SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

FORM 10-QSB

[X] QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 For the quarterly period ended December 31, 2003

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 0-9040

DRYCLEAN USA, Inc.
(Exact name of small business issuer as specified in its charter)

DELAWARE	11-2014231
State of other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

290 N.E. 68 Street, Miami, Florida 33138
(Address of principal executive offices)

(305) 754-4551
(Issuer's telephone number)

Not Applicable
(Former name)

Check whether the issuer: (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No

State the number of shares outstanding of each of the issuer's classes of common equity as of the latest practicable date: Common Stock, $.025 par value per share - 7,014,450 shares outstanding as of February 6, 2004.

Transitional Small Business Disclosure Format: Yes No X

DRYCLEAN USA, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME

<TABLE>
<CAPTION>

	For the six months ended December 31,		For the three months ended December 31,	
	2003	2002	2003	2002
	(Unaudited)		(Unaudited)	
<S>	<C>	<C>	<C>	<C>
Sales	$ 7,109,029	$ 6,925,989	$ 3,993,748	$ 3,335,684
Development fees, franchise and license fees, commissions and other income	332,143	355,649	147,563	134,281
Total revenues	7,441,172	7,281,638	4,141,311	3,469,965
Cost of goods sold	5,149,662	5,066,450	2,901,937	2,511,583
Selling, general and administrative expenses	1,819,762	1,877,835	906,840	946,507
Research and development	18,875	20,444	9,325	8,175
Total operating expenses	6,988,299	6,964,729	3,818,102	3,466,265
Operating income	452,873	316,909	323,209	3,700
Interest income	12,539	12,872	3,604	11,712

Interest expense	--	(16,191)	--	(7,468)
Earnings from continuing operations before taxes	465,412	313,590	326,813	7,944
Provision for income taxes	186,165	125,436	130,725	3,178
Net earnings from continuing operations	$ 279,247	$ 188,154	$ 196,088	$ 4,766
Net reduction in reserve associated with sale of discontinued operations	--	39,976	--	39,976
Net earnings	$ 279,247	$ 228,130	$ 196,088	$ 44,742
Basic and diluted earnings per share from continuing operations	$ .04	$ .03	$ .03	$ --
Basic and diluted earnings per share from discontinued operations	$ --	$ --	$ --	$ .01
Basic and diluted earnings per share	$ .04	$ .03	$ .03	$ .01
Weighted average number of shares outstanding				
Basic	7,003,983	6,996,450	7,011,515	6,996,450
Diluted	7,035,662	6,996,450	7,074,872	6,996,450
Dividends per share	$ .05	--	$ .05	--

</TABLE>

See Notes to Condensed Consolidated Financial Statements

DRYCLEAN USA, Inc.
CONDENSED CONSOLIDATED BALANCE SHEETS

<TABLE>
<CAPTION>

	December 31, 2003 (Unaudited)	June 30, 2003
ASSETS		
<S>	<C>	<C>
CURRENT ASSETS		
Cash and cash equivalents	$1,443,507	$1,614,141
Accounts and trade notes receivable, net	1,612,142	1,382,386
Inventories	2,597,327	2,576,938
Note receivable - current portion	157,143	157,143
Lease receivables	13,925	53,894
Deferred income taxes	118,525	118,525
Other assets, net	383,374	169,094
Total current assets	6,325,943	6,072,121
Note receivable, less current portion	159,524	211,905
Equipment and improvements- net	216,943	233,767
Franchise, trademarks and other intangible assets, net	382,376	409,308
Deferred income taxes	28,541	28,541

	$7,113,327	$6,955,642
	==========	==========

</TABLE>

See Notes to Condensed Consolidated Financial Statements

DRYCLEAN USA, Inc.
CONDENSED CONSOLIDATED BALANCE SHEETS

	December 31, 2003 (Unaudited)	June 30, 2003
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	$ 1,233,038	$ 1,066,860
Customer deposits	464,020	335,206
Income taxes payable	29,090	112,925
Total current liabilities	1,726,148	1,514,991
Total liabilities	1,726,148	1,514,991
SHAREHOLDERS' EQUITY		
Common stock, $.025 par value; 15,000,000 shares authorized; 7,045,500 and 7,027,500 shares issued and outstanding at December 31, 2003 and June 30, 2003, respectively, including shares held in treasury	176,138	175,688
Additional paid-in capital	2,066,120	2,048,570
Retained earnings	3,147,941	3,219,413
Treasury stock, 31,050 shares at cost	(3,020)	(3,020)
Total shareholders' equity	5,387,179	5,440,651
	$ 7,113,327	$ 6,955,642

See Notes to Condensed Consolidated Financial Statements

DRYCLEAN USA, Inc.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

<TABLE>
<CAPTION>

	Six months ended December 31, 2003 (Unaudited)	Six months ended December 31, 2002 (Unaudited)
<S>	<C>	<C>
Operating activities:		
Net earnings from continuing operations	$ 279,247	$ 188,154
Adjustments to reconcile net earnings from continuing operations to net cash provided by operating		

activities:		
Bad debt expense	10,296	75,651
Depreciation and amortization	57,920	64,252
(Increase) decrease in operating assets:		
Accounts, trade notes and lease receivables	(200,083)	(97,564)
Inventories	(20,389)	123,650
Other current assets	(214,280)	12,870
Refundable income taxes	--	128,086
Increase (decrease) in:		
Accounts payable and accrued expenses	166,178	(552,922)
Customer deposits	128,814	72,571
Income taxes payable	(83,835)	--
Net cash provided by operating activities	123,868	14,748
Discontinued operations:		
Net reduction in reserve associated with sale of discontinued operations	--	39,976
Cash provided by discontinued operations	--	39,976
Investing activities:	--	210,000
Net proceeds from disposal of business		
Proceeds from note receivable	52,381	39,286
Capital expenditures	(12,175)	--
Patent and trademark expenditures	(1,985	(11,250)
Net cash provided by investing activities	38,221	238,036
Financing activities		
Payments on term loan	--	(160,000)
Dividend paid	(350,723)	--
Proceeds from exercise of stock options	18,000	--
Net cash used by financing activities	(332,723)	(160,000)
Net (decrease) increase in cash and cash equivalents	(170,634)	132,760
Cash and cash equivalents at beginning of period	1,614,141	1,264,357
Cash and cash equivalents at end of period	$ 1,443,507	$ 1,397,117
Supplemental information		
Cash paid for interest	$-	$ 16,191
Cash paid for income taxes	270,000	24,000

</TABLE>

See Notes to Condensed Consolidated Financial Statements

DRYCLEAN USA INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE (1) GENERAL: The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial statements and the instructions to Form 10-QSB related to interim period financial statements. Accordingly, these condensed consolidated financial statements do not include certain information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. However, the accompanying unaudited condensed consolidated financial statements contain all adjustments (consisting only of normal recurring accruals) which, in the opinion of management, are necessary in order to make the financial statements not misleading. The results of operations for interim periods are not necessarily indicative of the results to be expected for the full year. For further information, refer to the Company's financial statements and footnotes thereto in the Company's Annual Report on Form 10-KSB for the year ended June

30, 2003. The June 30, 2003 balance sheet information contained herein was derived from the audited consolidated financial statements included in the Company's Annual Report on Form 10-KSB as of that date.

NOTE (2) - EARNINGS PER SHARE: Basic and diluted earnings per share for the three and six months ended December 31, 2003 and 2002 are computed as follows:

<TABLE>
<CAPTION>

	For the six months ended		For the three months ended	
	2003	2002	2003	2002
<S>	<C>	<C>	<C>	<C>
Basic				
Net earnings	$ 279,247	$ 228,130	$ 196,088	$ 44,742
Weighted average shares outstanding	7,003,983	6,996,450	7,011,515	6,996,450
Basic earnings per share	$ .04	$ .03	$ .03	$ .01
Diluted				
Net earnings	$ 279,247	$ 228,130	$ 196,088	$ 44,742
Weighted average shares outstanding	7,003,983	6,996,450	7,011,515	6,996,450
Plus incremental shares from assumed exercise of Stock options	31,679	--	63,357	--
Diluted weighted average common shares	7,035,662	6,996,450	7,074,872	6,996,450
Diluted earnings per share	$ .04	$ .03	$ .03	$ .01

</TABLE>

There were 20,000 and 439,000 stock options outstanding at December 31, 2003 and 2002, respectively, that were excluded in the computations of earnings per share for such periods because the exercise prices of the options were at least the average market prices of the Company's common stock during these periods.

NOTE (3) - REVOLVING CREDIT LINE: On October 22, 2003, the Company received an extension, until October 30, 2004, of its existing $2,250,000 revolving line of credit facility. Revolving credit borrowings are limited by a borrowing base of 60% of eligible accounts receivable and 60% of certain, and 50% of other, eligible inventories. As of December 31, 2003 the Company had no outstanding borrowings under the line of credit.

NOTE (4) - STOCK OPTIONS: The Company accounts for its stock-based compensation plans under Accounting Principles Board ("APB") Opinion No. 25, Accounting for Stock Issued to Employees. The pro forma information below is based on provisions of Statement of Financial Accounting Standard ("FAS") No. 123, Accounting for Stock-Based Compensation, as amended by FAS 148, Accounting for Stock-Based Compensation-Transition and Disclosure, issued in December 2002:

<TABLE>
<CAPTION>

	For the six months ended December 31,		For the three months ended December 31,	
	2003	2002	2003	2002
<S>	<C>	<C>	<C>	<C>
Net earnings, as reported	$ 279,247	$ 228,130	$ 196,088	$ 44,742
Less: Fair value of employee stock compensation	(3,000)	(7,000)	(1,500)	(3,500)
Pro forma net earnings	$ 276,247	$ 221,130	$ 194,588	41,242
Earnings per common share:				
Net income as reported-Basic and diluted	$ .04	$ .03	$ .03	$ .01

Net income, pro forma-Basic and diluted	$ .04	$ .03	$ .03	$ .01

</TABLE>

There were no options granted during the six months ended December 31, 2003 and 2002. In October 2003, two employees exercised options to purchase 18,000 shares of the Company's common stock for $1.00 per share. In November 2003, 389,000 stock options expired unexercised.

NOTE (5) - CASH DIVIDENDS: On September 26, 2003, the Company's Board of Directors declared a $.05 per share cash dividend (an aggregate of $350,723) which was paid on October 31, 2003 to shareholders of record on October 17, 2003.

NOTE (6) - SEGMENT INFORMATION: The Company's reportable segments are strategic businesses that offer different products and services. They are managed separately because each business requires different marketing strategies. The Company primarily

evaluates the operating performance of its segments based on the categories noted in the table below. The Company has no sales between segments.

Financial information for the Company's business segments is as follows:

<TABLE>
<CAPTION>

	For the six months ended December 31,		For the three months ended December 31,	
	2003	2002	2003	2002
	(Unaudited)		(Unaudited)	
<S>	<C>	<C>	<C>	<C>
Revenues:	$ 7,264,761	$ 7,161,434	$ 4,081,441	$ 3,396,625
Commercial and industrial laundry and dry cleaning equipment				
License and franchise operations	176,411	120,204	59,870	73,340
Total revenues	$ 7,441,172	$ 7,281,638	$ 4,141,311	$ 3,469,965
Operating Income:	$ 461,629	$ 432,288	$ 384,898	$ 55,462
Commercial and industrial laundry and dry cleaning equipment				
License and franchise operations	117,566	17,487	24,446	29,817
Corporate	(126,322)	(132,866)	(86,135)	(81,579)
Total operating income	$ 452,873	$ 316,909	$ 323,209	$ 3,700

</TABLE>

<TABLE>
<CAPTION>

	December 31, 2003	June 30, 2003
	(Unaudited)	
<S>	<C>	<C>
Identifiable assets:		
Commercial and industrial laundry and dry cleaning equipment	$5,926,796	$5,458,438
License and franchise operations	603,771	759,750
Corporate	582,760	737,454
Total assets	$7,113,327	$6,955,642

</TABLE>

NOTE (7) - NEW ACCOUNTING PRONOUNCEMENTS:

In May 2003, the FASB issued SFAS 150 - "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity". The statement requires that an issuer classify financial instruments that are within its scope as a liability. Many of those instruments were classified as equity under previous guidance. SFAS No. 150 is effective for all financial instruments entered into or modified after May 31, 2003. Otherwise, it is effective on July 1, 2003 except for mandatorily redeemable non-controlling (minority) interest which, on October 29,2003, the FASB decided to defer indefinitely. The adoption of SFAS No. 150 did not materially impact the Company's financial position or results of operations.

In January 2003, the FASB issued FASB Interpretation No. 46 (" FIN 46"), "Consolidation of Variable Interest Entities." FIN 46 clarifies the application of Accounting Research Bulletin No. 51, "Consolidated Financial Statements," to certain

entities in which equity investors do not have the characteristics of a controlling financial interest or do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support from other parties. FIN 46 applies immediately to variable interest entities ("VIE's") created after January 31, 2003, and to VIE's in which an enterprise obtains an interest after that date. On October 9, 2003, the FASB issued FASB Staff Position No, FIN 46-6 "Effective Date of FASB Interpretation No. 46, Consolidation of Variable Interest Entities," which defers the implementation date for public entities that hold an interest in a variable interest entity or potential variable interest entity from the first fiscal year or interim period beginning after June 15, 2003 to the end of the first interim or annual period ending after December 15, 2003. This deferral applies only if (1) the variable interest equity was created before February 1, 2003 and (2) the public entity has not issued financial statements reporting that variable interest entity in accordance with FIN 46, other than disclosures required by paragraph 26 of FIN 46. The adoption of FIN 46 did not have a material impact on the Company's financial position, liquidity, or results of operations.

ITEM 2: MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATIONS

GENERAL

Some shipments in the second quarter were originally scheduled for the first quarter of fiscal 2004, but were delayed due to construction site problems. Therefore, it is more meaningful to analyze operating results for the full six-month period rather than by quarters.

Effective July 31, 2002, the Company sold substantially all of the operating assets (principally inventory, equipment and intangible assets, including tradenames) of its Metro-Tel telecommunications segment to an unaffiliated third party. The Company retained all of the cash, accounts receivable and liabilities of the segment. The sales price was $800,000, of which $250,000 was paid in cash on August 2, 2002 and the remaining $550,000 is evidenced by the purchaser's promissory note that bears interest at the prevailing prime rate plus 1% per annum and is payable in 42 equal monthly installments commencing October 1, 2002. In March 2003, the purchaser prepaid $50,000 of the outstanding promissory note, which was applied to the last installments to become due. Payment and performance of the promissory note is guaranteed by two companies affiliated with the purchaser and the three principal shareholders of the purchaser and the affiliated companies, and is collateralized by substantially all of the operating assets of the purchaser and the affiliated companies. The Company has agreed to subordinate payment of the promissory note, the obligations of the affiliated companies under their guarantees and the collateral granted by the purchaser and the affiliated companies to the obligations of the purchaser and the affiliated companies to two bank lenders, subject to the Company's right to receive installment payments under the promissory note as long as the purchaser and the affiliated companies are not in default of their obligations to the applicable lender. The Company agreed to a three-year covenant not to compete with the purchaser.

The following discussion relates to the Company's continuing operations.

LIQUIDITY AND CAPITAL RESOURCES

For the six months ended December 31, 2003, cash decreased by $170,634, compared to an increase of $132,760 for the six months period ended December 31, 2002.

The primary reason for the change was a cash dividend of $.05 per share, or an aggregate of $350,723, paid in the fiscal 2004 period.

For the first six months of fiscal 2004, operating activities provided cash of $123,868. The Company's net earnings of $279,247, coupled with non-cash expenses for depreciation and amortization of $57,920 provided most of the cash. The provision for bad debts of $10,296 were substantially below the $75,651 allocated for the first six months of fiscal 2003, indicating tighter control over our accounts receivable and an improving economy. Changes in operating assets and liabilities used cash of $223,595. An increase in accounts, trade notes and lease receivables used cash of $200,083 due to heavy shipments in the December period, which also led to a $166,178 increase in accounts payable and accrued expenses to support goods purchased to fill those shipments. Incoming orders were booked at a satisfactory rate as evidenced by an increase in customer deposits of $128,814. Other current assets used cash of $214,280 due to cash deposits advanced to foreign companies for the purchase of parts and equipment.

For the six month period ended December 31, 2002, operating activities provided cash of $14,748. The Company's net earnings from continuing operations of $188,154 and non-cash expenses of $64,252 for depreciation and amortization and a provision for bad debts of $75,651 provided an aggregate of $328,057 of cash. Changes in operating assets and liabilities used cash of $313,309 mostly due to a reduction of $552,922 in accounts payable and accrued expenses, which was offset by $128,086 in refundable income taxes associated with losses from the sale of the telecommunications segment. Cash of $123,650 was provided by a decrease in inventory and $72,571 was provided by increases in customer deposits.

Discontinued operations provided a non-cash gain of $39,976, net after taxes on the settlement of liabilities associated with accruals of transaction costs connected with the sale of Metro-Tel telecommunications segment. These estimated expenses were accrued for in fiscal 2002. Savings were realized principally in rent expenses and professional fees and other transaction costs.

Investing activities for the six months ended December 31, 2003 provided cash of $38,221, as a result of payments received on a note from the sale of the Company's telecommunication segment ($52,381), offset, in part, by $12,175 spent on capital equipment and $1,985 used on patent and trademark legal fees. Net cash provided by investing activities for the first six months of fiscal 2003 was $238,036, principally as a result of $210,000 provided by the net proceeds from the sale of the telecommunications

segment and $39,286 from collections on a note issued in conjunction with that sale. These were partially offset by $11,250 used to fund patent work.

Financing activities during the first half of fiscal 2004 used cash of $332,723, principally to pay a $.05 per share cash dividend ($350,723) on October 31, 2003. This was partially offset by the receipt of $18,000 from the exercise of employee stock options in October 2003. During the first six months of fiscal 2003, the Company used $160,000 to pay monthly installments on its then term loan. The Company prepaid the remaining balance of its term loan in the fourth quarter of fiscal 2003.

On October 22, 2003, the Company received an extension, until October 30, 2004, of its existing $2,250,000 revolving line of credit facility. Revolving credit borrowings are limited by a borrowing base of 60% of eligible accounts receivable and 60% of certain, and 50% of other, eligible inventories. As of December 31, 2003, the Company had no outstanding borrowings under the line of credit.

On September 26, 2003, the Company's Board of Directors declared a $.05 per share cash dividend (an aggregate of approximately $350,000) payable on October 31, 2003 to shareholders of record on October 17, 2003.

The Company believes that its present cash position and the cash it expects to generate from operations and cash borrowings available under its $2,250,000 line of credit will be sufficient to meet its presently contemplated operational needs.

OFF-BALANCE SHEET FINANCING

The Company has no off-balance sheet financing arrangements within the meaning of Item 303(c) of Regulation S-B.

RESULTS OF OPERATIONS

Total revenues for the six month and three month periods ended December 31, 2003 increased by $159,534 (2.2%) and $671,346 (19.3%), respectively, from the same periods of fiscal 2003.

For the six and three month periods of fiscal 2004, revenues of the commercial laundry and dry cleaning segment increased by $103,327 (1.4%) and $684,816 (20.1%), respectively, from the comparable periods of fiscal 2003. The increases in sales were due primarily to increased parts sales and, to a lesser degree, increased sales of drycleaning equipment. As previously mentioned, some shipments in the second quarter were originally scheduled for the first quarter of fiscal 2004, but were delayed due to construction site problems. Therefore, it is more meaningful to analyze sales for the full six-month period rather than by quarters.

Revenues of the licensing and franchise segment increased by $56,207 (46.8%) for the six month period ended December 31, 2003, but decreased by $13,470 (18.4%) for the

second quarter of fiscal 2004 when compared to similar periods of fiscal 2003. The increase for the six month period was mainly due to increased commissions received in the first quarter as consultants. This segment of the Company continues to be negatively impacted by the economic and political conditions in South America where the Company has a number of franchises.

Costs of goods sold, expressed as a percentage of sales, improved to 72.4% for the first six months of fiscal 2004, from 73.2% from the comparable period a year ago. For the second quarter of fiscal 2004, costs of goods sold improved to 72.7% from 75.3%. The improvements in both fiscal 2004 periods was due to the increased sale of coin laundry machines and Green-Jet-(R)-dry-wetcleaning machines, which have a higher margin than most of the Company's other products. Selling prices for both periods remained essentially flat.

Selling, general and administrative expenses decreased by $58,073 (3.1%) and decreased by $39,667 (4.2%) for the six and three month periods, respectively, in fiscal 2004 from the comparable periods of fiscal 2003. For the six month period the Company reduced advertising by $14,242, professional fees by $21,738 and the provision for bad debts by $57,729. The comparable period reduction in professional fees was the result of costs in the fiscal 2003 period attributed to the sale of the telecommunications segment. These reductions were offset by increases in commissions paid ($43,768), exhibits and conventions ($12,959) and bank charges for customer credit card use ($9,337). For the three month period ended December 31, 2003, advertising expenses were reduced by $23,016 and the provision for bad debts was reduced by $57,392. However, the Company increased spending for commissions paid ($10,130) and office expenses ($9,326).

Research and development expenses decreased by $1,569 (7.7%) for the first six months of fiscal 2004, but they increased by $1,150 (14.1%) for the second quarter when compared to similar periods of a year ago. The slight dollar changes reflect consulting expenses in connection with continuing work on the Green Jet-(R)-dry-wetcleaning machine and other products.

Interest income decreased by $333 (2.6%) and $8,108 (69.2%) for the six and three month periods, respectively, of fiscal 2004 from the comparable periods of fiscal 2003, mostly due to a reduction in interest rates and a reduction in the outstanding principal amount of a note associated with the sale of the telecommunications segment.

There was no interest expense during the six and three month periods of fiscal 2004, as the Company's term loan was prepaid in full in May 2003 and there were no amounts outstanding on the Company's line of credit during these periods, making the Company debt free. Interest expense of $16,191 and $7,468 for the six and three month periods, respectively, of fiscal 2003 relate to the Company's then outstanding term loan.

The effective tax rate used in each of the periods was 40%.

INFLATION

Inflation has not had a significant effect on the Company's operations during any of the reported periods.

TRANSACTIONS WITH RELATED PARTIES

The Company leases 27,000 square feet of warehouse and office space from William K. Steiner, a principal stockholder, Chairman of the Board of Directors and a director of the Company, under a lease which expires in October 2004. Annual rental under this lease is approximately $83,200. The Company believes that the terms of the lease are comparable to terms that would be obtained from an unaffiliated third party for similar property in a similar locale.

CRITICAL ACCOUNTING POLICIES

The accounting policies that the Company has identified as critical to its business operations and to an understanding of the Company's results of operations are described in detail in the Company's Annual Report on Form 10-KSB for the fiscal year ended June 30, 2003. In many cases, the accounting treatment of a particular transaction is specifically dictated by accounting principles generally accepted in the United States of America, with no need for management's judgment in their application. In other cases, preparation of the Company's unaudited condensed consolidated financial statements for interim periods requires us to make significant estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. There can be no assurance that the actual results will not differ materially from those estimates.

NEW ACCOUNTING PRONOUNCEMENTS

In May 2003, the FASB issued SFAS 150 - "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity". The statement requires that an issuer classify financial instruments that are within its scope as a liability. Many of those instruments were classified as equity under previous guidance. SFAS No. 150 is effective for all financial instruments entered into or modified after May 31, 2003. Otherwise, it is effective on July 1, 2003 except for mandatorily redeemable non-controlling (minority) interest which, on October 29,2003, the FASB decided to defer indefinitely. The adoption of SFAS No. 150 did not materially impact the Company's financial position or results of operations.

In January 2003, the FASB issued FASB Interpretation No. 46 (" FIN 46"), "Consolidation of Variable Interest Entities." FIN 46 clarifies the application of Accounting Research Bulletin No. 51, "Consolidated Financial Statements," to certain entities in which equity investors do not have the characteristics of a controlling financial

interest or do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support from other parties. FIN 46 applies immediately to variable interest entities ("VIE's") created after January 31, 2003, and to VIE's in which an enterprise obtains an interest after that date. On October 9, 2003, the FASB issued FASB Staff Position No, FIN 46-6 "Effective Date of FASB Interpretation No. 46, Consolidation of Variable Interest Entities," which defers the implementation date for public entities that hold an interest in a variable interest entity or potential variable interest entity from the first fiscal year or interim period beginning after June 15, 2003 to the end of the first interim or annual period ending after December 15, 2003. This deferral applies only if (1) the variable interest equity was created before February 1, 2003 and (2) the public entity has not issued financial statements reporting that variable interest entity in accordance with FIN 46, other than disclosures required by paragraph 26 of FIN 46. The adoption of FIN 46 did not have a material impact on the Company's financial position, liquidity, or results of operations.

ITEM 3. CONTROLS AND PROCEDURES

As of the end of the period covered by this report, management of the Company, with the participation of the Company's President and principal executive officer and the Company's principal financial officer, evaluated the effectiveness of the Company's "disclosure controls and procedures," as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934. Based on that evaluation, these officers concluded that, as of the date of their evaluation, the Company's disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the Company's periodic filings under the Securities Exchange Act of 1934 is accumulated and communicated to our management, including those officers, to allow timely decisions regarding required disclosure.

During the period covered by this Report, there were no changes in the Company's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITYHOLDERS.

At the Company's 2003 Annual Meeting of Stockholders held on November 13, 2003, the Company's stockholders reelected the Company's then existing Board of Directors by the following votes:

	Votes	
	For	Withheld
Michael S. Steiner	6,737,284	8,532
William K. Steiner	6,737,284	8,532
Venerando J. Indelicato	6,737,284	8,532

	Votes	
	For	Withheld
David Blyer	6,737,353	8,463
Lloyd Frank	6,737,131	8,685
Alan Grunspan	6,737,213	8,603
Stuart Wagner	6,737,389	8,427

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits:

31.01 Certification of principal executive officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 promulgated under the Securities Exchange Act of 1934.

31.02 Certification of principal financial officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 promulgated under the Securities Exchange Act of 1934.

32.01 Certification of Principal Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

32.02 Certification of Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(b) Reports on Form 8-K:

During the quarter ended December 31, 2003, the Company furnished one report on Form 8-K, dated November 12, 2003 (date of earliest event reported), reporting under Item 12, Results of Operations and Financial Condition. No financial statements were filed with that Report.

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: February 12, 2004 DRYCLEAN USA, Inc.

By: /s/ Venerando J. Indelicato

Venerando J. Indelicato,
Treasurer and Chief Financial Officer

Exhibit Index

31.01 Certification of principal executive officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 promulgated under the Securities Exchange Act of 1934.

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32.02 Certification of Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

Exhibit 31.01

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Michael S. Steiner, certify that:

1. I have reviewed this Quarterly Report on Form 10-QSB for the quarter ended December 31, 2003 of DRYCLEAN USA, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business issuer as of, and for, the periods presented in this report;

4. The small business issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the small business issuer and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(c) Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and

5. The small business issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: February 12, 2004

/s/ Michael S. Steiner

Michael S. Steiner
President and Principal
Executive Officer

Exhibit 31.02

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Venerando J. Indelicato, certify that:

1. I have reviewed this Quarterly Report on Form 10-QSB for the quarter ended December 31, 2003 of DRYCLEAN USA, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business issuer as of, and for, the periods presented in this report;

4. The small business issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the small business issuer and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(c) Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and

5. The small business issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: February 12, 2004

/s/ Venerando J. Indelicato

Venerando J. Indelicato
Treasurer and Principal
Financial Officer

EXHIBIT 32.01

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of DRYCLEAN USA, Inc. (the "Company") on Form 10-QSB for the quarter ended December 31, 2003, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael S. Steiner, Principal Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that, to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the report fairly presents, in all material respects, the financial condition and results of operations of the Company.

February 12, 2004

/s/ Michael S. Steiner

Michael S. Steiner
Principal Executive Officer

EXHIBIT 32.02

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of DRYCLEAN USA, Inc. (the "Company") on Form 10-QSB for the quarter ended December 31, 2003, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Venerando J. Indelicato, Principal Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that, to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the report fairly presents, in all material respects, the financial condition and results of operations of the Company.

February 12, 2004

/s/ Venerando J. Indelicato

Venerando J. Indelicato
Principal Financial Officer