

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 11-K

ANNUAL REPORT  
PURSUANT TO SECTION 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

(Mark One):

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE  
ACT OF 1934

For the plan year ended

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OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934

For the transition period from June 1, 1993 to November 30, 1993

COMMISSION FILE NUMBER 1-7685

A. Full title of the plan and the address of the plan, if  
different from that of the issue named below:

AVERY DENNISON CORPORATION EMPLOYEE SAVINGS PLAN

B. Name of issuer of the securities held pursuant to the plan and  
the address of its principal executive office:

AVERY DENNISON CORPORATION  
150 North Orange Grove Blvd.  
Pasadena, California 91103

An Exhibit Index may be found on page 2 of this report.  
Total number of pages in this report: 23

REQUIRED INFORMATION

Financial Statements, Supplemental Schedules and Exhibits as follows:

	Page No.
	-----
1. Financial Statements	
. Report of Independent Accountants	2
. Statements of Net Assets Available for Benefits as of November 30, 1993 and May 31, 1993	3-4
. Statements of Changes in Net Assets Available for Benefits for the six months ended November 30, 1993 and the years ended May 31, 1993 and 1992	5-7
. Notes to Financial Statements	8-16
2. Supplemental Schedules	
. Item 27a - Schedule of Assets Held for Investment Purposes as of November 30, 1993	17-18
. Item 27d - Schedule of Reportable Transactions for the six months ended November 30, 1993	19
Certain schedules have been omitted because they are not applicable, not material or because the information is included in the financial statements or the notes thereto.	
3. Exhibits	
(24) Consent of Independent Accountants	20

SIGNATURES

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

AVERY DENNISON CORPORATION  
EMPLOYEE SAVINGS PLAN

Date: May 27, 1994

By /s/ WALTER H. PFAU  
-----  
Walter H. Pfau, Chairman  
Administrative Committee

REPORT OF INDEPENDENT ACCOUNTANTS  
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To the Administrative Committee  
of the Avery Dennison Corporation  
Employee Savings Plan

We have audited the accompanying statements of net assets available for benefits of the Avery Dennison Corporation Employee Savings Plan (the "Plan") as of November 30 and May 31, 1993 and the related statements of changes in net assets available for benefits for the six months ended November 30, 1993 and for the years ended May 31, 1993 and 1992. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of November 30 and May 31, 1993 and the changes in net assets available for benefits for the six months ended November 30, 1993 and for the years ended May 31, 1993 and 1992 in conformity with generally accepted accounting principles.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of assets held for investment purposes as of November 30, 1993 and reportable transactions for the six months then ended are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ COOPERS & LYBRAND

Coopers & Lybrand  
Los Angeles, California  
May 13, 1994

AVERY DENNISON CORPORATION  
EMPLOYEE SAVINGS PLAN

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS  
(Dollars In Millions)

As of November 30, 1993	EMPLOYEE SAVINGS PLAN FUNDS									TOTAL
	A	B	C	D	E	F	G	H	I	
<b>ASSETS</b>										
Investments:										
Cash and Cash Equivalents	\$ 15.1	--	\$ .7	--	--	--	--	\$ .2	\$ 3.5	\$ 19.5
Guaranteed Investment Contracts, at contract value	89.3	--	--	--	--	--	--	--	--	89.3
Corporate Bonds and Notes (Cost - \$11.9)	11.9	--	--	--	--	--	--	--	--	11.9
Company Common Stock (Cost - \$100.8, Shares - 3,740,414)	--	--	49.3	--	--	--	--	34.4	26.7	110.4
Investments in Registered Investment Company (Cost - \$62.1)	--	\$19.2	--	\$ 4.4	\$17.5	\$15.0	\$ 8.3	--	--	64.4
Participant Loans	6.8	1.1	2.9	.2	1.0	.9	.5	--	--	13.4
<b>Total Investments</b>	<b>123.1</b>	<b>20.3</b>	<b>52.9</b>	<b>4.6</b>	<b>18.5</b>	<b>15.9</b>	<b>8.8</b>	<b>34.6</b>	<b>30.2</b>	<b>308.9</b>
Receivables	.3	--	.4	--	--	--	--	.4	.4	1.5
<b>Total Assets</b>	<b>123.4</b>	<b>20.3</b>	<b>53.3</b>	<b>4.6</b>	<b>18.5</b>	<b>15.9</b>	<b>8.8</b>	<b>35.0</b>	<b>30.6</b>	<b>310.4</b>
<b>LIABILITIES</b>										
Notes Payable	--	--	--	--	--	--	--	--	25.4	25.4
Interest Payable	--	--	--	--	--	--	--	--	1.6	1.6
Payable for Securities Purchased	--	--	.3	--	--	--	--	--	--	.3
<b>Total Liabilities</b>	<b>--</b>	<b>--</b>	<b>.3</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>27.0</b>	<b>27.3</b>
<b>NET ASSETS AVAILABLE FOR BENEFITS</b>	<b>\$123.4</b>	<b>\$20.3</b>	<b>\$53.0</b>	<b>\$4.6</b>	<b>\$18.5</b>	<b>\$15.9</b>	<b>\$8.8</b>	<b>\$35.0</b>	<b>\$ 3.6</b>	<b>\$283.1</b>

The accompanying notes are an integral part of these financial statements.

AVERY DENNISON CORPORATION  
EMPLOYEE SAVINGS PLAN

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS  
(Dollars In Millions)

As of May 31, 1993	EMPLOYEE SAVINGS PLAN FUNDS									
	A	B	C	D	E	F	G	H	I	TOTAL
<b>ASSETS</b>										
Investments:										
Cash and Cash Equivalents	\$ 12.4	--	\$ .6	--	--	--	--	--	\$3.8	\$ 16.8
Guaranteed Investment Contracts, at contract value	89.7	--	--	--	--	--	--	--	--	89.7
Corporate Bonds and Notes (Cost - \$14.5)	14.4	--	--	--	--	--	--	--	--	14.4
Company Common Stock (Cost - \$44.8, Shares - 1,880,549)	--	--	47.4	--	--	--	--	\$3.4	5.9	56.7
Investments in Registered Investment Company (Cost - \$29.5)	--	\$19.5	--	\$2.7	\$4.0	\$4.4	\$ .7	--	--	31.3
Participant Loans	6.0	1.0	2.4	.1	.1	.2	--	--	--	9.8
<b>Total Investments</b>	<b>122.5</b>	<b>20.5</b>	<b>50.4</b>	<b>2.8</b>	<b>4.1</b>	<b>4.6</b>	<b>.7</b>	<b>3.4</b>	<b>9.7</b>	<b>218.7</b>
Receivables	.5	.1	.6	--	--	--	--	.1	.2	1.5
<b>Total Assets</b>	<b>123.0</b>	<b>20.6</b>	<b>51.0</b>	<b>2.8</b>	<b>4.1</b>	<b>4.6</b>	<b>.7</b>	<b>3.5</b>	<b>9.9</b>	<b>220.2</b>
<b>LIABILITIES</b>										
Note Payable	--	--	--	--	--	--	--	--	8.2	8.2
Interest Payable	--	--	--	--	--	--	--	--	.1	.1
<b>Total Liabilities</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>8.3</b>	<b>8.3</b>
<b>NET ASSETS AVAILABLE FOR BENEFITS</b>	<b>\$123.0</b>	<b>\$20.6</b>	<b>\$51.0</b>	<b>\$ 2.8</b>	<b>\$4.1</b>	<b>\$4.6</b>	<b>\$ .7</b>	<b>\$3.5</b>	<b>\$1.6</b>	<b>\$211.9</b>

The accompanying notes are an integral part of these financial statements.

AVERY DENNISON CORPORATION  
EMPLOYEE SAVINGS PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS  
(In Millions)

EMPLOYEE SAVINGS PLAN FUNDS										
For the Six Months Ended November 30, 1993	A	B	C	D	E	F	G	H	I	TOTAL
Investment Income:										
Interest	\$ 4.2	--	\$ .1	--	--	--	--	--	--	\$ 4.3
Dividends	--	\$ .2	.7	--	--	\$ 1.2	\$ .1	\$ .8	\$ .7	3.7
	4.2	.2	.8	--	--	1.2	.1	.8	.7	8.0
Net Appreciation (Depreciation) in the Fair Value of Investments	.2	.5	(.8)	\$ .1	\$ .6	(.4)	--	(.9)	(.9)	(1.6)
Contributions:										
Employer	--	--	2.8	--	--	--	--	--	--	2.8
Employee	2.3	1.1	1.4	.5	1.5	1.1	.8	--	--	8.7
Interest Expense	--	--	--	--	--	--	--	--	(1.0)	(1.0)
Plan Transfers	.7	--	--	--	7.9	8.9	8.8	33.7	4.6	64.6
Participant Distributions	(3.5)	(.4)	(1.1)	--	(.6)	(.6)	(.8)	(2.1)	(1.2)	(10.3)
Interfund Transfers	(3.5)	(1.7)	(1.1)	1.2	5.0	1.1	(.8)	--	(.2)	--
Increase (Decrease) in Net Assets Available for Benefits	.4	(.3)	2.0	1.8	14.4	11.3	8.1	31.5	2.0	71.2
Net Assets Available for Benefits:										
Beginning of Period	123.0	20.6	51.0	2.8	4.1	4.6	.7	3.5	1.6	211.9
End of Period	\$123.4	\$20.3	\$53.0	\$4.6	\$18.5	\$15.9	\$ 8.8	\$35.0	\$ 3.6	\$283.1

The accompanying notes are an integral part of these financial statements.

AVERY DENNISON CORPORATION  
EMPLOYEE SAVINGS PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS  
(In Millions)

For the Year Ended May 31, 1993	EMPLOYEE SAVINGS PLAN FUNDS									TOTAL
	A	B	C	D	E	F	G	H	I	
Investment Income:										
Interest	\$ 8.4	\$ .1	\$ .1	--	--	--	--	--	\$ .1	\$ 8.7
Dividends	--	.5	1.4	--	\$.3	\$.1	--	\$.1	.2	2.6
	8.4	.6	1.5	--	.3	.1	--	.1	.3	11.3
Net Appreciation in the Fair Value of Investments	.7	1.5	3.0	\$.2	.1	.3	--	.2	.3	6.3
Contributions:										
Employer	.4	--	4.4	--	--	--	--	--	--	4.8
Employee	4.2	2.1	3.3	.3	.5	.4	\$.3	--	--	11.1
Interest Expense	--	--	--	--	--	--	--	--	(.4)	(.4)
Plan Transfers	10.6	--	--	--	--	--	--	.1	--	10.7
Participant (Distributions)										
Forfeitures	(6.5)	(.9)	(1.8)	--	--	--	--	(.2)	.1	(9.3)
Interfund Transfers	(4.3)	(3.4)	(1.9)	2.3	3.2	3.8	.4	--	(.1)	--
Increase (Decrease) in Net Assets Available for Benefits	13.5	(.1)	8.5	2.8	4.1	4.6	.7	.2	.2	34.5
Net Assets Available for Benefits:										
Beginning of Year	109.5	20.7	42.5	--	--	--	--	3.3	1.4	177.4
End of Year	\$123.0	\$ 20.6	\$51.0	\$ 2.8	\$ 4.1	\$ 4.6	\$ .7	\$ 3.5	\$1.6	\$211.9

The accompanying notes are an integral part of these financial statements.

AVERY DENNISON CORPORATION  
EMPLOYEE SAVINGS PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS  
(In Millions)

For the Year Ended May 31, 1992	EMPLOYEE SAVINGS PLAN FUNDS					TOTAL
	A	B	C	H	I	
Investment Income:						
Interest	\$ 9.1	\$ .1	\$ .1	--	\$ .2	\$ 9.5
Dividends	--	--	1.1	\$ .1	.4	1.6
	9.1	.1	1.2	.1	.6	11.1
Net Appreciation in the Fair Value of Investments	.1	1.6	4.7	.3	1.0	7.7
Contributions:						
Employer	.1	.1	3.7	--	.8	4.7
Employee	4.0	2.3	3.3	--	--	9.6
Interest Expense	--	--	--	--	(.8)	(.8)
Plan Transfers	(.1)	--	(.1)	--	--	(.2)
Participant Distributions	(8.4)	(1.1)	(2.0)	(.1)	--	(11.6)
Interfund Transfers	(1.6)	2.1	(.5)	--	--	--
Increase in Net Assets Available for Benefits	3.2	5.1	10.3	.3	1.6	20.5
Net Assets Available for Benefits:						
Beginning of Year	106.3	15.6	32.2	3.0	(.2)	156.9
End of Year	\$109.5	\$20.7	\$42.5	\$ 3.3	\$1.4	\$177.4

The accompanying notes are an integral part of these financial statements.



AVERY DENNISON CORPORATION  
EMPLOYEE SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS

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1. The Plan:

The Avery Dennison Corporation Employee Savings Plan (the "Plan") is a defined contribution plan in which employees are eligible to participate after one year of service with Avery Dennison Corporation (the "Company"). After one year of employment, an employee may contribute from 1% to 16% of total compensation (up to \$235,840 for Plan years beginning in 1993) while the Company matches 50% of all employee contributions up to 6% of such compensation. Employee contributions are immediately 100% vested. Company contributions are 100% vested after three years of service. If a participant is terminated prior to that time, all Company contributions are forfeited.

Participants are allowed to make Pre-Tax Savings ("PTS") contributions (limited to \$8,994 in 1993) or After-Tax Savings ("ATS") contributions. PTS contributions are not taxable until the year they are withdrawn. ATS contributions are taxable in the year the contributions are made. Company contributions and earnings of the Plan are taxable to participants only when distributed.

Generally, an employee is allowed to make one after-tax withdrawal from Funds A through G during each fiscal year of the Plan. After-tax withdrawals range from a \$1,000 minimum, or the participant's total unmatched ATS contributions if less than \$1,000, to a maximum of total employee after-tax contributions plus investment earnings on such contributions. Participants also have the right, subject to limitations, to borrow from their accounts in Funds A through G of the Plan.

Refer to the Plan document for additional information relating to the Plan.

While the Company has not expressed any intent to terminate the Plan, it may do so at any time. In the event of termination, all of the net assets in Funds A through H will be distributed, after expenses of termination, to the participants in proportion to their account balances in such Funds.

AVERY DENNISON CORPORATION  
EMPLOYEE SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS, (Continued)

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2. During 1993, the Plan's fiscal year end was changed from May 31 to November 30. The following is a condensed statement of changes in net assets available for benefit for the six months ended November 30, 1992:

	Plan Total (Unaudited) -----
Investment Income:	
Interest	\$ 3.6
Dividends	.5
-----	
	4.1
Net Appreciation in the Fair Value of Investments	1.3
Contributions:	
Employer	1.7
Employee	3.7
Interest Expense	(.2)
Plan Transfers	(.1)
Participant Distributions	(4.5)
-----	
Increase in Net Assets Available for Benefits	6.0
-----	
Net Assets Available for Benefits:	
June 1, 1992	177.4
-----	
November 30, 1992	\$183.4
=====	

3. Summary of Significant Accounting Policies:

The financial statements have been prepared in conformity with generally accepted accounting principles. The following is a summary of significant accounting policies:

Investments  
-----

The Plan considers cash on hand, and short-term deposits and investments with maturities of three months or less when purchased, as cash and cash equivalents. The short-term deposits consist of units of participation in collective investment funds (\$1/unit) at various banks.

EVERY DENNISON CORPORATION  
EMPLOYEE SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS, (Continued)

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3. Summary of Significant Accounting Policies (Continued):

Guaranteed investment contracts are valued at "contract value", which represents contributions plus interest earned less benefits paid and transfers to other funds. If one or all of the contracts were to be terminated by the Plan prior to the expiration date, and the Plan's assets withdrawn, the amount received by the Plan could be less than the contract value under the relevant provisions of the agreements.

Corporate bonds and notes and investment in a registered investment company are valued at market price as of the end of the fiscal year of the Plan. Investments in Company common stock are valued at the closing market price on the last business day of the Plan year.

Participant loans are valued at cost with interest rates, determined quarterly, equal to the prime rate plus one percent at the time of the loan. The loans generally have a maximum term of five years and are recorded against the participant's account on the date of borrowing. Principal and interest payments are credited to the participant's account.

The Plan presents, in the Statement of Changes in Net Assets Available for Benefits, the net appreciation or depreciation in the fair value of investments, which consists of the realized gains or losses and the unrealized appreciation or depreciation on those investments during the period reported.

Purchases and sales of securities are recorded on a trade date basis. Realized gains or losses on sales of securities are computed on an average cost basis. Unrealized appreciation or depreciation in the fair value of investments is the difference between the market value of the assets at the end of the Plan year and the cost of those assets at the time of purchase.

The Department of Labor requires realized and unrealized gains and losses to be determined using the value of the asset as of the beginning of the plan year (referred to as the "current value method") rather than using the historical cost basis of the asset. Therefore, the amounts reflected in Note 5, calculated on an historical cost basis, will differ from those presented in the Form 5500, Annual Return/Report of Employee Benefit Plan, to be filed for the Plan.

Contributions  
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Participant and employer contributions are recorded on an accrual basis.

Administrative Expenses  
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Administrative expenses of the Plan are paid by the Company, except for loan fees which are paid by participants.

AVERY DENNISON CORPORATION  
EMPLOYEE SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS, (Continued)

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3. Summary of Significant Accounting Policies (Continued):

Other  
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Dividend income is accrued on the ex-dividend date. Interest income from other investments is accrued as earned.

4. Investment Programs:

All accounts are held in trust and invested in accordance with the terms of the Plan and the investment options elected by participants. During the fiscal year ended May 31, 1993, the Plan was amended to increase the number of eligible investment options from three to seven.

A participant can elect to invest in Funds A through G of the Plan and may invest all contributions in one fund or allocate investments among the various funds. Fund H and Fund I are not eligible for investment by participants. The following is a brief description of each fund:

Fund A FIXED INCOME FUND. This fund invests primarily in a mix of medium-term investment contracts issued by insurance companies and banks with high credit ratings, and in professionally managed portfolios of high-grade short-and medium-term fixed income securities. The investment return on the fund is determined by the blended rates of return from all investments in the fund.

Fund B UNITED STATES EQUITY INDEX FUND. This mutual fund is a growth and income fund that seeks to duplicate the composition and total return of the Standard & Poor's 500 Composite Stock Price Index (the "S&P 500"). The fund invests primarily in the common stock of the 500 companies that make up the S&P 500 and may also hold stock index futures and options.

Fund C COMPANY COMMON STOCK FUND. This fund consists primarily of the Company's common stock.

Fund D GROWTH COMPANY FUND. This mutual fund invests aggressively in growth companies with holdings historically diversified evenly among small, medium and large companies. The fund invests in common stock, securities convertible into common stock and, occasionally, debt instruments.

Fund E MAGELLAN(R)FUND. This mutual fund is an aggressive growth mutual fund which invests in a diversified mix of common stock and securities convertible into common stock of various domestic and international companies across various industries.

AVERY DENNISON CORPORATION  
EMPLOYEE SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS, (Continued)

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4. Investment Programs (Continued):

- Fund F PURITAN(R)FUND. This mutual fund is a balanced investment fund which invests in both debt and equity securities. Historically, the fund has invested 60-80% of its assets in high-yielding equity securities with the remaining assets invested in bonds of various investment grades. Investments are diversified across a variety of companies, industries and types of securities.
- Fund G RETIREMENT GOVERNMENT MONEY MARKET FUND. This mutual fund invests in obligations issued or guaranteed by the United States government or its agencies.
- Fund H FORMER EMPLOYEE STOCK OWNERSHIP PLAN FUND. This fund holds the assets of the Company's former Avery International Employee Stock Ownership Plan ("ESOP") and Dennison Employee Stock Ownership Plan and Trust ("ESOT"). Participant accounts transferred from both plans earn a pro rata share of the fund's net investment income each year. However, a participant's account balance is subject to the restrictions of the former plans. As a result, participants of the former ESOP cannot elect to transfer, borrow, or withdraw the assets credited to their accounts. Participants of the former ESOT cannot elect to transfer or borrow the assets credited to their accounts, but do have ten percent (10%) diversification withdrawal rights. Participants' account balances will be distributed in shares of stock and/or cash upon retirement or termination of employment with the Company.
- Fund I LEVERAGED STOCK FUND. This fund was established to provide a leveraged employee stock ownership feature to the Plan. Loan proceeds are used to purchase Company common stock. Stock in this fund is allocated to participant accounts to satisfy all employee elections to contribute to Fund C and employer matching contributions.

AVERY DENNISON CORPORATION  
EMPLOYEE SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS, (Continued)

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5. Net Appreciation (Depreciation) in the Fair Value of Investments:

The following is a schedule of realized gains and losses and unrealized appreciation and depreciation on investments for the six months ended November 30, 1993 and the years ended May 31, 1993 and 1992 (in millions):

	Realized Gains (Losses)			Unrealized Appreciation (Depreciation)			Net Appreciation (Depreciation) in the Fair Value of Investments
	Aggregate Proceeds	Aggregate Cost	Realized Gain (Loss)	Beginning of the Year	End of the Year	Unrealized Appreciation (Depreciation)	
<b>11/30/93</b>							
Fund A	\$ 67.0	\$ 66.5	\$ .5	\$ .3	--	\$ (.3)	\$ .2
Fund B	3.4	3.2	.2	1.2	\$ 1.5	.3	.5
Fund C	7.0	6.8	.2	9.7	8.7	(1.0)	(.8)
Fund D	.3	.3	--	.2	.3	.1	.1
Fund E	1.6	1.5	.1	.1	.6	.5	.6
Fund F	2.3	2.2	.1	.3	(.2)	(.5)	(.4)
Fund G	2.2	2.2	--	--	--	--	--
Fund H	3.0	3.1	(.1)	1.6	.8	(.8)	(.9)
Fund I	9.1	9.4	(.3)	.7	.1	(.6)	(.9)
	-----	-----	-----	-----	-----	-----	-----
	\$ 95.9	\$ 95.2	\$ .7	\$ 14.1	\$ 11.8	\$ (2.3)	\$ (1.6)
	=====	=====	=====	=====	=====	=====	=====
<b>5/31/93</b>							
Fund A	\$ 100.9	\$100.5	\$ .4	--	\$ .3	\$ .3	\$ .7
Fund B	47.5	40.7	6.8	\$ 6.5	1.2	(5.3)	1.5
Fund C	13.0	12.9	.1	6.8	9.7	2.9	3.0
Fund D	.5	.5	--	--	.2	.2	.2
Fund E	.6	.6	--	--	.1	.1	.1
Fund F	.4	.4	--	--	.3	.3	.3
Fund G	--	--	--	--	--	--	--
Fund H	.2	.2	--	1.4	1.6	.2	.2
Fund I	9.7	9.4	.3	.7	.7	--	.3
	-----	-----	-----	-----	-----	-----	-----
	\$ 172.8	\$165.2	\$ 7.6	\$ 15.4	\$ 14.1	\$ (1.3)	\$ 6.3
	=====	=====	=====	=====	=====	=====	=====
<b>5/31/92</b>							
Fund A	\$ 129.9	\$129.8	\$ .1	--	--	--	\$ .1
Fund B	8.2	7.5	.7	\$ 5.6	\$ 6.5	\$ .9	1.6
Fund C	--	--	--	2.1	6.8	4.7	4.7
Fund H	--	.1	(.1)	1.0	1.4	.4	.3
Fund I	6.2	6.3	(.1)	(.4)	.7	1.1	1.0
	-----	-----	-----	-----	-----	-----	-----
	\$ 144.3	\$143.7	\$ .6	\$ 8.3	\$ 15.4	\$ 7.1	\$ 7.7
	=====	=====	=====	=====	=====	=====	=====

AVERY DENNISON CORPORATION  
EMPLOYEE SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS, (Continued)

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6. Investments:

The fair value of individual investments that represent 5% or more of the Plan's net assets is as follows (in millions):

	November 30, 1993	May 31, 1993
	-----	-----
Guaranteed Investment Contracts		
Aetna Life Insurance Company (9.3%)	\$ 16.4	\$15.7
Banker's Trust Company (6.1%)	--	10.6
Banker's Trust Company (6.0%)	--	12.6
Metropolitan Life Insurance Company (9.4%)	--	13.3
Metropolitan Life Insurance Company (8.7%)	--	11.8
Fidelity Equity Index Fund	19.2	19.5
Fidelity Puritan(R)Fund	15.0	--
Fidelity Magellan(R)Fund	17.5	--
Company Common Stock	110.4	56.7

7. Notes Payable:

The Plan has a revolving credit agreement with two banks to provide up to \$30 million in borrowings through July 1, 1995. The Plan borrows at 82% of one, two or three month LIBOR plus 1/4%. Terms of the agreement provide for an annual commitment fee of 1/4% of the unused portion of the credit line. At November 30, 1993, the Plan had \$4.2 million of outstanding borrowings under this facility and during the six months ended November 30, 1993 paid interest at an average rate of 2.9%. The financing available under this revolving credit agreement is used to acquire the Company's common stock in accordance with the Plan agreement. Principal payments are due as follows: \$.1 million in 1997, \$.3 million in 1998 and \$3.8 million in years thereafter.

The Plan also has the following five notes payable as of November 30, 1993:

8.38% Series A note payable to the Company with principal and compounded interest payable annually. Principal payments are due annually through fiscal 1998 as follows: \$1.8 million, \$2.2 million, \$2.8 million, \$3.6 million and \$4.2 million, respectively.	\$14.6
Note payable to the Company with interest payable annually at 85% of the prime rate. Principal payments are due annually through fiscal 1995 as follows: \$.5 million, \$1.4 million, respectively.	1.9
Three notes payable to the Company on December 31, 1999 with interest payable annually at the prime rate.	4.7
	-----
	\$21.2
	=====

AVERY DENNISON CORPORATION  
EMPLOYEE SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS, (Continued)

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7. Notes Payable (Continued):

The \$25.4 million in debt outstanding as of November 30, 1993 matures annually through 1998 as follows: \$2.3 million, \$3.6 million, \$2.8 million, \$3.7 million and \$4.5 million, respectively. \$8.5 million matures in years thereafter.

The financing is collateralized by the Company's common stock held in Fund I. As of the end of fiscal 1993 the Company had also guaranteed the outstanding debt of the Plan.

8. Units, Unit Value and Number of Participants:

The following fund units, unit values (calculated on a cash basis) and number of participants as of November 30 and May 31, 1993:

	UNITS -----	UNIT VALUE -----	NUMBER OF PARTICIPANTS -----
(in millions)			
11/30/93			
-----			
Fund A	116.4	\$ 1.00	5,472
Fund B	1.1	17.35	2,277
Fund C	4.3	11.61	6,330
Fund D	.1	30.91	920
Fund E	.2	73.09	2,222
Fund F	.9	15.92	2,039
Fund G	8.3	1.00	1,406
Fund H	3.0	11.61	4,903
5/31/93			
-----			
Fund A	110.2	\$ 1.06	5,132
Fund B	1.2	16.90	2,215
Fund C	4.1	11.67	4,774
Fund D	.1	29.73	588
Fund E	.1	68.84	817
Fund F	.3	16.42	730
Fund G	.7	1.00	242
Fund H	.3	11.68	2,534
=====			

A participant may choose to invest in more than one fund, as described in Note 4. At November 30 and May 31, 1993, a total of 8,457 and 6,117 participants, respectively, held units in the various funds of the Plan.



AVERY DENNISON CORPORATION  
EMPLOYEE SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS (Continued)

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9. Plan Transfers:

Effective after the close of business on May 31, 1993, the Company merged the Dennison Manufacturing Company Pre-Tax Investment Plus Plan into the Plan. The transfer of participants' account balances totaling approximately \$26.3 million is reflected in the Statement of Changes in Net Assets Available for Benefits. Also effective after the close of business on May 31, 1993, the Company merged the net assets of the ESOT into the Plan. Participants' account balances and unallocated common stock of the Company totalling \$33.7 and \$25.8 million, respectively, and a related note payable of \$21.2 million were transferred to the Plan and are reflected in the Statement of Changes in Net Assets Available for Benefits.

On March 1, 1993, the Company merged the Kingsbacher-Murphy Company Profit-Sharing Plan into the Plan. The transfer of participants' account balances totaling approximately \$10.8 million is reflected in the May 31, 1993 Statement of Changes in Net Assets Available for Benefits.

In January 1992, Graphics and Decor, a unit of the Company, was sold. In connection with the sale, all Graphics and Decor employee savings accounts were transferred to the trustee of the purchaser's savings plan.

10. Tax Status:

The Plan is intended to comply with the provisions of Section 401(a) and other applicable provisions of the Internal Revenue Code. The Internal Revenue Service has made a favorable determination of the qualified status of the Plan. The Plan is therefore considered exempt from federal and state income taxes.

Plan amendments subsequent to the effective date of the determination letter are not covered by the letter. The Company intends to seek a determination letter covering such amendments and intends to make any additional amendments necessary to obtain such a letter.

11. Concentration of Credit Risk:

The Fixed Income Fund invests primarily in a mix of medium-term investment contracts issued by insurance companies and banks with high credit ratings, and in professionally managed portfolios of high-grade short-and medium-term fixed income securities. Although the fund contains a diversified portfolio, the ultimate performance of the fund is dependent upon the ability of the underlying parties to honor them.

AVERY DENNISON CORPORATION  
EMPLOYEE SAVINGS PLAN

ITEM 27a - SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES

As of November 30, 1993  
EIN #95-1492269 - Plan #002  
(Dollars in Millions)  
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(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment (Including maturity date, rate of interest, collateral, par or maturity value)	(d) Cost	(e) Current Value
*	Fidelity Short Term Investment Fund 3.2%	Short Term Investment, par \$4.0	\$ 4.0	\$ 4.0
*	Fidelity U.S. Government Reserve Pool 3.1%	Collective Investment Fund, par \$5.9	0.9	0.9
**	Bank of America Short Term Investment Fund 3.3%	Short Term Investment, par \$5.4	5.4	5.4
	Bridgestone/Firestone 3.3%	Discount Commercial Paper, due January 7, 1994, par \$2.0	2.0	2.0
	Credit Lyonnaise 3.4%	Discount Commercial Paper, due January 11, 1994, par \$2.0	2.0	2.0
	Deerfield Funding Corporation 2.4%	Discount Commercial Paper, due January 20, 1994, par \$2.0	2.0	2.0
	Seiko Corporation 3.4%	Discount Commercial Paper, due January 11, 1994, par \$2.0	2.0	2.0
	Toronto Dominion 4.1%	Bank Note, due August 4, 2003, par \$1.2	1.2	1.2
	TOTAL CASH AND CASH EQUIVALENTS		----- 19.5	----- 19.5
	Participation in Group Annuity Contract #LT-13761 with Aetna Life Ins Co. 9.25%	Guaranteed Investment Contract, Stepped maturity	16.4	16.4
	Participation in Group Annuity Contract # 92-336-GIC with Bankers Trust Co. 6.1%	Guaranteed Investment Contract, Stepped maturity	5.4	5.4
	Participation in Group Annuity Contract # 93-536-SYN with Bankers Trust Co. 6.0%	Guaranteed Investment Contract, Stepped maturity	12.6	12.6
	Participation in Group Annuity Contract # 93-550-SYN with Bankers Trust Co. 5.1%	Guaranteed Investment Contract, Stepped maturity	8.4	8.4
	Participation in Group Annuity Contract # 93-627-GIC with Bankers Trust Co. 4.25%	Guaranteed Investment Contract, Stepped maturity	5.4	5.4
	Participation in Group Annuity Contract # 3923-GAC with John Hancock Life Ins Co. 8.5%	Guaranteed Investment Contract, Stepped maturity	0.3	0.3
	Participation in Group Annuity Contract # 2862-GAC with John Hancock Life Ins Co. 8.5%	Guaranteed Investment Contract, Stepped maturity	2.1	2.1
	Participation in Group Annuity Contract # 11626-9-GIC with Metropolitan Life Ins Co. 9.4%	Guaranteed Investment Contract, Stepped maturity	13.9	13.9
	Participation in Group Annuity Contract # GA-5109-GIC with Allstate Life Ins Co. 8.6%	Guaranteed Investment Contract, Due April 1, 1996	6.3	6.3
	Participation in Group Annuity Contract # GA-6759-GIC with Prudential Life Ins Co. 8.4%	Guaranteed Investment Contract, Due April 1, 1996	6.3	6.3
	Participation in Group Annuity Contract # 12384-GIC with Metropolitan Life Ins Co. 8.7%	Guaranteed Investment Contract, Due July 31, 1996	12.2	12.2
	TOTAL GUARANTEED INVESTMENT CONTRACTS		----- 89.3	----- 89.3

AVERY DENNISON CORPORATION  
EMPLOYEE SAVINGS PLAN

ITEM 27a - SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES

As of November 30, 1993

EIN #95-1492269 - Plan #002

(Dollars in Millions)

-----

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment (Including maturity date, rate of interest, collateral, par or maturity value)	(d) Cost	(e) Current Value
	Hydro Quebec Mtns 8.625%	Electric Utility Bond, due May 20, 2002, par \$1.0	1.1	1.2
	ITT Financial Corp 8.85%	Finance Bond, due July 15, 2005, par \$.9	1.0	1.0
	Chevy Chase Credit Card 8.75%	CMOS/Asset Backed Bond, due July 31, 1996, par \$1.0	1.0	1.0
	U.S. Treasury Notes 8.625%	Treasury Note, due August 15, 1997, par \$1.0	1.1	1.1
	U.S. Treasury Notes 8.75%	Treasury Note, due October 15, 1997, par \$4.0	4.6	4.5
	LA County Trans Tax Rev 5.4%	Municipal Bonds, due July 1, 1999, par \$1.5	1.6	1.6
	Memphis Tenn Wtr Rev 5.4%	Municipal Bonds, due January 1, 2002, par \$1.4	1.5	1.5
	Total Corporate Bonds and Notes		----- 11.9	----- 11.9
***	Avery Dennison Corporation Common Stock	3,740,414 shares	100.8	110.4
*	Investment in Registered Investment Company	Fidelity Retirement Government Money Market Fund	8.3	8.3
*	Investment in Registered Investment Company	Fidelity U.S. Equity Index Fund	17.7	19.2
*	Investment in Registered Investment Company	Fidelity Puritan(R)Fund	15.2	15.0
*	Investment in Registered Investment Company	Fidelity Magellan(R)Fund	16.8	17.5
*	Investment in Registered Investment Company	Fidelity Growth Company Fund	4.1	4.4
	Total Investments in Registered Investment Company		----- 62.1	----- 64.4
	Avery Dennison Corporation Savings Plan	Participant Loans 7% - 11%	--	13.4
			----- \$283.6 =====	----- \$308.9 =====

\* Recordkeeper for the Plan and, therefore, a party-in-interest for which a statutory exemption exists.

\*\* Trustee for the Plan and, therefore, a party-in-interest for which a statutory exemption exists.

\*\*\* Plan sponsor and, therefore, a party-in-interest.

AVERY DENNISON CORPORATION  
EMPLOYEE SAVINGS PLAN

ITEM 27d - SCHEDULE OF REPORTABLE TRANSACTIONS\*  
For the Six Months Ended November 30, 1993  
EIN #95-1492269 Plan #002  
(Dollars In Millions)

(a) Identity of Party Involved	(b) Description of Asset (Including interest rate and maturity in case of loan)	(c) Purchase Price	(d) Selling Price	(e) Lease Rental	(f) Expense Incurred with Transaction	(g) Cost of Asset
PURCHASES						
Fidelity**	Fidelity Puritan(R)Fund	\$13.4				\$13.4
Fidelity**	Fidelity Magellan(R)Fund	14.5				14.5
Bank of America***	Bank of America STIF	18.5				18.5
Fidelity	U.S. Government Reserve Pool	17.9				17.9
SALES						
Bankers Trust**	Bankers Trust STIF		\$16.9			\$16.9
Bank of America***	Bank of America STIF		16.9			16.9
Fidelity	U.S. Government Reserve Pool		16.9			16.9

(a) Identity of Party Involved	(b) Description of Asset (Including interest rate and maturity in case of loan)	(h) Current Value of Asset on Transaction Date	(i) Net Gain or (Loss)
PURCHASES			
Fidelity**	Fidelity Puritan(R)Fund	\$13.4	---
Fidelity**	Fidelity Magellan(R)Fund	14.5	---
Bank of America***	Bank of America STIF	18.5	---
Fidelity	U.S. Government Reserve Pool	17.9	---
SALES			
Bankers Trust**	Bankers Trust STIF	\$16.9	---
Bank of America***	Bank of America STIF	16.9	---
Fidelity	U.S. Government Reserve Pool	16.9	---

\* Under ERISA, a reportable transaction is defined as a transaction or series of transactions during the Plan year that involves more than 5% of the fair value of Plan assets at the beginning of the Plan year.

\*\* Recordkeeper for the Plan and, therefore, a party-in-interest for which a statutory exemption exists.

\*\*\* Trustee for the Plan and, therefore, a party-in-interest for which a statutory exemption exists.

AVERY DENNISON CORPORATION  
EMPLOYEE SAVINGS PLAN

CONSENT OF INDEPENDENT ACCOUNTANTS  
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We consent to the incorporation by reference in the registration statement of Avery Dennison Corporation on Form S-8 (File Nos. 33-1132 and 33-3645) of our report dated May 13, 1994, on our audits of the financial statements of the Avery Dennison Corporation Employee Savings Plan as of November 30, 1993 and May 31, 1993, and for the six months ended November 30, 1993 and the years ended May 31, 1993 and 1992, the report of which is included in Avery Dennison Corporation Employee Savings Plan Annual Report on Form 11-K for the period from June 1, 1993 to November 30, 1993.

/s/ COOPERS & LYBRAND

Coopers & Lybrand  
Los Angeles, California  
May 27, 1994