FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON D.C. 20549

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

For Quarter Ended MARCH 31, 1996

Commission File Number: 0-21026

ROCKY SHOES & BOOTS, INC.
(Exact name of registrant as specified in its charter)

OHIO (State of Incorporation)

31-1364046 (IRS Employer Identification Number)

39 E. CANAL STREET
NELSONVILLE, OHIO 45764
(Address of principal executive offices)

(614) 753-1951
(Registrant's telephone number, including area code)

(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 twelve (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 ninety (90) days.

Yes X No

3,665,548 common shares, no par value, outstanding at February 3, 1996.

PART 1 - FINANCIAL INFORMATION

ITEM 1 - FINANCIAL STATEMENTS

ROCKY SHOES & BOOTS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

<TABLE>
<CAPTION>

<S>	March 31,1996 (Unaudited) <C>	Dec. 31, 1995 <C>
ASSETS:		
Current Assets:		
Cash and Cash Equivalents	$ 325,115	$ 1,853,974
Trade Receivables	7,496,293	9,842,909
Other Receivables	1,098,774	1,464,847
Inventories	23,319,925	18,336,892
Other Current Assets	1,006,327	876,569
Total Current Assets	33,246,434	32,375,191
Fixed Assets - Net	14,553,031	14,534,176
Other Assets	2,155,483	2,171,207
Total Assets	$ 49,954,948	$ 49,080,574
LIABILITIES AND SHAREHOLDERS' EQUITY:		
Current Liabilities:		
Accounts Payable	$ 6,605,002	$ 1,429,217
Current Maturities - Long Term Debt	1,659,390	4,392,341
Accrued Liabilities	975,748	1,099,539
Total Current Liabilities	9,240,140	6,921,097
Long-Term Debt-less current maturities	16,110,449	16,553,890
Deferred Liabilities	1,235,424	2,036,457

	1996	1995
Total Liabilities	26,586,013	25,511,444
Shareholders' Equity:		
Preferred Stock, Series A, no par value; 100,000 shares issued and 92,857 shares outstanding	6,000	6,000
Common Stock, no par value; 10,000,000 shares authorized; 3,782,500 shares issued and 3,665,548 shares outstanding	14,543,947	14,543,947
Common Stock in Treasury, at cost	(1,226,059)	(1,226,059)
Retained Earnings	10,045,047	10,245,242
Total Shareholders' Equity	23,368,935	23,569,130
Total Liabilities and Shareholders' Equity	$ 49,954,948	$ 49,080,574

</TABLE>

The accompanying notes are an integral part of the financial statements

ROCKY SHOES & BOOTS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

<TABLE>
<CAPTION>

	Three Months Ended March 31, 1996	1995
<S>	<C>	<C>
Net Sales	$ 10,260,665	$ 12,045,932
Cost of Goods Sold	7,434,072	9,393,796
Gross Margin	2,826,593	2,652,136
Selling, General and Administrative Expenses	2,616,115	1,970,898
Income From Operations	210,478	681,238
Other Income And (Expenses):		
Interest Expense	(345,517)	(634,309)
Other - net	(115,204)	43,832
Total other - net	(460,721)	(590,477)
Income (Loss) Before Income Taxes	(250,243)	90,761
Income Taxes (Benefit)	(50,048)	18,152
Net Income (Loss)	($ 200,195)	$ 72,609
Net Income (Loss) Per Share	($ 0.05)	$ 0.02
Weighted Average Number of Common Shares and Equivalents Outstanding	3,665,548	3,758,405

</TABLE>

The accompanying notes are an integral part of the financial statements

ROCKY SHOES & BOOTS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

<TABLE>
<CAPTION>

	Three Months Ended March 31, 1996	1995
<S>	<C>	<C>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income (Loss)	$ (200,195)	$ 72,609
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided By (Used In) Operating Activities:		
Depreciation and Amortization	575,057	500,736
Loss on Sale of Fixed Assets	89,414	
Deferred Taxes and Other	(801,033)	(174,098)

Change in Assets and Liabilities:		
Receivables	2,712,689	(126,473)
Inventories	(4,983,033)	(5,183,687)
Other Assets	(114,034)	756,023
Accounts Payable	5,175,785	3,012,611
Accrued and Other Liabilities	(123,791)	197,197
Net Cash Provided By (Used In) Operating Activities	2,330,860	(945,082)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(683,326)	(1,186,107)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from Long Term Debt	2,033,395	1,242,475
Payments on Long Term Debt	(5,199,787)	(235,758)
Net Cash Provided By (Used In) Financing Activities	(3,176,392)	1,006,717
(DECREASE) IN CASH AND CASH EQUIVALENTS	(1,528,859)	(1,124,472)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	1,853,974	1,628,988
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 325,115	$ 504,516

</TABLE>

The accompanying notes are an integral part of the financial statements

ROCKY SHOES & BOOTS, INC.
AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. INTERIM FINANCIAL REPORTING

In the opinion of management, the unaudited financial statements include all normal recurring adjustments the Company considers necessary for a fair presentation of such financial statements in accordance with generally accepted accounting principles.

2. INVENTORIES

Inventories are comprised of the following:

<TABLE>
<CAPTION>

<S>	March 31, 1996 <C>	Dec. 31, 1995 <C>
Raw materials	$ 5,431,228	$ 3,437,802
Work-in Process	4,574,399	2,359,778
Manufactured finished goods	11,148,810	10,085,634
Factory outlet finished goods	2,165,488	2,453,678
Total	$23,319,925	$18,336,892

</TABLE>

3. SUPPLEMENTAL CASH FLOW INFORMATION

Cash paid for interest and Federal, state and local income taxes was as follows:

<TABLE>
<CAPTION>

	Three Months Ended March 31,	
<S>	1996 <C>	1995 <C>
Interest	$379,291	$609,483
Federal, state and local income taxes	$ 76,500	$ - 0 -

</TABLE>

4. Effective July 1, 1995, the Company changed its Fiscal Year from June 30 to December 31.

5. Recently Issued Accounting Standards - In October 1995, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards (SFAS) No. 123, "Accounting for Stock-Based Compensation," which was effective for the Company beginning January 1, 1996. SFAS No. 123 requires expanded disclosures of stock-based compensation arrangements with employees and encourages, but does not require, compensation costs to be measured based on the fair value of the equity instrument awarded. Companies are permitted, however, to continue to apply Accounting Principles Board (APB) Opinion No. 25, "Accounting for Stock Issued to Employees," which recognizes compensation costs based on the intrinsic value of the equity instrument awarded. The Company will continue to apply APB Opinion No. 25 to its stock based compensation awards to employees and will disclose annually the required pro forma effect on net earnings and earnings per share in a note to the financial statements.

In addition, the Company adopted SFAS No.121, "Accounting for the Impairment of Long-Lived Assets to be Disposed Of" beginning January 1, 1996. The adoption of this statement had no impact on the consolidated financial statements.

PART 1 - FINANCIAL INFORMATION
ITEM 2

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

RESULTS OF OPERATIONS

The following table sets forth, for the periods indicated, information derived from the Company's Consolidated Financial Statements, expressed as a percentage of net sales. The discussion that follows the table should be read in conjunction with the Consolidated Financial Statements of the Company.

<TABLE>
<CAPTION>

	PERCENTAGE OF NET SALES	
	Three months Ended March 31,	
	1996	1995
<S>	<C>	<C>
Net Sales	100.0%	100.0%
Cost of Goods Sold	72.4	78.0
Gross Margin	27.6	22.0
Selling, General and Administrative Expenses	25.5	16.4
Income from Operations	2.1%	5.6%

</TABLE>

THREE MONTHS ENDED MARCH 31,1996 COMPARED TO THREE MONTHS ENDED MARCH 31,1995

Net Sales

Net sales decreased $1,785,267 or 14.8% to $10,260,665 for the quarter ended March 31, 1996, from $12,045,932 for the same period a year ago. The decrease in net sales was principally due to a $1,128,000 decrease in shipments resulting from the termination of a contract in June 1995 to manufacture handsewn casual footwear for a private label customer. In addition, sales to two of the Company's larger customers decreased due to a generally difficult retail environment during the quarter. Sales prices were approximately 3% higher than a year ago.

Gross Margin

Gross margin increased $174,457, or 6.6%, to $2,826,593, for the period ended March 31, 1996, versus $2,652,136 for the same period a year ago. As a percentage of net sales, gross margin was 27.6% for the quarter ended March 31, 1996 compared to 22.0% in 1995. Gross margin and gross margin as a percentage of sales increased in part due to the termination in June 1995 of the Company's contract to manufacture casual handsewn footwear, a product with a low margin, for a private label customer. In addition, gross margin was favorably impacted in the current quarter due to a decrease in sales to two large customers that are generally at lower margins. Also, production levels of the Company's plants in the Dominican Republic and Puerto Rico were higher than a year ago and closer to capacity during the quarter ended March 31, 1996.

Selling, General and Administrative Expenses

Selling, general and administrative expense increased $645,217 or 32.7%, to $2,616,115 for the period ended March 31, 1996, versus $1,970,898 for the same period a year ago. As a percentage of net sales, selling, general and administrative expense was 25.5% for the period ended March 31, 1996, versus 16.4% for the same period a year ago. Selling, general and administrative expenses increased primarily due to increased sales management salaries and advertising, and to a lesser extent increased professional expenses related to the change of the fiscal year.

Interest Expense

Interest expense decreased $288,792 or 45.5%, to $345,517 for the period ended March 31, 1996, versus $634,309 for the same period a year ago. Most of the decrease in interest expense is a result of lower rates and lower outstanding balances on the Company's revolving line of credit.

Income Taxes

Income Taxes decreased $68,200 to an income tax benefit of $50,048 for the quarter ended March 31, 1996, versus an income tax expense of $18,152 for the same period a year earlier. The Company's relatively low effective tax rate of 20% for both periods resulted from no foreign income taxes being assessed on the income of its subsidiary in the Dominican Republic; to the favorable income tax treatment afforded under the Internal Revenue Code for income earned by the Company's subsidiary in Puerto Rico; and local tax abatements available to the Company's subsidiary in Puerto Rico.

LIQUIDITY AND CAPITAL RESOURCES

The Company has primarily funded its working capital requirements and capital expenditures through borrowings under its line of credit and other indebtedness. Working capital is used primarily to support changes in accounts receivable and inventory as a result of the Company's seasonal business cycle and business expansion. These requirements are generally lowest in January through March of each year and highest in April through September of each year. In addition, the Company requires financing to support additions to machinery, equipment, and facilities, as well as the introduction of new styles of footwear.

At March 31, 1996, the Company had working capital of $24,006,294, versus $25,454,094, at December 31, 1995. The Company has a revolving line of credit with its bank which provides for advances based on a percentage of eligible accounts receivable and inventory with maximum borrowings of $25,000,000, from January 1, 1996, through May 31, 1996. On June 1, 1996, the maximum amount increases to $35,000,000 until January 1, 1997, when the line again decreases to $25,000,000. The changes in the line of credit match the Company's seasonal requirements for working capital. As of March 31, 1996, the Company had borrowed $13,765,000 against its available line of credit of $15,302,089 (based upon the level of eligible accounts receivable and inventory).

Cash paid for capital expenditures during the quarter ended March 31, 1996 was $683,000 which expenditures were funded through operating cash flows and through long-term debt financing. The Company anticipates capital expenditures of less than $1,200,000 for the next year as the Company has sufficient manufacturing capacity to handle additional production needs. Capital expenditures for the next year will be primarily for lasts, dies, and patterns for new styles of footwear, retail in-store displays, and replacement machinery and equipment. The Company believes it will be able to finance such additions through additional long-term borrowings or through operating cash flows as appropriate.

Except for the historical information in this report , it includes forward-looking statements that involve risks and uncertainties, including, but not limited to, quarterly fluctuations in results, the management of growth, and other risks detailed from time to time in the Company's Securities and Exchange Commission filings, including the Company's Form 10-K for the Transition Period ended December 31,1995. Actual results may differ materially from management expectations.

PART II -- OTHER INFORMATION

Item 1. Legal Proceedings.

None

Item 2. Changes in Securities.

None

Item 3. Defaults Upon Senior Securities.

None

Item 4. Submission of Matters to a Vote of Security Holders.

None

Item 5. Other Information.

None

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits
The exhibits to this report begin at page___.

(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.

ROCKY SHOES & BOOTS, INC.

Date: May 10, 1996 /s/ Mike Brooks
Mike Brooks, President and Chief Executive Officer
(Principal Executive Officer)

Date: May 10, 1996 /s/ David Fraedrich
David Fraedrich, Executive Vice President, Treasurer and Chief Financial Officer
(Principal Financial and Accounting Officer)

ROCKY SHOES & BOOTS, INC.
AND SUBSIDIARIES
FORM 10-Q
EXHIBIT INDEX

<TABLE>
<CAPTION>

Exhibit Number	Exhibit Description	Page Number
<S>	<C>	<C>
10.1	Schedule identifying material details of stock option agreements substantially identical to Exhibit 10.28 of the Registrant's Annual Report on Form 10-K for the Transition Period ended December 31, 1995.	------
10.2	First Amended and Restated Revolving Credit Agreement, dated as of September 22, 1996, among the Registrant, Rocky Shoes & Boots, Co., Five Star Enterprises, Ltd., Lifestyle Footwear, Inc., NBD Bank, Bank One Columbus, NA, and NBD Bank, as Agent.	------
10.3	Second Amended and Restated Revolving Credit Agreement, dated as of April 2, 1996, among the Registrant, Rocky Shoes & Boots, Co., Five Star Enterprises, Ltd., Lifestyle Footwear, Inc., Bank One Columbus, NA, and Bank One Columbus, NA, as Agent.	------

</TABLE>

EXHIBIT 10.1
ROCKY SHOES & BOOTS, INC.
OPTIONS GRANTED UNDER
1995 STOCK OPTION PLAN
400,000 SHARES

Name of Optionee	No. of Shares	Date Issued	Date Exercisable	Date Expires	Price Per Share
William S. Moore	25,000(1)	09/07/95	09/07/96	09/06/2003	$ 5.75
William S. Moore	2,000(1)	01/01/96	01/01/97	01/01/2004	$ 6.00
David S. Fraedrich	4,000(1)	01/01/96	01/01/97	01/01/2004	$ 6.00
Robert A. Hollenbaugh	3,000(1)	01/01/96	01/01/97	01/01/2004	$ 6.00
Theodore A. Kastner	3,000(1)	01/01/96	01/01/97	01/01/2004	$ 6.00
Allen Sheets	3,000(1)	01/01/96	01/01/97	01/01/2004	$ 6.00
Barbara Brooks Fuller	2,000(1)	01/01/96	01/01/97	01/01/2004	$ 6.00
Jason Brooks	1,000(1)	01/01/96	01/01/97	01/01/2004	$ 6.00
Charles S. Brooks	1,000(1)	01/01/96	01/01/97	01/01/2004	$ 6.00
Alex Cruz	2,000(1)	01/01/96	01/01/97	01/01/2004	$ 6.00
Gene Diaco	2,000(1)	01/01/96	01/01/97	01/01/2004	$ 6.00
Rinaldo Diaz	2,000(1)	01/01/96	01/01/97	01/01/2004	$ 6.00
David Dixon	1,000(1)	01/01/96	01/01/97	01/01/2004	$ 6.00
Andy Grindstead	2,000(1)	01/01/96	01/01/97	01/01/2004	$ 6.00
Ann Henderschott	1,000(1)	01/01/96	01/01/97	01/01/2004	$ 6.00
Jerry Linn	1,000(1)	01/01/96	01/01/97	01/01/2004	$ 6.00
Jim McCumber	1,000(1)	01/01/96	01/01/97	01/01/2004	$ 6.00
Joe Nudo	2,000(1)	01/01/96	01/01/97	01/01/2004	$ 6.00
Becky Oliver	2,000(1)	01/01/96	01/01/97	01/01/2004	$ 6.00
Patricia H. Robey	1,000(1)	01/01/96	01/01/97	01/01/2004	$ 6.00
Roger Schultz	2,000(1)	01/01/96	01/01/97	01/01/2004	$ 6.00
Bud Simpson	2,000(1)	01/01/96	01/01/97	01/01/2004	$ 6.00
Kitty Soto	1,000(1)	01/01/96	01/01/97	01/01/2004	$ 6.00
Mike Steele	1,000(1)	01/01/96	01/01/97	01/01/2004	$ 6.00
Tim Thayne	2,000(1)	01/01/96	01/01/97	01/01/2004	$ 6.00
Alan Young	2,000(1)	01/01/96	01/01/97	01/01/2004	$ 6.00
Diana Wurfbain	1,000(1)	01/01/96	01/01/97	01/01/2004	$ 6.00
Curtis A. Loveland	3,000(2)	01/01/96	01/01/97	01/01/2001	$ 6.00
Stanley I. Kravetz	3,000(2)	01/01/96	01/01/97	01/01/2001	$ 6.00
Leonard L. Brown	3,000(2)	01/01/96	01/01/97	01/01/2001	$ 6.00
Mike Brooks	5,000(1)	01/01/96	01/01/97	01/01/2004	$ 6.00

(1) Shares vest 25% per year beginning on first anniversary.

(2) Shares vest 100% one year from date of grant.

Exhibit 10.2

FIRST AMENDMENT TO AMENDED AND RESTATED REVOLVING CREDIT LOAN AGREEMENT

This First Amendment to Amended and Restated Revolving Credit Loan Agreement (the "Amendment"), dated as of September 20, 1995, is made and entered into by and among Rocky Shoes & Boots, Inc., an Ohio corporation ("Rocky Inc."), Rocky Shoes & Boots Co., an Ohio corporation ("Rocky Co."), Five Star Enterprises Ltd., a Cayman Islands corporation ("Five Star"), and Lifestyle Footwear, Inc., a Delaware corporation ("Lifestyle") (the foregoing parties being referred to herein individually as a "Borrower" and collectively as the "Borrowers"), NBD Bank, an Ohio banking corporation ("NBD"), Bank One, Columbus, NA, a national banking association ("Bank One") (NBD and Bank One being referred to herein individually as a "Bank" and collectively as the "Banks"), and NBD Bank, as Agent (the "Agent"), acting in the manner and to the extent described in Article IX of the Agreement (as defined herein).

BACKGROUND INFORMATION

A. The Borrowers, the Banks and the Agent entered into a certain Amended and Restated Revolving Credit Loan Agreement, dated as of March 30, 1995 (the "Agreement"), pursuant to which the Banks agreed to provide revolving credit loans to the Borrowers, upon and subject to the terms and conditions as set forth in the Agreement.

B. The Borrowers have requested a waiver and amendment of the Agreement, and the Banks are willing to give such waiver and to amend the Agreement, upon and subject to the terms and conditions as hereinafter set forth.

PROVISIONS

NOW, THEREFORE, in consideration of the foregoing, the provision of the agreements and covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Banks, the Agent and the Borrowers hereby agree as follows (capitalized terms not defined herein shall have the meanings set forth in the Agreement):

SECTION 1. WAIVER. Without giving effect to the amendment of the Agreement set forth in Section 2(c) below, the Banks hereby waive compliance by the Borrowers with respect to the covenant regarding Capital Expenditures set forth in Section 7.2(l)(v)(x) of the Agreement, specifically that the Borrowers shall not permit Capital Expenditures to exceed $5,500,000 in Fiscal Year 1995.

SECTION 2. AMENDMENT OF THE AGREEMENT.

(a) The definition of "FISCAL YEAR" set forth in Section 1.1 of the Agreement is amended in its entirety to provide as follows:

> "FISCAL YEAR" shall mean, as to the Borrowers, (a) any period of twelve consecutive calendar months ending on June 30 through and including June 30, 1995, and (b) any period of twelve consecutive calendar months ending on December 31 beginning with December 31,1996.

(b) Section 7.2(l)(ii) of the Agreement shall be amended in its entirety to provide as follows:

> (ii) CONSOLIDATED TANGIBLE NET WORTH. Permit Consolidated Tangible Net Worth to be less than $22,400,000, which amount shall increase (x) annually on the last day of each Fiscal Year by 75% of Consolidated Earnings for such Fiscal Year (but not decreased by any losses), commencing with the Fiscal Year ending June 30, 1995, and (y) by 75% of Consolidated Earnings for the six-month interim period ending December 31, 1995 (but not decreased by any losses).

(c) Without affecting the waiver given in Section 1 above, Section 7.2(l)(v) of the Agreement shall be amended in its entirety to provide as follows:

> (v) CAPITAL EXPENDITURES. Permit Capital Expenditures to exceed (w) $5,500,000 in Fiscal Year 1995, (x) $1,000,000 in the interim six-month period from July 1, 1995 through and including December 31, 1995, (y) $1,500,000 in the Fiscal Year ending December 31, 1996, and (z) $2,000,000 in each Fiscal Year thereafter.

SECTION 3. TRUTH OF REPRESENTATIONS AND WARRANTIES; NO DEFAULTS.

The Borrowers hereby represent and warrant that the following shall be true and correct as of the date of this Amendment:

(a) The representations and warranties of the Borrower contained in Article V of the Agreement are true and correct on and as of the date of this Amendment as if made on and as of such date unless stated to relate to a specific earlier date;

(b) No event or condition exists which constitutes a Default or an Event of Default;

(c) All financial information heretofore provided to the Banks and the Agent is true, accurate and complete in all material respects; and

(d) Neither this Amendment nor any other document, certificate or written statement furnished to the Banks or to the Agent by or on behalf of the Borrowers in connection with the transactions contemplated hereby contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein and therein not misleading.

SECTION 4. REAFFIRMATION OF LIABILITY. The Borrowers hereby reaffirm their respective liability to the Banks under the Agreement and all other agreements and instruments executed by the Borrowers for the benefit of the Banks in connection with the Agreement (the "Bank Documents"). In addition, the Borrowers agree that the Banks and the Agent have performed all of their respective obligations under the Agreement and the Bank Documents and that neither the Banks are, nor the Agent is, in default under any obligation they have or it has or any of them ever did have to the Borrowers under the Agreement, the Bank Documents or any other agreement.

SECTION 5. EFFECTIVENESS OF AMENDMENT. All of the terms, covenants and conditions of, and the obligations of the Borrowers under, the Agreement and the Bank Documents shall remain in full force and effect as amended hereby.

SECTION 6. PRESERVATION OF EXISTING SECURITY INTERESTS. Each mortgage, security interest, pledge, assignment, lien or other conveyance or encumbrance of any right, title, or interest in any Collateral or other property of any kind delivered to the Banks and/or the Agent at any time by the Borrowers or any Person in connection with the Agreement or the Bank Documents or to secure the performance of the obligation of the Borrowers under the Agreement and the Bank Documents shall remain in full force and effect following the execution of this Amendment.

SECTION 7. RESERVATION OF RIGHTS; EFFECTIVE INSOLVENCY PROCEEDING. Nothing herein shall be construed to release, waive, relinquish, discharge, or in any other manner modify or affect the ability of any party hereto to contest to the discharge or dischargeability in bankruptcy of the obligation of any Person or entity in connection with the Agreement and the Bank Documents.

SECTION 8. GOVERNING LAW. This Amendment is being delivered, and is intended to be performed in, the State of Ohio and shall be construed and enforced in accordance with, and governed by, the laws of the State of Ohio.

SECTION 9. SEVERABILITY. Any provision of this Amendment which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability, without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

SECTION 10. COUNTERPARTS. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

SECTION 11. HEADINGS. The headings of the sections of this Amendment are for convenience only and shall not affect the construction or interpretation of this Amendment.

SECTION 12. INTERPRETATION. This Amendment is to be deemed to have been prepared jointly by the parties hereto, and any uncertainty or ambiguity existing herein shall not be interpreted against any party but shall be interpreted according to the rules for the interpretation of arm's length agreements.

SECTION 13. WAIVER OF JURY TRIAL. THE BANKS, THE AGENT AND EACH BORROWER, AFTER CONSULTING OR HAVING HAD THE OPPORTUNITY TO CONSULT WITH COUNSEL, KNOWING, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHT ANY OF THEM MAY HAVE TO A TRIAL BY JURY IN ANY LITIGATION BASED UPON OR ARISING OUT OF THIS AMENDMENT OR ANY RELATED INSTRUMENT OF AGREEMENT, OR ANY OF THE TRANSACTIONS CONTEMPLATED THEREBY, OR ANY COURSE OF CONDUCT, DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN), OR ACTIONS OF ANY OF THEM. THIS WAIVER SHALL NOT IN ANY WAY AFFECT THE AGENT'S OR THE BANKS' ABILITY TO PURSUE REMEDIES PURSUANT TO ANY CONFESSION OF JUDGMENT OR COGNOVIT PROVISION CONTAINED HEREIN, IN THE AGREEMENT OR ANY RELATED INSTRUMENT OR AGREEMENT. NEITHER THE BANKS, THE AGENT NOR THE BORROWER SHALL SEEK TO CONSOLIDATE, BY COUNTERCLAIM OR OTHERWISE, ANY ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. THESE PROVISIONS SHALL NOT BE DEEMED TO HAVE BEEN MODIFIED IN ANY RESPECT OR RELINQUISHED BY THE BANKS, THE AGENT OR THE BORROWERS EXCEPT BY A WRITTEN INSTRUMENT EXECUTED BY ALL OF THEM.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized officers as of the date first above written.

<TABLE>

<S>	<C>
BORROWERS:	BANKS:
ROCKY SHOES & BOOTS, INC., an Ohio corporation	NBD BANK, an Ohio banking corporation
By: /s/ Mike Brooks	By: /s/ Kathleen T. Coleman
Title: President & CEO	Title: Second Vice President
ROCKY SHOES & BOOTS CO., an Ohio corporation	BANK ONE, COLUMBUS, NA, a national banking association
By: /s/ David Fraedich	By: /s/ Elizabeth E. Cadwallader
Title: Executive Vice President & CFO	Title: Vice President

</TABLE>

<TABLE>

<S>	<C>
FIVE STAR ENTERPRISES, LTD., a Cayman Islands corporation	AGENT:
	NBD BANK, AS AGENT, an Ohio banking corporation
By: /s/ Mike Brooks	
Title: President & CEO	By: /s/ Kathleen T. Coleman
	Title: Second Vice President
LIFESTYLE FOOTWEAR, INC., a Delaware corporation	
By: /s/ David Fraedrich	
Title: Executive Vice President & CFO	

</TABLE>

Exhibit 10.3

SECOND AMENDMENT TO AMENDED AND RESTATED
REVOLVING CREDIT LOAN AGREEMENT

This Second Amendment to Amended and Restated Revolving Credit Loan Agreement (the "Amendment"), dated as of April 2, 1996 and to be effective as of January 1, 1996, is made and entered into by and among Bank One, Columbus, NA, a national banking association ("Bank One"), Bank One, as Agent (the "Agent"), acting in the manner and to the extent described in Article IX of the Agreement (as defined herein), Rocky Shoes & Boots, Inc., an Ohio corporation ("Rocky Inc."), Rocky Shoes & Boots Co., an Ohio corporation ("Rocky Co."), Five Star Enterprises Ltd., a Cayman Islands corporation ("Five Star"), and Lifestyle Footwear, Inc., a Delaware corporation ("Lifestyle") (Rocky Inc., Rocky Co., Five Star and Lifestyle shall be referred to herein individually as a "Borrower" and collectively as the "Borrowers"),

BACKGROUND INFORMATION

A. The Borrowers, Bank One and NBD Bank, individually and as agent, entered into a certain Amended and Restated Revolving Credit Loan Agreement, dated as of March 30, 1995, as amended by a certain First Amendment to Amended and Restated Revolving Credit Loan Agreement, dated as of September 22, 1995 (such agreement, as so amended, the "Agreement"), pursuant to which Bank One and NBD Bank agreed to provide revolving credit loans to the Borrowers, upon and subject to the terms and conditions as set forth in the Agreement.

B. Bank One (i) assumed all rights, interests and obligations of NBD Bank, individually and as agent, under the Agreement, and (ii) purchased the revolving credit loan of NBD Bank to the Borrowers made under the Agreement, pursuant to a certain Loan Purchase, Assignment and Master Amendment Agreement, dated as of February 1, 1996.

C. The Borrowers have requested that the Agreement be amended, and Bank One is willing to amend the Agreement, upon and subject to the terms and conditions as hereinafter set forth.

PROVISIONS

NOW, THEREFORE, in consideration of the foregoing, the provision of the agreements and covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Bank One, the Agent and the Borrowers hereby agree as follows (capitalized terms not defined herein shall have the meanings set forth in the Agreement):

SECTION 1. Amendment of the Agreement.

(a) Section 7.2(l)(ii) of the Agreement shall be amended in its entirety to provide as follows:

> (ii) Consolidated Tangible Net Worth. Permit Consolidated Tangible Net Worth to be less than (x) $23,250,000 through and including June 29, 1996, and (y) $23,750,000 thereafter, which amount shall increase annually on the last day of each Fiscal Year by 75% of Consolidated Earnings for such Fiscal Year (but not decreased by any losses), commencing with the Fiscal Year ending December 31, 1996.

(b) Section 7.2(l)(iv) of the Agreement shall be amended in its entirety to provide as follows:

> (iv) Cash Flow Coverage. Permit Cash Flow Coverage (based on the last four (4) Fiscal Quarters) to be less than (x) 1.1:1.0 through and including June 29, 1996, and (y) 1.3:1.0 thereafter.

SECTION 2. Truth of Representations and Warranties; No Defaults. The Borrowers hereby represent and warrant that the following shall be true and correct as of the date of this Amendment:

> (a) The representations and warranties of the Borrower contained in Article V of the Agreement are true and correct on and as of the date of this Amendment as if made on and as of such date unless stated to relate to a specific earlier date;
>
> (b) No event or condition exists which constitutes a Default or an Event of Default;
>
> (c) All financial information heretofore provided to Bank One and the Agent is true, accurate and complete in all material respects; and
>
> (d) Neither this Amendment nor any other document, certificate or written statement furnished to Bank One or to the Agent by or on

behalf of the Borrowers in connection with the transactions contemplated hereby contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein and therein not misleading.

SECTION 3. Reaffirmation of Liability. The Borrowers hereby reaffirm their respective liability to Bank One under the Agreement and all other agreements and instruments executed by the Borrowers for the benefit of Bank One in connection with the Agreement (the "Bank Documents"). In addition, the Borrowers agree that Bank One and the Agent have performed all of their respective obligations under the Agreement and the Bank Documents and that neither Bank One nor the Agent is in default under any obligation either of them have or ever did have to the Borrowers under the Agreement, the Bank Documents or any other agreement.

SECTION 4. Effectiveness of Amendment. All of the terms, covenants and conditions of, and the obligations of the Borrowers under, the Agreement and the Bank Documents shall remain in full force and effect as amended hereby.

SECTION 5. Preservation of Existing Security Interests. Each mortgage, security interest, pledge, assignment, lien or other conveyance or encumbrance of any right, title, or interest in any Collateral or other property of any kind delivered to Bank One and/or the Agent at any time by the Borrowers or any Person in connection with the Agreement or the Bank Documents or to secure the performance of the obligation of the Borrowers under the Agreement and the Bank Documents shall remain in full force and effect following the execution of this Amendment.

SECTION 6. Reservation of Rights; Effective Insolvency Proceeding. Nothing herein shall be construed to release, waive, relinquish, discharge, or in any other manner modify or affect the ability of any party hereto to contest to the discharge or dischargeability in bankruptcy of the obligation of any Person or entity in connection with the Agreement and the Bank Documents.

SECTION 7. Governing Law. This Amendment is being delivered, and is intended to be performed in, the State of Ohio and shall be construed and enforced in accordance with, and governed by, the laws of the State of Ohio.

SECTION 8. Severability. Any provision of this Amendment which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability, without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

SECTION 9. Counterparts. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

SECTION 10. Headings. The headings of the sections of this Amendment are for convenience only and shall not affect the construction or interpretation of this Amendment.

SECTION 11. Interpretation. This Amendment is to be deemed to have been prepared jointly by the parties hereto, and any uncertainty or ambiguity existing herein shall not be interpreted against any party but shall be interpreted according to the rules for the interpretation of arm's length agreements.

SECTION 12. Waiver of Jury Trial. BANK ONE, THE AGENT AND EACH BORROWER, AFTER CONSULTING OR HAVING HAD THE OPPORTUNITY TO CONSULT WITH COUNSEL, KNOWING, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHT ANY OF THEM MAY HAVE TO A TRIAL BY JURY IN ANY LITIGATION BASED UPON OR ARISING OUT OF THIS AMENDMENT OR ANY RELATED INSTRUMENT OF AGREEMENT, OR ANY OF THE TRANSACTIONS CONTEMPLATED THEREBY, OR ANY COURSE OF CONDUCT, DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN), OR ACTIONS OF ANY OF THEM. THIS WAIVER SHALL NOT IN ANY WAY AFFECT THE AGENT'S OR BANK ONE'S ABILITY TO PURSUE REMEDIES PURSUANT TO ANY CONFESSION OF JUDGMENT OR COGNOVIT PROVISION CONTAINED HEREIN, IN THE

AGREEMENT OR ANY RELATED INSTRUMENT OR AGREEMENT. NEITHER BANK ONE, THE AGENT NOR ANY BORROWER SHALL SEEK TO CONSOLIDATE, BY COUNTERCLAIM OR OTHERWISE, ANY ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. THESE PROVISIONS SHALL NOT BE DEEMED TO HAVE BEEN MODIFIED IN ANY RESPECT OR RELINQUISHED BY BANK ONE, THE AGENT OR THE BORROWERS EXCEPT BY A WRITTEN INSTRUMENT EXECUTED BY ALL OF THEM.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized officers as of the date first above written.

BANK ONE:

BANK ONE, COLUMBUS, NA, individually

and as Agent,
a national banking association

By: /s/ Elizabeth Cadwallader

Title: Vice President

BORROWERS:

ROCKY SHOES & BOOTS, INC.
an Ohio corporation

By: /s/ David Fraedrich

Title: Exec. V.P. and C.F.O.

ROCKY SHOES & BOOTS CO.,
an Ohio corporation

By: /s/ David Fraedrich

Title: Exec. V.P. and C.F.O.

FIVE STAR ENTERPRISES, LTD.
a Cayman Islands corporation

By: /s/ David Fraedrich

Title: Exec. V.P. and C.F.O.

LIFESTYLE FOOTWEAR, INC.
a Delaware corporation

By: /s/ David Fraedrich

Title: Exec. V.P. and C.F.O.

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED BALANCE SHEETS AND CONSOLIDATED STATEMENTS OF OPERATIONS FOUND IN THE COMPANY'S FORM 10-Q FOR THE YEAR TO DATE, AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.
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