

WASHINGTON, D. C. 20549

FORM 11-K
ANNUAL REPORT
Pursuant to Section 15(d) of the
Securities Exchange Act of 1934

(Mark One)

/ X / ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934
For the fiscal year ended December 31, 1996.

OR

/ / TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934
For the transition period from _____ to _____

Commission file number 33-64647

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

SAVINGS PLAN FOR THE EMPLOYEES
OF TREDEGAR INDUSTRIES, INC.

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

Tredegar Industries, Inc.
1100 Boulders Parkway
Richmond, Virginia 23225

REQUIRED INFORMATION

See Appendix 1.

SIGNATURES

The Plan. Pursuant to the requirements of the Securities Exchange Act
of 1934, the trustees (or other persons who administer the employee benefit
plan) have duly caused this annual report to be signed on its behalf by the
undersigned hereunto duly authorized.

SAVINGS PLAN FOR THE EMPLOYEES
OF TREDEGAR INDUSTRIES, INC.

By: /s/ N. A. Scher

N. A. Scher, Chairman
Employee Savings Plan Committee

Dated: June 17, 1998

SAVINGS PLAN FOR THE EMPLOYEES OF
TREDEGAR INDUSTRIES, INC.

ANNUAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 1997

SAVINGS PLAN FOR THE EMPLOYEES OF TREDEGAR INDUSTRIES, INC.
INDEX OF FINANCIAL STATEMENTS

	Page
Independent auditors' report	2
Financial statements	
Statement of net assets available for benefits at:	
December 31, 1997	3
December 31, 1996	4
Statement of changes in net assets available for benefits for the year ended:	
December 31, 1997	5
December 31, 1996	6
December 31, 1995	7
Notes to financial statements	8-24

Independent Auditors' Report

To the Plan Administrator, Savings Plan for
the Employees of Tredegar Industries, Inc.

We have audited the accompanying statements of net assets available for benefits of the Savings Plan for the Employees of Tredegar Industries, Inc. (Plan) as of December 31, 1997 and 1996, and the related statements of changes in net assets available for benefits for each of the three years in the period ended December 31, 1997. 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 December 31, 1997 and 1996, and the changes in net assets available for benefits for each of the three years in the period ended December 31, 1997, in conformity with generally accepted accounting principles.

PLOTT & WALTON, PC

Richmond, Virginia
June 5, 1998

SAVINGS PLAN FOR THE EMPLOYEES OF TREDEGAR INDUSTRIES, INC.

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 1997

	Total	Active (Note 3)	Inactive (Note 4)
Assets:			
Investments (Note 6):			
Money market funds - Wachovia Bank			
Diversified Trust Fund (cost \$99,158)	\$ 99,158	\$ 67,262	\$ 31,896
Common stocks:			
Albemarle Corporation (cost \$556,834)	2,410,253	-	2,410,253
Ethyl Corporation (cost \$1,027,436)	1,460,082	-	1,460,082
Tredegear Industries, Inc. (cost \$15,006,131)	88,749,896	88,749,896	-
Actively managed commingled funds:			
Frank Russell Investment Contract Fund (cost \$5,542,604)	5,958,153	5,958,153	-
Frank Russell Global Balanced Fund (cost \$4,105,608)	5,196,770	5,196,770	-
Frank Russell Equity I Fund (cost \$5,062,350)	7,049,564	7,049,564	-
Frank Russell Equity II Fund (cost \$586,015)	784,621	784,621	-
Loans to participants	415,971	415,971	-
Total investments	112,124,468	108,222,237	3,902,231
Interest and dividends receivable	141,965	121,009	20,956
Cash	587	408	179
Net assets available for benefits	<u>\$112,267,020</u>	<u>\$108,343,654</u>	<u>\$3,923,366</u>

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

SAVINGS PLAN FOR THE EMPLOYEES OF TREDEGAR INDUSTRIES, INC.

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 1996

	Total	Active (Note 3)	Inactive (Note 4)
Assets:			
Investments (Note 6):			
Money market funds:			
Wachovia Bank Diversified Trust Fund (cost \$686,481)	\$ 686,481	\$ 202,836	\$ 483,645
Frank Russell Short Term Investment Fund (cost \$237)	237	237	-
Common stocks:			
Albemarle Corporation (cost \$615,585)	2,153,141	-	2,153,141
Ethyl Corporation (cost \$1,133,967)	2,132,959	-	2,132,959
Tredegear Industries, Inc. (cost \$13,861,815)	57,966,983	57,966,983	-
Actively managed commingled funds:			
Frank Russell Investment Contract Fund (cost \$4,418,321)	4,545,748	4,545,748	-
Frank Russell Global Balanced Fund (cost \$3,168,424)	3,486,211	3,486,211	-
Frank Russell Equity I Fund (cost \$3,578,047)	4,027,405	4,027,405	-
Frank Russell Equity II Fund (cost \$422,874)	456,556	456,556	-
Loans to participants	156,328	156,328	-
Total investments	75,612,049	70,842,304	4,769,745
Receivables:			
Interest and dividends	166,379	117,969	48,410
Due from broker for securities trades	104,425	-	104,425
Total receivables	<u>270,804</u>	<u>117,969</u>	<u>152,835</u>

Cash	37,159	36,800	359
	-----	-----	-----
	75,920,012	70,997,073	4,922,939
Liabilities:			
Cash overdrafts	1,200	1,200	-
Accrued administrative expenses	292	39	253
Loans committed not paid	36,800	36,800	-
Due to broker for securities trades	33,202	33,202	-
	-----	-----	-----
	71,494	71,241	253
	-----	-----	-----
Net assets available for benefits	\$75,848,518	\$70,925,832	\$4,922,686
	=====	=====	=====

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

SAVINGS PLAN FOR THE EMPLOYEES OF TREDEGAR INDUSTRIES, INC.

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEAR ENDED DECEMBER 31, 1997

	Total	Active (Note 3)	Inactive (Note 4)
Additions to net assets attributed to:			
Investment income:			
Interest	\$ 46,305	\$ 41,341	\$ 4,964
Dividends	590,434	466,069	124,365
Net appreciation in the fair value of investments	39,417,632	39,146,620	271,012
	-----	-----	-----
	40,054,371	39,654,030	400,341
Contributions:			
Employer	1,754,488	1,754,488	-
Participants	3,955,256	3,955,256	-
	-----	-----	-----
	5,709,744	5,709,744	-
	-----	-----	-----
Total additions	45,764,115	45,363,774	400,341
Deductions from net assets attributed to:			
Administrative expenses (Note 9)	178,740	175,042	3,698
Withdrawals paid to participating employees	9,166,873	8,715,130	451,743
	-----	-----	-----
Total deductions	9,345,613	8,890,172	455,441
	-----	-----	-----
	36,418,502	36,473,602	(55,100)
Intraplan transfers			
	-	944,220	(944,220)
	-----	-----	-----
Net increase (decrease) for the year	36,418,502	37,417,822	(999,320)
Net assets available for benefits:			
Beginning of year	75,848,518	70,925,832	4,922,686
	-----	-----	-----
End of year	\$112,267,020	\$108,343,654	\$3,923,366
	=====	=====	=====

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

SAVINGS PLAN FOR THE EMPLOYEES OF TREDEGAR INDUSTRIES, INC.

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEAR ENDED DECEMBER 31, 1996

	Total	Active (Note 3)	Inactive (Note 4)
Additions to net assets attributed to:			
Investment income:			
Interest	\$ 190,342	\$ 163,115	\$ 27,227
Dividends	604,707	398,583	206,124
Net appreciation (depreciation) in the fair value of investments	29,454,043	29,754,217	(300,174)
	-----	-----	-----
	30,249,092	30,315,915	(66,823)
Contributions:			
Employer	1,681,868	1,681,868	-
Participants	3,753,198	3,753,198	-
	-----	-----	-----
	5,435,066	5,435,066	-
	-----	-----	-----
Total additions	35,684,158	35,750,981	(66,823)
Deductions from net assets attributed to:			
Administrative expenses (Note 9)	106,781	99,151	7,630
Withdrawals paid to participating employees	14,253,450	13,026,873	1,226,577
	-----	-----	-----
Total deductions	14,360,231	13,126,024	1,234,207
	-----	-----	-----
	21,323,927	22,624,957	(1,301,030)
Transfers:			
Intraplan	-	4,997,810	(4,997,810)
To successor plan	(78,699)	(77,730)	(969)
	-----	-----	-----
Total transfers	(78,699)	4,920,080	(4,998,779)
	-----	-----	-----
Net increase (decrease) for the year	21,245,228	27,545,037	(6,299,809)
Net assets available for benefits:			
Beginning of year	54,603,290	43,380,795	11,222,495
	-----	-----	-----
End of year	\$75,848,518	\$70,925,832	\$ 4,922,686
	=====	=====	=====

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

SAVINGS PLAN FOR THE EMPLOYEES OF TREDEGAR INDUSTRIES, INC.

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEAR ENDED DECEMBER 31, 1995

	Total	Active (Note 3)	Inactive (Note 4)
Additions to net assets attributed to:			
Investment income:			
Interest	\$ 474,531	\$ 473,102	\$ 1,429
Dividends	574,514	292,430	282,084
Net appreciation in the fair value of investments	18,565,114	16,096,989	2,468,125
	19,614,159	16,862,521	2,751,638
Contributions:			
Employer	1,635,515	1,635,515	-
Participants	3,974,257	3,974,257	-
	5,609,772	5,609,772	-
Total additions	25,223,931	22,472,293	2,751,638
Deductions from net assets attributed to:			
Administrative expenses (Note 9)	51,839	39,551	12,288
Withdrawals paid to participating employees	6,093,709	5,373,021	720,688
Total deductions	6,145,548	5,412,572	732,976
	19,078,383	17,059,721	2,018,662
Intraplan transfers	-	415,309	(415,309)
Net increase for the year	19,078,383	17,475,030	1,603,353
Net assets available for benefits:			
Beginning of year	35,524,907	25,905,765	9,619,142
End of year	<u>\$54,603,290</u>	<u>\$43,380,795</u>	<u>\$11,222,495</u>

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

SAVINGS PLAN FOR THE EMPLOYEES OF TREDEGAR INDUSTRIES, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1997

1. Summary of significant accounting policies

General - Tredegar Industries, Inc. (Tredegar), which engages directly or through subsidiaries in plastics and aluminum businesses, is a Virginia corporation that was organized in 1988 as a wholly owned subsidiary of Ethyl Corporation. On or about July 10, 1989 (Record Date), Ethyl Corporation distributed all of the outstanding shares of Tredegar common stock to the holders of common stock of Ethyl Corporation at the rate of one share of Tredegar common stock for every ten shares of Ethyl Corporation common stock held on the Record Date.

The Savings Plan for the Employees of Tredegar Industries, Inc. (Plan) was adopted by the Board of Directors of Tredegar on June 14, 1989, and was approved by Ethyl Corporation, Tredegar's sole shareholder, on June 19, 1989. The Plan was effective as of July 1, 1989. In connection with the establishment of the Plan and the distribution of Tredegar's common stock, the accounts of Tredegar employees in the Savings Plan for the Employees of Ethyl Corporation (Ethyl Plan) were transferred to the Plan.

The Plan is subject to Titles I, II and III and is exempt from Title IV of the Employee Retirement Income Security Act of 1974 (ERISA). Title IV of ERISA provides for federally sponsored insurance for plans that terminate with unfunded benefits. No such insurance is provided to participants in this Plan, however, because the benefits that participants are entitled to receive are always equal to the value of their account balances and, for that reason, the Plan is always fully funded. The value of a participant's account may change from time to time. Each participant assumes the risk of fluctuations in the value of his account.

The accompanying financial statements of the Plan have been prepared in conformity with generally accepted accounting principles.

Security valuation - Investments are stated at fair value determined as follows:

- | | |
|-----------------------------------|--|
| Money market funds | - market price which is equivalent to cost |
| Common stocks | - last published sale price on the New York Stock Exchange |
| Actively managed commingled funds | - provided in the audited annual report of the Frank Russell Trust Company |

SAVINGS PLAN FOR THE EMPLOYEES OF TREDEGAR INDUSTRIES, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1997

1. Summary of significant accounting policies (Continued)

Security transactions and related investment income - Security transactions are accounted for on the trade date and dividend income is recorded as earned on the ex-dividend date. Interest income is recorded as earned on the accrual basis. In determining the realized net gain or loss on securities sold, the cost of securities is determined on an average cost basis. The Plan presents in the statements of changes in net assets available for benefits the net appreciation (depreciation) in the fair value of investments, which consists of the realized gains or losses and the change in unrealized appreciation (depreciation) on those investments.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

2. Description of Plan

The Plan is a defined contribution plan. Information regarding plan benefits and vesting is provided in the Plan and related documents which are available at Tredegar's main office at 1100 Boulders Parkway, Richmond, Virginia 23225.

SAVINGS PLAN FOR THE EMPLOYEES OF TREDEGAR INDUSTRIES, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1997

3. Active funds (Continued)

As of December 31, 1996, the following net assets were available for benefits:

	Tredegar Industries Inc. Common Stock Fund	Stable Value Fund	Balanced Fund	Equity Fund	Loan Fund	Total
Assets:						
Investments:						
Money market funds:						
Wachovia Bank Diversified Trust Fund	\$ 202,836	\$ -	\$ -	\$ -	\$ -	\$ 202,836
Frank Russell Short Term Investment Fund	-	45	60	132	-	237
Common stocks:						
Tredegar Industries, Inc.	57,966,983	-	-	-	-	57,966,983
Actively managed commingled funds:						
Frank Russell Investment Contract Fund	-	4,545,748	-	-	-	4,545,748
Frank Russell Global Balanced Fund	-	-	3,486,211	-	-	3,486,211
Frank Russell Equity I Fund	-	-	-	4,027,405	-	4,027,405
Frank Russell Equity II Fund	-	-	-	456,556	-	456,556
Loans to participants	-	-	-	-	156,328	156,328
Total investments	58,169,819	4,545,793	3,486,271	4,484,093	156,328	70,842,304
Interest and dividends receivable	117,923	14	12	20	-	117,969
Cash	-	-	-	-	36,800	36,800
	58,287,742	4,545,807	3,486,283	4,484,113	193,128	70,997,073
Liabilities:						
Cash overdrafts	-	367	393	440	-	1,200
Accrued administrative expenses	39	-	-	-	-	39
Loans committed not paid	-	-	-	-	36,800	36,800
Due to broker for securities trades	33,202	-	-	-	-	33,202
	33,241	367	393	440	36,800	71,241
Net assets available for benefits	\$58,254,501	\$4,545,440	\$3,485,890	\$4,483,673	\$156,328	\$70,925,832

SAVINGS PLAN FOR THE EMPLOYEES OF TREDEGAR INDUSTRIES, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1997

3. Active funds (Continued)

For the year ended December 31, 1996, net assets available for benefits changed as follows:

	Short-Term Investment Fund	Government Obligations Fund	Tredegar Industries Inc. Common Stock Fund	Stable Value Fund	Balanced Fund	Equity Fund	Loan Fund	Total
Additions to net assets attributed to:								
Investment income:								
Interest	\$ 18,287	\$ 118,338	\$ 18,039	\$ 129	\$ 2,051	\$ 4,311	\$ 1,960	\$ 163,115
Dividends	-	-	398,346	45	60	132	-	398,583
Net appreciation (depreciation) in the fair value of investments	-	(59,855)	28,867,858	135,034	322,243	488,937	-	29,754,217
	18,287	58,483	29,284,243	135,208	324,354	493,380	1,960	30,315,915
Contributions:								
Employer	-	-	1,681,868	-	-	-	-	1,681,868
Participants	331,990	305,091	1,381,320	299,030	490,983	944,784	-	3,753,198
	331,990	305,091	3,063,188	299,030	490,983	944,784	-	5,435,066
Total additions	350,277	363,574	32,347,431	434,238	815,337	1,438,164	1,960	35,750,981
Deductions from net assets attributed to:								
Administrative expenses	400	14,863	43,607	8,428	14,990	16,863	-	99,151
Withdrawals to participating employees	1,953,531	504,313	9,570,619	427,776	249,975	320,659	-	13,026,873
Total deductions	1,953,931	519,176	9,614,226	436,204	264,965	337,522	-	13,126,024
	(1,603,654)	(155,602)	22,733,205	(1,966)	550,372	1,100,642	1,960	22,624,957
Transfers:								
Intraplan To successor plan	(718,584)	(5,804,260)	500,331	4,547,406	2,935,518	3,383,031	154,368	4,997,810
	-	(7,680)	(70,050)	-	-	-	-	(77,730)
Total transfers	(718,584)	(5,811,940)	430,281	4,547,406	2,935,518	3,383,031	154,368	4,920,080
Net increase (decrease) for the year	(2,322,238)	(5,967,542)	23,163,486	4,545,440	3,485,890	4,483,673	156,328	27,545,037
Net assets available for benefits:								
Beginning of year	2,322,238	5,967,542	35,091,015	-	-	-	-	43,380,795
End of year	\$ -	\$ -	\$58,254,501	\$4,545,440	\$3,485,890	\$4,483,673	\$156,328	\$70,925,832

SAVINGS PLAN FOR THE EMPLOYEES OF TREDEGAR INDUSTRIES, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1997

3. Active funds (Continued)

For the year ended December 31, 1995, net assets available for benefits changed as follows:

	Short-Term Investment Fund	Government Obligations Fund	Tredegar Industries Inc. Common Stock Fund	Total
Additions to net assets attributable to:				
Investment income:				
Interest	\$ 101,744	\$ 363,179	\$ 8,179	\$ 473,102
Dividends	-	-	292,430	292,430
Net appreciation in the fair value of investments	-	50,283	16,046,706	16,096,989
	101,744	413,462	16,347,315	16,862,521
Contributions:				
Employer	-	-	1,635,515	1,635,515
Participants	1,913,990	853,612	1,206,655	3,974,257
	1,913,990	853,612	2,842,170	5,609,772
Total additions	2,015,734	1,267,074	19,189,485	22,472,293
Deductions from net assets attributed to:				
Administrative expenses	4,674	6,407	28,470	39,551
Withdrawals paid to participating employees	1,968,318	1,526,571	1,878,132	5,373,021
Total deductions	1,972,992	1,532,978	1,906,602	5,412,572
	42,742	(265,904)	17,282,883	17,059,721
Intraplan transfers	(55,978)	1,547,120	(1,075,833)	415,309
Net increase (decrease) for the year	(13,236)	1,281,216	16,207,050	17,475,030
Net assets available for benefits:				
Beginning of year	2,335,474	4,686,326	18,883,965	25,905,765
End of year	\$2,322,238	\$5,967,542	\$35,091,015	\$43,380,795

SAVINGS PLAN FOR THE EMPLOYEES OF TREDEGAR INDUSTRIES, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1997

4. Inactive funds

As of December 31, 1997, the following assets were available for benefits:

	Short-Term Investment Fund	Ethyl Corporation Common Stock Fund	Albemarle Corporation Common Stock Fund	Total
Assets:				
Investments:				
Money market funds - Wachovia Bank Diversified Trust Fund	\$13,607	\$ 16,543	\$ 1,746	\$ 31,896
Common stocks:				
Albemarle Corporation	-	-	2,410,253	2,410,253
Ethyl Corporation	-	1,460,082	-	1,460,082
	-----	-----	-----	-----
Total investments	13,607	1,476,625	2,411,999	3,902,231
Interest and dividends receivable	-	11,870	9,086	20,956
Cash	83	86	10	179
	-----	-----	-----	-----
Net assets available for benefits	\$13,690 =====	\$1,488,581 =====	\$2,421,095 =====	\$3,923,366 =====

SAVINGS PLAN FOR THE EMPLOYEES OF TREDEGAR INDUSTRIES, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1997

4. Inactive funds (Continued)

As of December 31, 1996, the following net assets were available for benefits:

	Short-Term Investment Fund	Ethyl Corporation Common Stock Fund	First Colony Corporation Common Stock Fund	Albemarle Corporation Common Stock Fund	Total
Assets:					
Investments:					
Money market funds - Wachovia Bank Diversified Trust Fund	\$186,463	\$ 6,533	\$290,067	\$ 582	\$ 483,645
Common stocks:					
Albemarle Corporation	-	-	-	2,153,141	2,153,141
Ethyl Corporation	-	2,132,959	-	-	2,132,959
	-----	-----	-----	-----	-----
Total investments	186,463	2,139,492	290,067	2,153,723	4,769,745
Receivables:					
Interest and dividends	899	29,002	9,959	8,550	48,410
Due from broker for securities trades	-	63,162	-	41,263	104,425
	-----	-----	-----	-----	-----
Total receivables	899	92,164	9,959	49,813	152,835
Cash	-	-	359	-	359
	-----	-----	-----	-----	-----
	187,362	2,231,656	300,385	2,203,536	4,922,939
Accrued administrative expenses					
	20	2	230	1	253
	-----	-----	-----	-----	-----
Net assets available for benefits	\$187,342	\$2,231,654	\$300,155	\$2,203,535	\$4,922,686
	=====	=====	=====	=====	=====

SAVINGS PLAN FOR THE EMPLOYEES OF TREDEGAR INDUSTRIES, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1997

4. Inactive funds (Continued)

For the year ended December 31, 1997, net assets available for benefits changed as follows:

	Short-Term Investment Fund	Ethyl Corporation Common Stock Fund	First Colony Corporation Common Stock Fund	Albemarle Corporation Common Stock Fund	Total
Additions to net assets attributable to:					
Investment income:					
Interest	\$ 2,847	\$ 1,323	\$ 106	\$ 688	\$ 4,964
Dividends	-	90,104	-	34,261	124,365
Net appreciation (depreciation) in the fair value of investments	-	(361,080)	-	632,092	271,012
Total additions	2,847	(269,653)	106	667,041	400,341
Deductions from net assets attributed to:					
Administrative expenses	397	1,549	2	1,750	3,698
Withdrawals paid to participating employees	164,955	123,861	-	162,927	451,743
Total deductions	165,352	125,410	2	164,677	455,441
	(162,505)	(395,063)	104	502,364	(55,100)
Intraplan transfers	(11,147)	(348,010)	(300,259)	(284,804)	(944,220)
Net increase (decrease) for the year	(173,652)	(743,073)	(300,155)	217,560	(999,320)
Net assets available for benefits:					
Beginning of year	187,342	2,231,654	300,155	2,203,535	4,922,686
End of year	\$ 13,690	\$1,488,581	\$ -	\$2,421,095	\$3,923,366

SAVINGS PLAN FOR THE EMPLOYEES OF TREDEGAR INDUSTRIES, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1997

4. Inactive funds (Continued)

For the year ended December 31, 1996, net assets available for benefits changed as follows:

	Short-Term Investment Fund	Ethyl Corporation Common Stock Fund	First Colony Corporation Common Stock Fund	Albemarle Corporation Common Stock Fund	Total
Additions to net assets attributable to:					
Investment income:					
Interest	\$ 12,802	\$ 2,032	\$ 11,093	\$ 1,300	\$ 27,227
Dividends	-	139,990	31,187	34,947	206,124
Net appreciation (depreciation) in the fair value of investments	-	(982,805)	715,983	(33,352)	(300,174)
Total additions	12,802	(840,783)	758,263	2,895	(66,823)
Deductions from net assets attributed to:					
Administrative expenses	4,817	538	1,312	963	7,630
Withdrawals paid to participating employees	155,333	376,912	317,682	376,650	1,226,577
Total deductions	160,150	377,450	318,994	377,613	1,234,207
	(147,348)	(1,218,233)	439,269	(374,718)	(1,301,030)
Transfers:					
Intraplan	334,722	(1,207,374)	(3,165,898)	(959,260)	(4,997,810)
To successor plan	(32)	(329)	(253)	(355)	(969)
Total transfers	334,690	(1,207,703)	(3,166,151)	(959,615)	(4,998,779)
Net increase (decrease) for the year	187,342	(2,425,936)	(2,726,882)	(1,334,333)	(6,299,809)
Net assets available for benefits:					
Beginning of year	-	4,657,590	3,027,037	3,537,868	11,222,495
End of year	\$187,342	\$2,231,654	\$ 300,155	\$2,203,535	\$ 4,922,686

SAVINGS PLAN FOR THE EMPLOYEES OF TREDEGAR INDUSTRIES, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1997

4. Inactive funds (Continued)

For the year ended December 31, 1995, net assets available for benefits changed as follows:

	Ethyl Corporation Common Stock Fund	First Colony Corporation Common Stock Fund	Albemarle Corporation Common Stock Fund	Total
Additions to net assets attributable to:				
Investment income:				
Interest	\$ 1,024	\$ 190	\$ 215	\$ 1,429
Dividends	192,411	49,957	39,716	282,084
Net appreciation in the fair value of investments	1,060,532	379,799	1,027,794	2,468,125
Total additions	1,253,967	429,946	1,067,725	2,751,638
Deductions from net assets attributed to:				
Administrative expenses	4,940	3,580	3,768	12,288
Withdrawals paid to participating employees	313,567	198,667	208,454	720,688
Total deductions	318,507	202,247	212,222	732,976
	935,460	227,699	855,503	2,018,662
Intraplan transfers	(195,126)	(129,549)	(90,634)	(415,309)
Net increase for the year	740,334	98,150	764,869	1,603,353
Net assets available for benefits:				
Beginning of year	3,917,256	2,928,887	2,772,999	9,619,142
End of year	\$4,657,590	\$3,027,037	\$3,537,868	\$11,222,495

SAVINGS PLAN FOR THE EMPLOYEES OF TREDEGAR INDUSTRIES, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1997

5. Contributions and investment options

As of December 31, 1997 and 1996, there were 1,511 and 1,422 employees, respectively, participating in the Plan. Participation in each fund was as follows:

	Number of Participants	
	December 31,	
	1997	1996
Short-Term Investment Fund	39	143
Tredegan Industries, Inc. Common Stock Fund	1,424	1,375
Albemarle Corporation Common Stock Fund	204	243
Ethyl Corporation Common Stock Fund	196	234
Stable Value Fund	511	540
Balanced Fund	601	533
Equity Fund	917	807

As of December 31, 1997 and 1996, 2,171 and 1,971 employees, respectively, were eligible to participate in the Plan.

Participants in the Plan currently may select a program for investment in the Stable Value Fund, Balanced Fund, Equity Fund, Tredegan Industries, Inc. Common Stock Fund, or in any combination thereof in even multiples of 10%. Each participant may contribute a percentage of his or her base pay (as defined) ranging from a minimum of 1% to a maximum of 10%. The contribution paid on behalf of the participant by Tredegan is generally 50% of each nonrepresented participant's contribution. Contributions made by Tredegan are invested in the Tredegan Industries, Inc. Common Stock Fund.

No additional contributions may be invested in either the Ethyl Corporation Common Stock Fund (which was an investment option under the Ethyl Plan) or the Albemarle Corporation Common Stock Fund (which was created during 1994 as the result of a distribution to Ethyl Corporation stockholders). However, existing investments in these Funds may continue or the participants may direct the transfer of their investment in these Funds to the Stable Value Fund, Balanced Fund, Equity Fund, or the Tredegan Industries, Inc. Common Stock Fund.

SAVINGS PLAN FOR THE EMPLOYEES OF TREDEGAR INDUSTRIES, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1997

5. Contributions and investment options (Continued)

Investments in the active funds are made primarily in various actively managed commingled funds managed by the Frank Russell Trust Company and Tredegar common stock. Investments in the Short-Term Investment Fund are selected by Wachovia Bank, N.A. (Trustee), from fund securities maturing within one year or revolving credit arrangements that are completely liquid investments. Investments in the common stock of Ethyl Corporation and Albemarle Corporation are now held until liquidation or distribution under the Plan. The Trustee is permitted under the trust agreement to invest monies held by it until such time as the funds are invested in accordance with participants' directions or disbursed in accordance with the terms of the Plan. These permitted investments include certain commercial paper, variable notes, certificates of deposit and money market funds.

The cost basis assigned to the Albemarle Corporation common stock received from the distribution by Ethyl Corporation was 34.99% of the cost basis of the Ethyl Corporation common stock. The market value of Albemarle Corporation common stock on February 28, 1994, was \$1,889,293 in excess of the cost basis assigned.

6. Investments

The following tables present the fair value of investments as of December 31, 1997 and 1996. Investments that represent five percent or more of the Plan's net assets are separately identified.

FAIR VALUE OF INVESTMENTS

December 31, 1997

Name of issuer and title of each issue	Number of shares or units - principal bonds and notes	Cost	Fair Value (1)
Investments at fair value as determined by quoted market price:			
Money market funds - Wachovia Bank			
Diversified Trust Fund		\$ 99,158	\$ 99,158
Common stocks:			
Albemarle Corporation	100,953	556,834	2,410,253
Ethyl Corporation	189,917	1,027,436	1,460,082
Tredegar Industries, Inc.	1,347,247	15,006,131	88,749,896
		16,689,559	92,719,389

SAVINGS PLAN FOR THE EMPLOYEES OF TREDEGAR INDUSTRIES, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1997

6. Investments (Continued)

Name of issuer and title of each issue	Number of shares or units - principal bonds and notes	Cost	Fair Value (1)
Investments estimated at fair value:			
Actively managed commingled funds:			
Frank Russell Investment Contract Fund	303,399	5,542,604	5,958,153
Frank Russell Global Balanced Fund	238,220	4,105,608	5,196,770
Frank Russell Equity I Fund	247,666	5,062,350	7,049,564
Frank Russell Equity II Fund	30,327	586,015	784,621
Loans to participants	\$415,971	415,971	415,971
		-----	-----
		15,712,548	19,405,079
Total investments		\$32,402,107	\$112,124,468
		=====	=====

(1) Investments are carried in the statement of net assets available for benefits at fair value.

FAIR VALUE OF INVESTMENTS

December 31, 1996

Name of issuer and title of each issue	Number of shares or units - principal bonds and notes	Cost	Fair Value (1)
Investments at fair value as determined by quoted market price:			
Money market funds:			
Wachovia Bank Diversified Trust Fund		\$ 686,481	\$ 686,481
Frank Russell Short Term Investment Fund		237	237
Common stocks:			
Albemarle Corporation	118,794	615,585	2,153,141
Ethyl Corporation	224,522	1,133,967	2,132,959
Tredegear Industries, Inc.	1,444,660	13,861,815	57,966,983
		-----	-----
		16,298,085	62,939,801
Investments estimated at fair value:			
Actively managed commingled funds:			
Frank Russell Investment Contract Fund	246,810	4,418,321	4,545,748
Frank Russell Global Balanced Fund	191,582	3,168,424	3,486,211
Frank Russell Equity I Fund	186,566	3,578,047	4,027,405
Frank Russell Equity II Fund	22,847	422,874	456,556
Loans to participants	\$156,328	156,328	156,328
		-----	-----
		11,743,994	12,672,248
Total investments		\$28,042,079	\$75,612,049
		=====	=====

(1) Investments are carried in the statement of net assets available for benefits at fair value.

SAVINGS PLAN FOR THE EMPLOYEES OF TREDEGAR INDUSTRIES, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1997

6. Investments (Continued)

Closing stock prices as of December 31, 1997 and 1996, were as follows:

	1997	1996
Albemarle Corporation common stock	\$23.875	\$18.125
Ethyl Corporation common stock	7.688	9.500
Tredegar Industries, Inc. common stock	65.875	40.125
Frank Russell Investment Contract Fund	19.638	18.418
Frank Russell Global Balanced Fund	21.815	18.197
Frank Russell Equity I Fund	28.464	21.587
Frank Russell Equity II Fund	25.872	19.983

During the years ended December 31, 1997, 1996, and 1995, the Plan's investment portfolio (including investments bought, sold and held during the year) appreciated in value by \$39,417,632, \$29,454,043, and \$18,565,114 as follows:

Net change in fair value

	1997	1996	1995
	----	----	----
Investments at fair value as determined by quoted market price:			
United States government obligations	\$ -	\$ (59,855)	\$ 50,283
Tredegar Industries, Inc. common stock	36,258,606	28,867,859	16,046,706
Albemarle Corporation common stock	632,092	(33,352)	1,027,794
Ethyl Corporation common stock	(361,080)	(982,804)	1,060,532
First Colony Corporation common stock	-	715,983	379,799
	-----	-----	-----
	36,529,618	28,507,831	18,565,114
Investments at estimated fair value:			
Frank Russell Investment Contract Fund	319,389	135,033	-
Frank Russell Global Balanced Fund	806,777	322,243	-
Frank Russell Equity I Fund	1,581,478	455,074	-
Frank Russell Equity II Fund	180,370	33,862	-
	-----	-----	-----
	2,888,014	946,212	-
	-----	-----	-----
Net change in fair value	\$39,417,632	\$29,454,043	\$18,565,114
	=====	=====	=====

SAVINGS PLAN FOR THE EMPLOYEES OF TREDEGAR INDUSTRIES, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1997

7. Federal income taxes

The Internal Revenue Service has determined and informed Tredegar by a letter dated January 22, 1996, that the Plan and related trust are designed in accordance with the applicable sections of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter. However, the Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

8. Annual Short-Term Investment Fund distribution

The Plan provides that an annual distribution of 75% of each participant's interest in the Short-Term Investment Fund as of the end of the preceding plan year will be made as promptly as practicable after the beginning of the new plan year unless a participant elects to transfer this distribution to the Stable Value Fund, Balanced Fund, Equity Fund, or the Tredegar Industries, Inc. Common Stock Fund. Annual distributions in the amount of \$10,341, \$140,036, and \$1,822,924 were paid from the Short-Term Investment Fund in February 1998, 1997, and 1996, respectively. The remaining balance, if any, is carried over in the Short-Term Investment Fund.

9. Administrative expenses

The Plan is responsible for all trustee and investment management fees. Tredegar pays for all other administrative expenses up to an annual limit of \$75,000. Any expenses in excess of this limit are paid by the Plan.

10. Forfeitures

Employees who leave Tredegar before becoming fully vested in Tredegar contributions forfeit the value of their nonvested account. Forfeitures are applied against Tredegar's contributions throughout the year. Forfeitures were as follows:

1997	\$113,119
1996	100,102
1995	76,280

EXHIBIT INDEX

24.1 Consent of Independent Auditors

CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in the Registration Statement of Tredegar Industries, Inc. on Form S-8 (File Number 33-64647) of our report dated June 5, 1998, appearing in this Annual Report on Form 11-K of the Savings Plan for the Employees of Tredegar Industries, Inc. for the year ended December 31, 1997.

PLOTT & WALTON, PC

June 15, 1998