

FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

QUARTERLY REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For Quarter Ended February 28, 2001

Commission File Number 2-85538

CCA INDUSTRIES, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or other jurisdiction of
Incorporation or organization)

04-2795439
(I.R.S. Employer
Identification Number)

200 Murray Hill Parkway
East Rutherford, NJ
(Address of principal executive offices)

07073
(Zip Code)

(201) 330-1400
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 No

APPLICABLE ONLY TO CORPORATE ISSUERS

Indicate the number of shares outstanding of each of the issuer's
classes of common stock, as of the latest practical date.

Common Stock, \$.01 Par Value - \$5,873,227 shares of as February 28, 2001

Class A Common Stock, \$.01 Par Value - \$1,020,930 shares as of
February 28, 2001

CCA INDUSTRIES, INC. AND SUBSIDIARIES

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CCA INDUSTRIES, INC. AND SUBSIDIARIES

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CONSOLIDATED BALANCE SHEETS

<CAPTION>

A S S E T S

	February 28, 2001	November 30, 2000
<S>	<C>	<C>
Current Assets		
Cash and cash equivalents	\$ 451,907	\$ 804,508
Short-term investments and marketable securities (Notes 3 and 10)	2,595,516	2,536,344
Accounts receivable, net of allowances of \$1,237,795 and \$1,379,424, respectively	7,947,449	6,329,755
Inventories	4,961,750	5,735,427
Prepaid expenses and sundry receivables	377,941	324,980
Deferred income taxes	1,514,778	1,529,522
Prepaid income taxes and refunds due	591,288	777,691
Deferred advertising	862,885	-
Total Current Assets	19,303,514	18,038,227
Property and Equipment, net of accumulated depreciation and amortization	584,597	675,790
Intangible Assets, net of accumulated amortization of \$103,271 at February 28, 2001 and \$96,920 at November 30, 2000	635,059	641,410
Other Assets		
Marketable securities	1,103,667	845,101
Due from officers - Non-current	20,962	21,485
Deferred income taxes	41,540	34,517
Other	55,526	55,526
Total Other Assets	1,221,695	956,629
Total Assets	\$21,744,865	\$20,312,056

</TABLE>

See Notes Consolidated to Financial Statements.

<TABLE>

CONSOLIDATED BALANCE SHEETS

LIABILITIES AND SHAREHOLDERS' EQUITY

<CAPTION>

	February 28, 2001	November 30, 2000
<S>	<C>	<C>
Current Liabilities		
Notes payable - Current portion	\$ -	\$ 1,500,000
Accounts payable and accrued liabilities	6,918,301	4,288,852
Total Current Liabilities	6,918,301	5,788,852
Subordinated Debentures (due August 1, 2005)	511,656	556,656
Shareholders' Equity		
Common stock, \$.01 par; authorized 15,000,000 shares; issued and outstanding 6,042,823 and 6,042,823 shares, respectively	60,428	60,428
Class A common stock, \$.01 par; authorized 5,000,000 shares; issued and outstanding 1,020,930 and 1,020,930 shares, respectively	10,209	10,209
Additional paid-in capital	3,836,296	3,836,296
Retained earnings	10,637,538	10,300,693
Accumulated other comprehensive income	(25,329)	(64,846)
	14,519,142	14,142,780
Less: Treasury Stock (169,596 and 107,496 shares at February 28, 2001 and November 30, 2000, respectively)	204,234	176,232
Total Shareholders' Equity	14,314,908	13,966,548
Total Liabilities and Shareholders' Equity	\$21,744,865	\$20,312,056

</TABLE>

See Notes to Consolidated Financial Statements.

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CCA INDUSTRIES, INC. AND SUBSIDIARIES

<TABLE>

CONSOLIDATED STATEMENTS OF OPERATIONS

(UNAUDITED)

<CAPTION>

	Three Months Ended February 28, 2001	Three Months Ended February 29, 2000
<S>	<C>	<C>
Net sales of health and beauty products	\$10,426,369	\$8,581,108
Other income	81,556	62,201
	10,507,925	8,643,309
Costs and Expenses		
Costs of sales	4,244,147	3,704,031
Selling, general and administrative expenses	3,021,331	3,242,853
Advertising, cooperative and promotions	2,442,312	1,816,301
Research and development	90,948	125,020

Provision for doubtful accounts	90,518	67,127
Interest expense	40,306	22,477
	9,929,562	8,977,809
Income (Loss) before Income Taxes	578,363	(334,500)
Provision (Benefit) for Income Taxes	241,517	(128,378)
Net Income (Loss)	\$ 336,846	(\$ 206,122)
Earnings per Share:		
Basic	\$.05	(\$.03)
Diluted	\$.05	(\$.03)

</TABLE>

See Notes to Consolidated Financial Statements.

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CCA INDUSTRIES, INC. AND SUBSIDIARIES

<TABLE>

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(UNAUDITED)

<CAPTION>

	Three Months Ended February 28, 2001	Three Months Ended February 29, 2000	
	<C>	<C>	
<S> Net Income (Loss)	\$336,846	(\$206,122)	
Other Comprehensive Income			
Unrealized holding gains (loss) on investments	39,517	(44,845)	
Provision (Benefit) for Taxes	16,000	(16,500)	
Other Comprehensive Income - Net	23,517	(28,345)	
Comprehensive Income (Loss)	\$360,363	(\$234,467)	
Earnings Per Share:			
Basic	\$.05	(\$.03)	
Diluted	\$.05	(\$.03)	

</TABLE>

See Notes to Consolidated Financial Statements.

CCA INDUSTRIES, INC. AND SUBSIDIARIES
<TABLE>
CONSOLIDATED STATEMENT OF CASH FLOWS

(UNAUDITED)

<CAPTION>

	Three Months Ended February 28, 2001	Three Months Ended February 29, 2000	
<S>	<C>	<C>	
Cash Flows from Operating Activities:			
Net income	\$ 336,846	(\$ 206,122)	
Adjustments to reconcile net income to net cash provided by (used in) operating activities:			
Depreciation and amortization	101,744	99,464	
(Gain) on sale of securities	(2,048)	(923)	
Decrease (increase) in deferred income taxes	7,721	(35,784)	
(Increase) in accounts receivable	(1,617,694)	(2,089,337)	
Decrease in inventory	773,677	33,998	
(Increase) decrease in prepaid expenses	(52,438)	415,058	
(Increase) in deferred advertising	(862,885)	(1,684,810)	
Increase in accounts payable	2,629,449	3,036,767	
Decrease (increase) in prepaid income taxes	186,403	(90,585)	
 Net Cash Provided by (Used in) Operating Activities	 1,500,775	 (522,274)	
Cash Flows from Investing Activities:			
Acquisition of property, plant and equipment	(4,200)	(195,861)	
Purchase of short-term investments	(1,693,657)	(408,529)	
Proceeds from sale and maturity of investments	1,394,983	415,326	
 Net Cash (Used in) Investing Activities	 (302,874)	 (189,064)	
Cash Flows from Financing Activities:			
Proceeds from borrowings	-	200,000	
Repayment of debt	(1,500,000)	-	
Purchase of treasury stock	(28,002)	-	
Repurchase of outstanding debenture	(22,500)	-	
 Net Cash (Used in) Provided by Financing Activities	 (1,550,502)	 200,000	
 Net (Decrease) in Cash	 (352,601)	 (511,338)	
 Cash and Cash Equivalents at Beginning of Period	 804,508	 807,360	
 Cash and Cash Equivalents at End of Period	 \$ 451,907	 \$ 296,022	
Supplemental Disclosures of Cash Flow Information:			
Cash paid during the period for:			
Interest	\$ 46,552	\$ 16,663	
Income taxes	51,444	600	

</TABLE>

See Notes to Consolidated Financial Statements.

CCA INDUSTRIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

NOTE 1 - BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three month period ended February 28, 2001 are not necessarily indicative of the results that may be expected for the year ended November 30, 2001. For further information, refer to the consoli-

dated financial statements and footnotes thereto included in the Company's annual report on Form 10-K for the year ended November 30, 2000.

NOTE 2 - ORGANIZATION AND DESCRIPTION OF BUSINESS

CCA Industries, Inc. ("CCA") was incorporated in the State of Delaware on March 25, 1983.

CCA manufactures and distributes health and beauty aid products.

CCA has several wholly-owned subsidiaries (CCA Cosmetics, Inc., CCA Labs, Inc., Berdell, Inc., and Nutra Care Corporation), all of which are currently inactive.

In March of 1998 CCA acquired 80% of the newly organized Fragrance Corporation of America, Ltd. which manufactures and distributes perfume products. The Company ceased operations during fiscal 2000 and CCA Industries took over its assets and some of its products.

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation:

The consolidated financial statements include the accounts of CCA and its wholly-owned subsidiaries (collectively the "Company"). All significant intercompany accounts and transactions have been eliminated.

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CCA INDUSTRIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates:

The consolidated financial statements include the use of estimates, which management believes are reasonable. The process of preparing financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

Short-Term Investments and Marketable Securities:

Short-term investments and marketable securities consist of corporate and government bonds and equity securities. The Company has classified its investments as Available-for-Sale securities. Accordingly, such investments are reported at fair market value, with the resultant unrealized gains and losses reported as a separate component of shareholders' equity.

Statements of Cash Flows Disclosure:

For purposes of the statement of cash flows, the Company considers all highly liquid instruments purchased with an original maturity of less than three months to be cash equivalents.

Inventories:

Inventories are stated at the lower of cost (first-in, first-out) or market.

Product returns are recorded in inventory when they are received at the lower of their original cost or market, as appropriate. Obsolete inventory is written off and its value is removed from inventory at the time its obsolescence is determined.

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CCA INDUSTRIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment and Depreciation and Amortization

Property and equipment are stated at cost. The Company charges to expense repairs and maintenance items, while major improvements and betterments are capitalized. When the Company sells or otherwise disposes of property and equipment items, the cost and related accumulated depreciation are removed from the respective accounts and any gain or loss is included in earnings.

Depreciation and amortization are provided on the straight-line method over the following estimated useful lives or lease terms of the assets:

Machinery and equipment	7-10 Years
Furniture and fixtures	5-7 Years
Tools, dies and masters	2-7 Years
Transportation equipment	7 Years
Leasehold improvements of lease, whichever is shorter	7-10 Years or life

Intangible Assets:

Intangible assets are stated at cost. Patents and trademarks are amortized on the straight-line method over a period of 17 years. Goodwill represents the excess of the cost over the fair value of the net assets acquired and is amortized over 60 months.

Financial Instruments:

The carrying value of assets and liabilities considered financial instruments approximate their respective fair value.

Income Taxes:

Income tax expense includes federal and state taxes currently payable and deferred taxes arising from temporary differences between income for

financial reporting and income tax purposes.

Tax Credits:

Tax credits, when present, are accounted for using the flow-through method as a reduction of income taxes in the years utilized.

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CCA INDUSTRIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Earnings Per Common Share:

The Company adopted Statement of Financial Accounting Standards ("SFAS") No. 128, "Earnings Per Share" in 1998. Basic earnings per share is calculated using the average number of shares of common stock outstanding during the year. Diluted earnings per share is computed on the basis of the average number of common shares outstanding plus the effect of outstanding stock options using the "treasury stock method" and convertible debentures using the "if-converted" method. Common stock equivalents consist of stock options.

Revenue Recognition:

The Company recognizes sales at the time delivery occurs. Although no legal right of return exists between the customer and the Company, it is an industry-wide practice to accept returns from customers. The Company, therefore, records a reserve for returns equal to its gross profit on its historical percentage of returns on its last five months sales.

Comprehensive Income:

The Company adopted SFAS #130, Comprehensive Income, which considers the Company's financial performance in that it includes all changes in equity during the period from transactions and events from non-owner sources.

Reclassifications

Certain prior year amounts have been reclassified to conform to the 2001 presentation.

NOTE 4 - INVENTORIES

The components of inventory consist of the following:

	February 28, 2001	November 30, 2000
Raw materials	\$3,057,189	\$3,667,757
Finished goods	1,904,561	2,067,670
	\$4,961,750	\$5,735,427

At February 28, 2001 and November 30, 2000, the Company had a reserve for obsolescence of \$1,050,714, respectively.

NOTE 5 - PROPERTY AND EQUIPMENT

The components of property and equipment consisted of the following:

	February 28, 2001	November 30, 2000
Machinery and equipment	\$ 323,233	\$ 323,233
Furniture and equipment	922,386	922,386
Transportation equipment	10,918	10,918
Tools, dies, and masters	1,977,030	1,972,830

Leasehold improvements	169,820	169,820
	3,403,387	3,399,187
Less: Accumulated depreciation and amortization	2,818,790	2,723,397
Property and Equipment - Net	\$ 584,597	\$ 675,790

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CCA INDUSTRIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 5 - PROPERTY AND EQUIPMENT (Continued)

Depreciation and amortization expense for the three months ended February 28, 2001 and February 29, 2000 amounted to \$95,393 and \$96,214, respectively.

NOTE 6 - INTANGIBLE ASSETS

Intangible assets consist of the following:

	February 28, 2001	November 30, 2000
Patents and trademarks	\$738,330	\$738,330
Less: Accumulated amortization	103,271	96,920
Intangible Assets - Net	\$635,059	\$641,410

Amortization expense for the three months ended February 28, 2001 and February 29, 2000 \$6,351 and \$3,250, respectively.

NOTE 7 - DEFERRED ADVERTISING

In accordance with APB 28 Interim Financial Reporting the Company expenses its advertising and related costs proportionately over the interim periods based on its total expected costs per its various advertising programs. Consequently a deferral of \$862,885 is accordingly reflected in the balance sheet for the interim period. This deferral is the result of the Company's \$5,400,000 media budget for the year which contemplates lower spending in the 4th quarter than in the other three quarters; as well as the Company's Co-op advertising commitments which also anticipates a lower expenditure in the 4th quarter.

The table below sets forth the calculation:

	February 2001	February 2000
	(In Millions)	(In Millions)
Media advertising budget for the fiscal year	\$5.40	\$5.00
Pro-rata portion for three months	\$1.35	\$1.25
Media advertising spent	2.21	2.68
Accrual (deferral)	(\$0.86)	(\$1.43)
Anticipated Co-op advertising commitments	\$4.00	\$2.35
Pro-rata portion for three months	\$1.00	\$.59
Co-op advertising spent	0.89	.84
Accrual (deferral)	\$.011	(\$.25)

NOTE 8 - ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The following items which exceeded 5% of total current liabilities are included in accounts payable and accrued liabilities as of:

	February 28, 2001 (In Thousands)	November 30, 2000 (In Thousands)
a) Media advertising	\$2,203	\$ *
b) Coop advertising	440	242
c) Accrued returns	667	983
	\$3,310	\$1,225

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CCA INDUSTRIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 8 - ACCOUNTS PAYABLE AND ACCRUED LIABILITIES (Continued)

All other liabilities were for trade payables or individually did not exceed 5% of total current liabilities.

* Under 5%

NOTE 9 - OTHER INCOME

Other income consists of the following at February 28:

	2001	2000
Interest income	\$69,996	\$51,983
Dividend income	4,619	9,295
Miscellaneous	6,941	923
	\$81,556	\$62,201

NOTE 10 - SHORT-TERM INVESTMENTS AND MARKETABLE SECURITIES

Short-term investments and marketable securities, which consist of stock and various corporate and government obligations, are stated at market value. The Company has classified its investments as Available-for-Sale securities and considers as current assets those investments which will mature or are likely to be sold in the next fiscal year. The remaining investments are considered non-current assets. The cost and market values of the investments at February 28, 2001 and November 30, 2000 were as follows:

	February 28, 2001		November 30, 2000	
Current:	COST	MARKET	COST	MARKET
Corporate obligations	\$ 536,000	\$ 540,535	\$ 536,000	\$ 534,590
Government obligations (including mortgage backed securities)	2,043,557	2,054,981	1,998,756	2,001,754
Total	2,579,557	2,595,516	2,534,756	2,536,344
Non-Current:				
Corporate obligations	592,900	589,308	-	-
Government obligations	150,510	150,255	150,510	146,723
Preferred stock	250,000	250,180	612,561	586,448
Other equity investments	151,547	113,924	148,465	111,930
Total	1,144,957	1,103,667	911,536	845,101
Total	\$3,724,514	\$3,699,183	\$3,446,292	\$3,381,445

CCA INDUSTRIES, INC. AND SUBSIDIARIES

<TABLE>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

<CAPTION>

NOTE 10 - SHORT-TERM INVESTMENTS AND MARKETABLE SECURITIES (CONTINUED)

The market value at February 28, 2001 was \$3,699,183 as compared to \$3,381,445 at November 30, 2000. The cost and market values of the investments at February 28, 2001 were as follows:

COL. A	COL. B	COL. C	COL. D	COL. E		
Name of Issuer and Title of Each Issue	Maturity Date	Number of Units-Principal Amount of Interest Rate	Bonds and Notes	Amount at Which	Of Equity Security	
				Market Value of Each Issue	Issues and Each Other Security	
				Cost of	at Balance	Issue Carried in
				Each Issue	Sheet Date	Balance Sheet
CORPORATE OBLIGATIONS:						
<S>	<C>	<C>	<C>	<C>	<C>	<C>
GMAC Smartnotes	10/15/01	6.3500%	536,000	\$ 536,000	\$ 540,535	\$ 540,535
GMAC Smartnotes	1/15/03	5.5500	250,000	250,000	249,560	249,560
GMAC Smartnotes	2/15/03	5.7500	140,000	140,000	140,200	140,200
International Business Machines	9/22/03	5.3700	100,000	102,040	99,862	99,862
Colgate-Palmolive Co.	10/1/03	5.2700	100,000	100,860	99,686	99,686
			1,128,900	1,129,843	1,129,843	

</TABLE>

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CCA INDUSTRIES, INC. AND SUBSIDIARIES

<TABLE>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

<CAPTION>

NOTE 10 - SHORT-TERM INVESTMENTS AND MARKETABLE SECURITIES (CONTINUED)

COL. A	COL. B	COL. C	COL. D	COL. E		
Name of Issuer and Title of Each Issue	Maturity Date	Number of Units-Principal Amount of Interest Rate	Bonds and Notes	Amount at Which	Of Equity Security	
				Market Value of Each Issue	Issues and Each Other Security	
				Cost of	at Balance	Issue Carried in
				Each Issue	Sheet Date	Balance Sheet
GOVERNMENT OBLIGATIONS:						
<S>	<C>	<C>	<C>	<C>	<C>	<C>
FHLBC JD-22	6/22/01	5.6100%	250,000	\$ 250,272	\$ 250,548	\$ 250,548
FHLMC 1628-N	12/15/23	6.5000	50,000	32,498	32,852	32,852
FNMA 93-224-D	11/25/23	6.5000	104,000	91,182	89,704	89,704
FNMA 92-2-N	1/25/24	6.5000	52,000	26,830	27,699	27,699
US Treasury Bill	4/5/01	5.7006	250,000	247,077	248,793	248,793
US Treasury Bill	5/3/01	4.7600	308,000	304,787	305,388	305,388
US Treasury Bill	3/8/01	5.9600	300,000	295,539	299,670	299,670
US Treasury Bill	4/5/01	6.0400	250,000	242,425	248,785	248,785
US Treasury Note	5/15/01	5.6250	200,000	202,075	200,312	200,312
US Treasury Note	5/31/01	5.2500	250,000	251,615	250,235	250,235
US Treasury Note	9/30/01	5.6250	250,000	249,767	251,250	251,250
			2,194,067	2,205,236	2,205,236	

</TABLE>

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CCA INDUSTRIES, INC. AND SUBSIDIARIES

<TABLE>

MARKETABLE SECURITIES - OTHER INVESTMENTS

<CAPTION>

NOTE 10 - SHORT-TERM INVESTMENTS AND MARKETABLE SECURITIES (CONTINUED)

COL. A	COL. B	COL. C	COL. D	COL. E		
Name of Issuer and Title of Each Issue	Maturity Date	Dividend Rate	Number of Shares	Market Value of Stock	Amount at Which Each Portfolio	
					Cost of Sheet Date	at Balance Sheet
					Of Equity Security Issues and Each Other Security	Issue Carried in Balance Sheet
EQUITY:						
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Preferred Stock:						
Merrill Lynch Trust	9/30/08	7.2800%	6,000	\$ 150,000	\$ 150,180	\$ 150,180
Other Equity Investments:						
First Australia Prime Series I	Auct.	5.4500	100,000	100,000	100,000	100,000
Dreyfus Premier Limited Term High Income CL B		Variable	12,519	151,547	113,924	113,924
			401,547	364,104	364,104	
			\$3,724,514	\$3,699,183	\$3,699,183	

* Estimated

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CCA INDUSTRIES, INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS
OF OPERATIONS AND FINANCIAL CONDITION

(UNAUDITED)

For the three months ended February 28, 2001, the Company had revenues of \$10,507,925 and net income of \$336,846 after a provision for taxes of \$241,517. For the three month period ended February 29, 2000, the Company had revenues of \$8,643,309 and a net loss of (\$206,122) after a provision for tax benefit of \$128,378. Sales for the three month period increased approximately \$2 million due to the success of its core brands. Sales returns ran approximately 4% of gross sales. Sales returns were 6% for the prior year's period. Gross margins of 59.3% were up from 57%. This was primarily due to the product mix.

Advertising, cooperative and promotional allowance expenditures were \$2.4 million as compared to \$1.8 million. Advertising expenditures were 23.4% of sales compared to 21.2%. Since both co-op advertising and promotions have a material effect on the Company's operations, the Company attempts to anticipate its advertising and promotional commitments as a percent of gross sales in order to control its effect on its net income. In accordance with APB Interim Financial Reporting, the Company expenses its advertising and related costs proportionately over the interim periods based on its total expected costs per its various advertising programs. Consequently, a deferral of \$.9 million media expense is reflected in the balance sheet. The Company deferred \$1.4 million in the prior year. This deferral is the result of the Company's \$5.4 million media budget for the entire year which is predicated on substantially lower spending in the third and fourth quarters. Co-op expenditures are budgeted at \$4 million for the year. Specifically, the Company spent \$2.2 million for media advertising in the three months and \$.9 million in co-op advertising. The difference is deferred or accrued over the subsequent nine month period and by the end of the year will be fully expensed.

Selling, general and administrative expenses ("SG&A") decreased from \$3.2 million to \$3 million. This is partially due to the elimination of the FCA operations.

Research and development expenses for the three months were \$90,000 as compared to \$125,000 in the prior year's period.

Provision for doubtful accounts increased to \$90,000 from \$67,000 due to the substantial increase in accounts receivable.

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CCA INDUSTRIES, INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS
OF OPERATIONS AND FINANCIAL CONDITION

(UNAUDITED)

The Company's interest expense increased to \$40,000 as compared to \$22,000 due to the increase in the prime rate and the interest due on the subordinated debentures issued in August of 2000.

The Company's sales were primarily to drugstore chains, food chains and mass merchandisers.

The Company's financial position as at February 28, 2001 consists of current assets of \$19,303,514 and current liabilities of \$6,918,301, a ratio of 2.8 : 1 vs. 2.25 : 1 as at February 28, 2000. The Company's cash position decreased due to repayment of \$1.5 million of debt and the significant increase in its accounts receivable primarily as a result of the sales in the latter month of the quarter. The Company's accounts payable increased due to the change in the increased expenditures for media during the latter part of the month.

During the three months, the Company generated approximately \$1.5 million in operations, used \$300,000 to purchase investments from new borrowings, and approximately \$1.5 million to reduce debt. These factors contributed to a net decrease in the Company's cash of about \$350,000.

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CCA INDUSTRIES, INC.

PART II OTHER INFORMATION

All information pertaining to Part II is omitted pursuant to the instructions pertaining to that part.

The Company did not file any reports on Form 8-K during the three months ended February 28, 2001.

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PART II, ITEM 6. (Continued)

EXHIBIT 11

CCA INDUSTRIES, INC. AND SUBSIDIARIES

COMPUTATION OF EARNINGS PER SHARE

(UNAUDITED)

	Three Months Ended February 28, 2001	Three Months Ended February 29, 2000
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Item 6.

Weighted average shares outstanding - Basic	6,909,666	7,246,085
Net effect of dilutive stock options--based on the treasury stock method		

using average market price	79,310	*
Weighted average shares outstanding - Diluted	6,988,976	7,246,085
Net income	\$ 336,846	(\$ 206,122)
Per share amount		
Basic	\$.05	(\$.03)
Diluted	\$.05	(\$.03)

* Antidilutive

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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.

CCA INDUSTRIES, INC.

By:/s David Edell

David Edell, President

By:/s Ira W. Berman

Ira W. Berman, Secretary

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