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 July 31, 2000

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 0-27022

OPTICAL CABLE CORPORATION
(Exact name of registrant as specified in its charter)

Virginia	54-1237042
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

5290 Concourse Drive
Roanoke, Virginia 24019
(Address of principal executive offices, including zip code)

(540) 265-0690
(Registrant's telephone number, including area code)

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.

(1) Yes X No ____ (2) Yes X No ______

As of September 11, 2000, 56,381,169 shares (adjusted for the effects of the 3-for-2 stock dividend described in note 7) of the registrant's Common Stock, no par value, were outstanding. Of these outstanding shares, 54,000,000 shares (adjusted for the effects of the 3-for-2 stock dividend described in note 7) were held by Robert Kopstein, Chairman of the Board, President and Chief Executive Officer of the registrant.

OPTICAL CABLE CORPORATION
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Nine Months Ended July 31, 2000

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

OPTICAL CABLE CORPORATION
Condensed Balance Sheets
(Unaudited)

Assets	July 31, 2000	October 31, 1999
Current assets:		
Cash and cash equivalents	$ 578,138	$ 6,816,678
Trading securities	13,067,000	-
Trade accounts receivable, net of allowance for doubtful accounts of $115,285 at July 31, 2000 and $316,000 at October 31, 1999	12,744,420	10,230,717
Income taxes refundable	609,942	-
Other receivables	182,500	280,219
Due from employees	1,482	8,100
Note receivable, net of allowance for doubtful accounts of $93,605 at July 31, 2000	-	61,100
Inventories	7,157,955	8,754,423
Prepaid expenses	174,956	106,536
Deferred income taxes	180,642	206,652
Total current assets	34,697,035	26,464,425
Note receivable, noncurrent	-	32,505
Other assets, net	239,111	188,328
Property and equipment, net	11,201,545	10,826,331
Total assets	$ 46,137,691	$ 37,511,589
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued expenses	$ 2,444,052	$ 3,370,244
Accrued compensation and payroll taxes	632,094	692,678
Notes payable	150,000	-
Payable to investment broker	668,772	-
Income taxes payable	-	421,803
Total current liabilities	3,894,918	4,484,725
Deferred income taxes	141,290	179,789
Total liabilities	4,036,208	4,664,514
Stockholders' equity:		
Preferred stock, no par value, authorized 1,000,000 shares; none issued and outstanding	-	-
Common stock, no par value, authorized 100,000,000 shares; issued and outstanding 56,357,544 shares at July 31, 2000 and 56,121,407 shares at October 31, 1999	4,956,477	4,128,316
Paid-in capital	1,655,122	359,566
Retained earnings	35,489,884	28,359,193
Total stockholders' equity	42,101,483	32,847,075
Commitments and contingencies		
Total liabilities and stockholders' equity	$ 46,137,691	$ 37,511,589

See accompanying condensed notes to condensed financial statements.

OPTICAL CABLE CORPORATION
Condensed Statements of Income
(Unaudited)

	Three Months Ended July 31, 2000	Three Months Ended July 31, 1999	Nine Months Ended July 31, 2000	Nine Months Ended July 31, 1999
Net sales	$ 16,650,975	$ 12,602,659	$ 41,025,520	$ 35,879,331
Cost of goods sold	8,998,778	7,178,532	22,259,116	20,022,465
Gross profit	7,652,197	5,424,127	18,766,404	15,856,866
Selling, general and administrative expenses	3,546,316	2,535,414	9,277,803	7,742,384
Income from operations	4,105,881	2,888,713	9,488,601	8,114,482
Other income (expense):				
Gains (losses) on trading securities, net	(416,799)	-	1,330,933	-
Interest income	16,456	45,467	180,337	132,731
Interest expense	(3,267)	-	(3,267)	-
Other, net	358	(35,011)	7,439	(38,116)
Other income (expense), net	(403,252)	10,456	1,515,442	94,615
Income before income tax expense	3,702,629	2,899,169	11,004,043	8,209,097
Income tax expense	1,302,500	1,082,586	3,873,352	2,980,952
Net income	$ 2,400,129	$ 1,816,583	$ 7,130,691	$ 5,228,145
Net income per share:				
Net income per common share*	$ 0.043	$ 0.032	$ 0.127	$ 0.092
Net income per common share - assuming dilution*	$ 0.042	$ 0.032	$ 0.126	$ 0.092

* Adjusted for the effects of the 3-for-2 stock dividend described in note 7.

See accompanying condensed notes to condensed financial statements.

OPTICAL CABLE CORPORATION
Condensed Statement of Changes in Stockholders' Equity
(Unaudited)

	Nine Months Ended July 31, 2000				
	Common Stock				
	Shares*	Amount	Paid-in Capital	Retained Earnings	Total Stockholders' Equity
Balances at October 31, 1999	56,121,407	$ 4,128,316	$ 359,566	$ 28,359,193	$ 32,847,075
Exercise of employee stock options ($3.48 weighted-average price per share)	233,887	814,098	-	-	814,098
Restricted stock award ($6.25 per share)	2,250	14,063	-	-	14,063
Tax benefit of disqualifying disposition of stock options exercised	-	-	1,295,556	-	1,295,556
Net income	-	-	-	7,130,691	7,130,691
Balances at July 31, 2000	56,357,544	$ 4,956,477	$ 1,655,122	$ 35,489,884	$ 42,101,483

* Adjusted for the effects of the 3-for-2 stock dividend described in note 7.

See accompanying condensed notes to condensed financial statements.

OPTICAL CABLE CORPORATION
Condensed Statements of Cash Flows
(Unaudited)

	Nine Months Ended July 31, 2000	Nine Months Ended July 31, 1999
Cash flows from operating activities:		
Net income	$ 7,130,691	$ 5,228,145
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	579,752	599,818
Bad debt expense	128,268	14,802
Deferred income tax expense (benefit)	(12,489)	161,091
Tax benefit of disqualifying disposition of stock options exercised	1,295,556	186,135
Stock-based compensation expense	14,063	-
Unrealized loss on trading securities, net	782,785	-
(Increase) decrease in:		
Trading securities	(13,849,785)	-
Trade accounts receivable	(2,548,366)	366,242
Income taxes refundable	(609,942)	-
Other receivables	97,719	(19,666)
Due from employees	6,618	(4,145)
Inventories	1,596,468	1,586,773
Prepaid expenses	(68,420)	(57,510)
Increase (decrease) in:		
Accounts payable and accrued expenses	(892,259)	993,353
Accrued compensation and payroll taxes	(60,584)	(114,181)
Payable to investment broker	668,772	-
Income taxes payable	(421,803)	76,645
Net cash provided by (used in) operating activities	(6,162,956)	9,017,502
Cash flows from investing activities:		
Purchase of property and equipment	(976,146)	(210,298)
Cash surrender value of life insurance	(63,536)	(171,382)
Net cash used in investing activities	(1,039,682)	(381,680)
Cash flows from financing activities:		
Repurchase of common stock	-	(4,944,608)
Proceeds from notes payable, net	150,000	-
Proceeds from exercise of employee stock options	814,098	197,375
Net cash provided by (used in) financing activities	964,098	(4,747,233)
Net increase (decrease) in cash and cash equivalents	(6,238,540)	3,888,589
Cash and cash equivalents at beginning of period	6,816,678	1,122,277
Cash and cash equivalents at end of period	$ 578,138	$ 5,010,866

See accompanying condensed notes to condensed financial statements.

OPTICAL CABLE CORPORATION
Condensed Notes to Condensed Financial Statements
Nine-Months Ended July 31, 2000
(Unaudited)

(1) General

The accompanying unaudited condensed financial statements have been prepared in accordance with generally accepted accounting principles for interim financial reporting information and the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and notes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all material adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the nine months ended July 31, 2000 are not necessarily indicative of the results that may be expected for the fiscal year ending October 31, 2000. The unaudited condensed financial statements and condensed notes are presented as permitted by Form 10-Q and do not contain certain information included in the Company's annual financial statements and notes. For further information, refer to the financial statements and notes thereto included in the Company's annual report on Form 10-K for the fiscal year ended October 31, 1999.

(2) Trading Securities

Trading securities are recorded at fair value, which is based on quoted market prices. Purchases and sales of trading securities are recognized on a trade-date basis, the date the order to buy or sell is executed. The Company's trading securities are bought and held principally for the purpose of selling them in the near term. Unrealized holding gains and losses for trading securities are included in net income. The amount of net unrealized holding loss that has been included in net income for the nine months ended July 31, 2000 was $782,785. As of July 31, 2000, the Company's trading securities consist of shares in a stock index mutual fund concentrated in the technology sector.

(3) Inventories

Inventories at July 31, 2000 and October 31, 1999 consist of the following:

	July 31, 2000	October 31, 1999
Finished goods	$ 918,829	$ 2,976,426
Work in process	3,295,506	2,306,209
Raw materials	2,873,976	3,416,046
Production supplies	69,644	55,742
	$ 7,157,955	$ 8,754,423

(4) Notes Payable

Under a loan agreement with its bank dated March 10, 1999, the Company has a $5 million secured revolving line of credit and a $10 million secured revolving line of credit. The Company's intention is that the $5 million line of credit be available to fund general corporate purposes and that the $10 million line of credit be available to fund potential acquisitions and joint ventures. The lines of credit bear interest at 1.50 percent above the monthly LIBOR rate and are equally and ratably secured by the Company's accounts receivable, contract rights, inventory, furniture and fixtures, machinery and equipment and general intangibles. The lines of credit will expire on February 28, 2001, unless renewed or extended. While the lines of credit do not require a compensating balance that legally restricts the use of cash amounts, at the bank's request, the Company has agreed to maintain an unrestricted target cash balance of $125,000.

(5) Net Income Per Share

Net income per common share excludes dilution and is computed by dividing income available to common stockholders by the weighted-average number of common shares outstanding for the period. Net income per common share - assuming dilution reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock that then shared in the net income of the entity. The following is a reconciliation of the numerators and denominators of the net income per common share computations for the periods presented (see note 7):

Three Months Ended July 31, 2000	Net Income (Numerator)	Shares (Denominator)	Per Share Amount
Net income per common share	$ 2,400,129	56,357,064	$ 0.043
Effect of dilutive stock options	----	351,738	
Net income per common share - assuming dilution	$ 2,400,129	56,708,802	$ 0.042

Three Months Ended July 31, 1999	Net Income (Numerator)	Shares (Denominator)	Per Share Amount
Net income per common share	$ 1,816,583	56,610,015	$ 0.032
Effect of dilutive stock options	----	374,027	
Net income per common share - assuming dilution	$ 1,816,583	56,984,042	$ 0.032

Nine Months Ended July 31, 2000	Net Income (Numerator)	Shares (Denominator)	Per Share Amount
Net income per common share	$ 7,130,691	56,282,045	$ 0.127
Effect of dilutive stock options	----	451,950	
Net income per common share - assuming dilution	$ 7,130,691	56,733,995	$ 0.126

Nine Months Ended July 31, 1999	Net Income (Numerator)	Shares (Denominator)	Per Share Amount
Net income per common share	$ 5,228,145	56,610,015	$ 0.092
Effect of dilutive stock options	----	374,027	
Net income per common share - assuming dilution	$ 5,228,145	56,984,042	$ 0.092

Subsequent to July 31, 2000 and through September 11, 2000, stock options totaling 25,425 shares of common stock were exercised.

(6) Segment Information

On November 1, 1998, the Company adopted Statement of Financial Accounting Standards (SFAS) No. 131, Disclosure about Segments of an Enterprise and Related Information. SFAS No. 131 establishes standards for the way public business enterprises are to report information about operating segments in annual financial statements and requires those enterprises to report selected information about operating segments in condensed financial statements of interim periods.

The Company has a single reportable segment for purposes of segment reporting pursuant to SFAS No. 131.

(7) Stock Dividend

On August 31, 2000, the Company's Board of Directors approved a 3-for-2 stock split effected in the form of a stock dividend of one share payable on September 28, 2000, upon each two shares held by stockholders of record at the close of business on September 8, 2000. The Company's stock will begin trading ex-dividend on September 29, 2000. Any fractional shares will be settled in cash. All references to share and per share data, except for references to authorized shares, contained elsewhere in this quarterly report have been retroactively adjusted to reflect the impact of the approved stock dividend.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Forward Looking Information

This Form 10-Q may contain certain "forward-looking" information within the meaning of the federal securities laws. The forward-looking information may include, among other information, (i) statements concerning the Company's outlook for the future, (ii) statements of belief, (iii) future plans, strategies or anticipated events, and (iv) similar information and statements concerning matters that are not historical facts. Such forward-looking information is subject to risks and uncertainties that may cause actual events to differ materially from the expectations of the Company. Factors that could cause or contribute to such differences include, but are not limited to, the level of sales to key customers, actions by competitors, fluctuations in the price of raw materials (including optical fiber), the Company's dependence on a single manufacturing facility, the ability of the Company to protect its proprietary manufacturing technology, the Company's dependence on a limited number of suppliers, an adverse price change in trading securities held by the Company, technological changes and introductions of new competing products, changes in market demand, productivity, weather, and market and economic conditions in the areas of the world in which the Company operates and markets its products.

Results of Operations

Three Months Ended July 31, 2000 and 1999

Net Sales

Net sales consists of gross sales of products, less discounts, refunds and returns. Net sales increased 32.1 percent to $16.7 million in third quarter 2000 from $12.6 million for the same period in 1999. This increase was attributable to increased sales volume. Total cable meters shipped in third quarter 2000 increased 32.9 percent to 57.0 million from 42.9 million cable meters shipped for the same period in 1999. This increase in cable meters shipped was a result of a 6.7 million increase in multimode cable meters shipped coupled with a 7.4 million increase in single-mode cable meters shipped. Multimode cable generally has a higher selling price than single-mode cable. Management believes there is a trend in the marketplace of an accelerated pace of fiber deployment, particularly of the type sold by the Company. Management believes this trend resulted in increased sales volume during third quarter 2000 and could continue to positively affect net sales in the future.

Gross Profit Margin

Cost of goods sold consists of the cost of materials, compensation costs and overhead related to the Company's manufacturing operations. The Company's gross profit margin (gross profit as a percentage of net sales) increased to 46.0 percent in third quarter 2000 from 43.0 percent in third quarter 1999. This increase was primarily due to the ratio of net sales attributable to the Company's distributors and orders greater than $50,000 during the period as compared to total net sales. During third quarter 2000, net sales to distributors approximated 57.8 percent versus 69.0 percent for the same period in 1999. During third quarter 2000, sales from orders $50,000 or more approximated 9.6 percent compared to 9.1 percent for third quarter 1999. Discounts on large orders and on sales to distributors are generally greater than for sales to the Company's other customer base.

Selling, General and Administrative Expenses

Selling, general and administrative expenses consist of the compensation costs (including sales commissions) for sales and marketing personnel, shipping costs, travel expenses, customer support expenses, trade show expenses, advertising, the compensation cost for administration, finance and general management personnel, as well as legal and accounting fees. Selling, general and administrative expenses as a percentage of net sales were 21.3 percent in third quarter 2000 compared to 20.1 percent in third quarter 1999. Selling, general and administrative expenses as a percentage of net sales increased largely as a result of an increase in the Company's sales force and the continued expansion of marketing efforts.

Other Income (Expense)

Other expense totaled $403,000 for the three months ended July 31, 2000, compared to $10,000 of other income for the same period in 1999. During fiscal year 2000, the Company began investing in trading securities and has recognized related losses, net, of $417,000 in other expense for the three months ended July 31, 2000.

Income Before Income Tax Expense

Income before income tax expense increased 27.7 percent to $3.7 million for the three months ended July 31, 2000 compared to $2.9 million for the three months ended July 31, 1999. This was primarily due to an increase in sales volume partially offset by an increase in selling, general and administrative expenses and losses on trading securities, net.

Income Tax Expense

Income tax expense increased $220,000 to $1.3 million for the three months ended July 31, 2000 compared to $1.1 million for the same period in 1999 due to the increase in income before income tax expense. The Company's effective tax rate was 35.2 percent during the three months ended July 31, 2000 compared to 37.3 percent for the same period in 1999.

Net Income

Net income for third quarter 2000 was $2.4 million compared to $1.8 million for third quarter 1999. Net income increased $584,000, or 32.1 percent, due to the $804,000 increase in income before income tax expense (which includes net losses on trading securities of $417,000), partially offset by the increase in income tax expense of $220,000.

Nine Months Ended July 31, 2000 and 1999

Net Sales

Net sales consists of gross sales of products, less discounts, refunds and returns. Net sales increased 14.3 percent to $41.0 million for the nine months ended July 31, 2000 from $35.9 million for the same period in 1999. This increase was attributable to the 4.7 percent increase in net sales during the six months ended April 30, 2000 compared to the same period in 1999, which, in turn, was due to increased sales volume, and to the 32.1 percent increase in net sales in third quarter 2000 compared to the same period in 1999 as described above.

Gross Profit Margin

Cost of goods sold consists of the cost of materials, compensation costs and overhead related to the Company's manufacturing operations. The Company's gross profit margin (gross profit as a percentage of net sales) increased to 45.7 percent for the nine months ended July 31, 2000 from 44.2 percent for the nine months ended July 31, 1999. This increase was due to the ratio of net sales attributable to the Company's distributors and orders greater than $50,000 during the period as compared to total net sales. For the nine months ended July 31, 2000, net sales to distributors approximated 58.8 percent versus 62.2 percent for the same period in 1999. During the nine months ended July 31, 2000, sales from orders $50,000 or more approximated 12.3 percent compared to 14.0 percent for the nine months ended July 31, 1999. Discounts on large orders and on sales to distributors are generally greater than for sales to the rest of the Company's customer base.

Selling, General and Administrative Expenses

Selling, general and administrative expenses consist of the compensation costs (including sales commissions) for sales and marketing personnel, shipping costs, travel expenses, customer support expenses, trade show expenses, advertising, the compensation cost for administration, finance and general management personnel, as well as legal and accounting fees. Selling, general and administrative expenses as a percentage of net sales were 22.6 percent for the nine months ended July 31, 2000 compared to 21.6 percent for the nine months ended July 31, 1999. This higher percentage reflects the fact that net sales for the nine months ended July 31, 2000 increased 14.3 percent compared to the same period in 1999, while selling, general and administrative expenses increased 19.8 percent, due to increased marketing efforts.

Other Income

Other income increased $1.4 million to $1.5 million for the nine months ended July 31, 2000 compared to $95,000 for the same period in 1999. During fiscal year 2000, the Company began investing in trading securities and has recognized related gains on trading securities, net, of $1.3 million in other income for the nine months ended July 31, 2000. Although the Company actively purchases and sells trading securities in order to realize such gains, it should not be expected that these gains will be recurring.

Income Before Income Tax Expense

Income before income tax expense increased 34.0 percent to $11.0 million for the nine months ended July 31, 2000 compared to $8.2 million for the nine months ended July 31, 1999. This was primarily due to gains on trading securities, net, and an increase in sales volume offset by an increase in selling, general and administrative expenses.

Income Tax Expense

Income tax expense increased $892,000 to $3.9 million for the nine months ended July 31, 2000 compared to $3.0 million for the same period in 1999 due to the increase in income before income tax expense. The Company's effective tax rate was 35.2 percent during the nine months ended July 31, 2000 as compared to 36.3 percent for the same period in 1999.

Net Income

Net income for the nine months ended July 31, 2000 was $7.1 million compared to $5.2 million for the nine months ended July 31, 1999. Net income increased $1.9 million, or 36.4 percent, due to the $2.6 million increase in income before income tax expense, partially offset by the increase in income tax expense of $892,000. Part of the increase in net income can be attributed to $1.3 million in other income of net recognized gains on trading securities.

Financial Condition

Total assets at July 31, 2000 were $46.1 million, an increase of $8.6 million, or 23.0 percent from October 31, 1999. This increase was primarily due to the Company investing its cash and cash equivalents on hand at October 31, 1999, as well as cash flows from operating income generated during the nine-month period ended July 31, 2000 in trading securities. In addition, realized gains from these trading activities were reinvested during the nine-month period ended July 31, 2000. As a result, cash and cash equivalents have decreased $6.2 million and trading securities have increased $13.1 million.

Total stockholders' equity at July 31, 2000 increased $9.3 million, or 28.2 percent from October 31, 1999. Net income retained and an increase in paid-in capital of $1.3 million resulting from the tax benefit of disqualifying disposition of stock options exercised accounted for the majority of this increase. During the nine months ended July 31, 2000, employees realized gains on the premature disposition of stock options exercised of approximately $3.4 million. The $1.3 million tax benefit to the Company of these gains has been reflected as an increase in paid-in capital.

Liquidity and Capital Resources

During the first nine months of fiscal years 2000 and 1999, the Company's primary capital needs have been to fund working capital requirements and capital expenditures as needed. The Company's primary source of financing has been cash provided from operations; however, the Company does maintain bank lines of credit as described below. As of July 31, 2000, there was a balance of $150,000 outstanding under these lines of credit for working capital purposes. There was no balance outstanding under the lines as of the end of fiscal year 1999.

Under a loan agreement with its bank dated March 10, 1999, the Company has a $5 million secured revolving line of credit available for general corporate purposes and a $10 million secured line of credit available to fund potential acquisitions, mergers and joint ventures. The lines of credit bear interest at 1.50 percent above the monthly LIBOR rate and are equally and ratably secured by the Company's accounts receivable, contract rights, inventory, furniture and fixtures, machinery and equipment and general intangibles. The lines of credit will expire on February 28, 2001, unless renewed or extended. As of the date hereof, the Company has no additional material sources of financing. The Company believes that its cash flow from operations and available lines of credit will be adequate to fund its operations for at least the next twelve months.

Cash flows used in operations were approximately $6.2 million for the nine months ended July 31, 2000. Cash flows provided by operations were approximately $9.0 million for the nine months ended July 31, 1999. For the nine months ended July 31, 2000, cash flows used in operations were primarily due to the purchase of approximately $13.8 million in trading securities, an increase in trade accounts receivable of $2.5 million, and a decrease in accounts payable and accrued expenses of $892,000, partially offset by cash provided by operating income, realized net gains on trading securities of $2.1 million, a decrease in inventories of $1.6 million and an increase in payable to investment broker of $669,000. Cash flows provided by operations for the nine months ended July 31, 1999 were primarily provided by operating income, a decrease in inventories of $1.6 million and an increase in accounts payable and accrued expenses of $993,000.

Net cash used in investing activities totaled $1,040,000 for the nine months ended July 31, 2000 and was primarily for expenditures related to facilities and 9equipment of $976,000 and increase in cash surrender value of life insurance of $64,000. Net cash used in investing activities totaled $382,000 for the nine months ended July 31, 1999 and was primarily for expenditures related to facilities and equipment of $210,000 and increase in cash surrender value of life insurance of $171,000. As of July 31, 2000, there were no material commitments for additional capital expenditures.

Net cash provided by financing activities was $964,000 for the nine months ended July 31, 2000 and related to proceeds from the exercise of employee stock options and proceeds from notes payable. Net cash used in financing activities was $4.7 million for the nine months ended July 31, 1999 and primarily related to the Company's common stock repurchase program.

The Company's Board of Directors has authorized the repurchase of up to $20 million of the Company's common stock in the open market or in privately negotiated transactions. Through July 31, 2000, the Company has repurchased approximately $14.9 million of its common stock in such transactions since the inception of the Company's share repurchase program in October 1997. The repurchases were funded through cash flows from operations. The Company may use excess working capital and other sources as appropriate to finance the remaining share repurchase program.

On August 31, 2000, the Company's Board of Directors approved a 3-for-2 stock split effected in the form of a stock dividend of one share payable on September 28, 2000, upon each two shares held by stockholders of record at the close of business on September 8, 2000. The Company's stock will begin trading ex-dividend on September 29, 2000. Any fractional shares will be settled in cash. All references to share and per share data, except for references to authorized shares, contained elsewhere in this quarterly report have been retroactively adjusted to reflect the impact of the approved stock dividend.

Derivatives

The Company does not use derivatives or other off-balance sheet instruments such as future contracts, forward obligations, interest rate swaps, or options.

Future Accounting Considerations

In June 1998, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 133, Accounting for Derivative Instruments and Hedging Activities. SFAS No. 133 establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities. In June 1999, the FASB issued SFAS No. 137, Accounting for Derivative Instruments and Hedging Activities - Deferral of the Effective Date of FASB Statement No. 133. SFAS No. 137 defers the effective date of SFAS No. 133 to apply to all fiscal quarters of all fiscal years beginning after June 15, 2000. In June 2000, the FASB issued SFAS No. 138, Accounting for Certain Derivative Instruments and Certain Hedging Activities, an amendment of FASB Statement No. 133. SFAS No. 138 amends SFAS No. 133 for a limited number of issues that have caused application difficulties. It is not anticipated that SFAS No. 133, as amended, will have a material effect on the financial position, results of operations or liquidity of the Company.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The Company does not engage in derivative financial instruments or derivative commodity instruments. As of July 31, 2000, the Company's financial instruments are not exposed to significant market risk due to interest rate risk, foreign currency exchange risk or commodity price risk. However, as of July 31, 2000, the Company's trading securities, which consist of shares in a stock index mutual fund concentrated in the technology industry sector, are exposed to equity price risk. As of July 31, 2000, the Company's trading securities have experienced a 5.7 percent decline in value since the date of purchase. It is reasonably possible that the price of these trading securities, valued at approximately $13.1 million as of July 31, 2000, could continue to experience an adverse change in the near term. For illustration purposes, assuming a 30 percent adverse change in the fund's equity price, the Company's trading securities would decrease in value by approximately $3.9 million, based on the value of the Company's portfolio as of July 31, 2000. This assumption is not necessarily indicative of future performance and actual results may differ materially.

PART II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits required by Item 601 of Regulation S-K for the nine months ended July 31, 2000.

27 Financial Data Schedule.

(b) Reports on Form 8-K filed during the three months ended July 31, 2000.

On September 8, 2000, a report on Form 8-K was filed with respect to the stock dividend described in note 7 in Item 1 of this Form 10-Q, attaching a press release of the Company dated September 6, 2000.

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.

OPTICAL CABLE CORPORATION
(Registrant)

Date: September 14, 2000

/s/Robert Kopstein

Robert Kopstein
Chairman of the Board, President and Chief Executive Officer

Date: September 14, 2000

/s/Kenneth W. Harber

Kenneth W. Harber
Vice President of Finance, Treasurer and Secretary
(principal financial and accounting officer)

INDEX TO ATTACHED EXHIBITS

Exhibit Number	Description
27	Financial Data Schedule.

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED JULY 31, 2000 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

Amounts inapplicable or not disclosed as a separate line on the Balance Sheet or Statement of Income are reported as 0 herein.

1,000
U.S. Dollars

9-MOS
OCT-31-2000
NOV-01-1999
JUL-31-2000
1
578
13,067
12,953
209
7,158
34,697
16,872
5,670
46,138
3,895
0
0
0
4,956
37,145
46,138
41,026
42,544
22,259
31,537
0
128
3
11,004
3,873
7,131
0
0
0
7,131
0.127
0.126