortgages and (v) dividends declared, if any, under the Preferred Stock. Management believes that the Company's sources of funds will be sufficient to meet its cash flow requirements for the foreseeable future.

Management is currently evaluating the assets and opportunities available to the Company with a view to developing a new business plan. Among the alternatives under consideration are the continuation and expansion of its real estate operations, the movement into a new line or lines of business, merger or sale of the entire Company, and liquidation. Such alternatives may include the participation with the Company's major beneficial shareholders, Reading Company and/or Craig Corporation in land based entertainment businesses such as motion picture exhibition.

PART II - OTHER INFORMATION

ITEM 1 - LEGAL PROCEEDINGS

Roven Litigation

The Company, Hecco Ventures I and James J. Cotter were defendants in a civil action filed in 1990 by Alfred Roven in the United States District Court for the Central District of California. The complaint alleged fraud by the Company in a proxy solicitation relating to the Company's 1987 annual meeting of stockholders and breach of fiduciary duty. The complaint sought compensatory and punitive damages in an amount alleged to exceed $40 million. The complaint grew out of and was originally asserted as a counter claim in an action brought by the Company against Roven to recover alleged short swing profits. In October 1995, the Company, Hecco Ventures I and James J. Cotter were granted summary judgement on all causes of action asserted in the 1990 complaint in federal court. Roven has appealed that judgement.

In 1995, Roven filed a complaint in the California Superior Court against the Company, Hecco Ventures I and James J. Cotter and, in addition, S. Craig Tompkins and certain other persons, including the Company's outside counsel and certain former directors of the Company (which directors are currently directors of Craig and Reading), alleging malicious prosecution in connection with the short swing profits litigation. The Company believes that it has meritorious defenses to these claims, and has not reserved any amounts with respect thereto. Defense of the action has been accepted by the Company's insurers. However, no assurance can be given that additional costs of defense will not be material to Citadel's future operating results considering the Company's limited revenue and operating profits.

Fidelity Employee Claims

Citadel is advised that, following the reduction of Citadel's interest in Fidelity from a 100% ownership interest to an approximately 16% non-voting equity interest, Fidelity significantly reduced staffing as part of its efforts to reduce costs. Certain terminated employees have threatened, and in one case filed, claims asserting that Citadel is in some manner liable for what is asserted to be wrongful termination of these individuals by Fidelity. In light of the fact that, among other things, these employees were never employees of Citadel and were terminated only after Citadel's interest in Fidelity had been reduced to an essentially non-voting 16% interest, the Company believes it has no liability to these individuals. Defense of this action has been accepted by the Company's insurer's, although the Company expects to incur some additional costs of defense.

Securities Litigation

In July 1995, Citadel was named as a defendant in a lawsuit alleging violations of federal securities laws in connection with the offering of common stock of Citadel's then wholly owned subsidiary, Fidelity, in 1994 as part of the previously reported Restructuring (the "Harbor Finance Litigation"). The suit was filed by Harbor Finance Partners in an alleged class action complaint in the

United States District Court - Central District of California on July 28, 1995 and named as defendants Citadel, Fidelity, Richard M. Greenwood (Fidelity's chief executive officer and Citadel's former chief executive officer), J.P. Morgan Securities, Inc. and Deloitte & Touche LLP. The suit alleged that false and misleading information was provided by the defendants in connection with Fidelity's stock offering and the defendants knew and failed to disclose negative information concerning Fidelity. Fidelity and Citadel filed a Motion to Dismiss, which was granted with leave to amend on January 25, 1996. Plaintiff has now retained new counsel and filed a new complaint alleging essentially the same claims, but adding state securities law causes of action, and not naming J.P. Morgan Securities or Deloitte & Touche LLP. On March 15, 1996 Fidelity and Citadel filed a Motion to Dismiss the new complaint. Defense of the action has been accepted by Fidelity under the terms of the Stockholders Agreement entered into between Citadel and Fidelity as part of the restructuring of Citadel's interest in Fidelity, and Citadel, to date, has not retained separate counsel with respect to this litigation and is not incurring outside costs of defense. Since the filing of the initial complaint inn the Harbor Finance Litigation, Fidelity has completed a second recapitalization transaction, in which it raised gross proceeds of approximately $146 million through the sale of common and preferred stock. Citadel has been named in only two of the four alleged claims for relief and only in the capacity as an alleged controlling entity of Fidelity.

Both the initial complaint and the new complaint filed by Harbor Finance Partners make certain assertions previously made in a wrongful termination and defamation action brought by William Strocco against Fidelity and Citadel, which was filed in Los Angeles County Superior Court on March 9, 1995. The plaintiff in that case is the former manager of Fidelity's REO Department who alleges that his employment was terminated in violation of public policy and was a result of breaches of his implied employment contract and the implied covenant of good faith and fair dealing. The plaintiff alleges his termination was related to the fact that he objected to various aspects of Fidelity's restructuring, including the selling of REO properties in bulk sales, as not in the interests of Fidelity, and that he asserted that the same was not fully disclosed to potential investors and to the Office of Thrift Supervision. Strocco also seeks damages for alleged defamation and interference with contractual relationship. Citadel has been named in only one of five causes of action brought by Strocco, and is made a party defendant only on the basis that Citadel allegedly conspired with and induced Fidelity to breach its employment agreement with Strocco.

Both of the Harbor Finance and Strocco complaints seek damages in an unspecified amount. Citadel believes that these claims against it are without merit and is vigorously contesting them.

ITEM 2 - CHANGES IN SECURITIES

Not applicable.

ITEM 3 - DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 4 - SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Not applicable.

ITEM 5 - OTHER INFORMATION

Not applicable.

ITEM 6 - EXHIBITS AND REPORTS ON FORM 8-K

A. Exhibits

27. Financial Data Schedule.

B. Reports on Form 8-K

None.

SIGNATURES

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

CITADEL HOLDING CORPORATION

By: /s/ Steve Wesson

President and Chief
Executive Officer
May 14, 1996

/s/ S. Craig Tompkins

Principal Accounting Officer
May 14, 1996

5
1,000

3-MOS	3-MOS
DEC-31-1995	DEC-31-1994
JAN-01-1996	JAN-01-1995
MAR-31-1996	MAR-31-1995
16,026	0
11	0
396	0
0	0
0	0
18,072	0
22,967	0
(674)	0
40,365	0
2,404	0
0	0
0	0
13	0
67	0
40,285	0
40,365	0
1,530	1,037
1,740	1,113
0	0
1,099	1,070
0	(1,541)
0	0
398	238
243	1,346
0	0
243	1,346
0	0
0	0
0	0
243	1,346
0.03	0.15
0.03	0.15