UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE QUARTER ENDED DECEMBER 31, 1999

COMMISSION FILE NUMBER 0-20165

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

OHIO (State or other jurisdiction of incorporation or organization)	34-1482024 (IRS Employer Identification No.)
5960 HEISLEY ROAD, MENTOR, OHIO 44060-1834 (Address of principal executive offices)	440-354-2600 (Registrant's telephone number, including area code)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes [X] No [ ].

The number of Common Shares outstanding as of December 31, 1999: 67,495,079

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PART I FINANCIAL INFORMATION

STERIS CORPORATION
CONSOLIDATED CONDENSED BALANCE SHEETS
(IN THOUSANDS) (UNAUDITED)

	DECEMBER 31, 1999	MARCH 31, 1999
ASSETS		
Current assets:		
Cash and cash equivalents	$ 28,580	$ 23,680
Accounts receivable	224,400	230,346
Inventories	130,225	99,279
Current portion of deferred income taxes	21,910	21,910
Prepaid expenses and other assets	18,127	18,182
TOTAL CURRENT ASSETS	423,242	393,397
Property, plant, and equipment	422,264	372,386
Accumulated depreciation	(134,742)	(111,105)
Net property, plant, and equipment	287,522	261,281
Intangibles	283,336	280,750
Accumulated amortization	(77,598)	(72,499)
Net intangibles	205,738	208,251
Other assets	3,444	3,067
TOTAL ASSETS	$ 919,946	$ 865,996
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term indebtedness	$ 1,816	$ 2,200
Accounts payable	48,695	47,431
Accrued expenses and other	100,424	107,506
TOTAL CURRENT LIABILITIES	150,935	157,137
Long-term indebtedness	265,925	221,500
Deferred income taxes	2,810	2,810
Other long-term liabilities	48,997	48,612
TOTAL LIABILITIES	468,667	430,059
Shareholders' equity:		
Serial preferred shares, without par value, 3,000 shares authorized; no shares outstanding		
Common Shares, without par value, 300,000 shares authorized; issued and outstanding shares of 67,495 at December 31, 1999, and 67,956 at March 31, 1999, excluding 1,081 and 523 treasury shares, respectively	204,256	222,946
Retained earnings	254,541	219,863
Cumulative translation adjustment	(7,518)	(6,872)
TOTAL SHAREHOLDERS' EQUITY	451,279	435,937
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 919,946	$ 865,996

See notes to consolidated condensed financial statements.

STERIS CORPORATION
CONSOLIDATED CONDENSED STATEMENTS OF INCOME
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS) (UNAUDITED)

	THREE MONTHS ENDED DECEMBER 31		NINE MONTHS ENDED DECEMBER 31	
	1999	1998	1999	1998
Net revenues	$ 195,119	$ 205,794	$ 570,534	$ 570,694
Cost of goods and services sold	108,038	109,260	310,840	303,342
Gross profit	87,081	96,534	259,694	267,352
Costs and expenses:				
Selling, informational, and administrative	61,054	49,793	177,339	150,017
Research and development	5,812	6,150	17,735	18,253
	66,866	55,943	195,074	168,270
Income from operations	20,215	40,591	64,620	99,082
Interest expense	(4,086)	(3,097)	(11,482)	(7,816)
Interest income and other	1,507	170	2,755	685
Income before income taxes	17,636	37,664	55,893	91,951
Income tax expense	6,701	14,689	21,215	35,860
Net income	$ 10,935	$ 22,975	$ 34,678	$ 56,091
Net income per share - basic	$ 0.16	$ 0.34	$ 0.51	$ 0.82
Net income per share - diluted	$ 0.16	$ 0.33	$ 0.51	$ 0.79

See notes to consolidated condensed financial statements.

STERIS CORPORATION
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
(IN THOUSANDS) (UNAUDITED)

	NINE MONTHS ENDED DECEMBER 31	
	1999	1998
OPERATING ACTIVITIES		
Net income	$ 34,678	$ 56,091
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	30,107	22,882
Deferred income taxes	0	(7,358)
Other items	(748)	(270)
Changes in operating assets and liabilities:		
Accounts receivable	6,510	(1,033)
Inventories	(30,946)	(22,809)
Other assets	4,515	(3,493)
Accounts payable and accruals	(6,150)	(5,365)
NET CASH PROVIDED BY OPERATING ACTIVITIES	37,966	38,645
INVESTING ACTIVITIES		
Purchases of property, plant, equipment, and patents	(49,828)	(52,014)
Investment in businesses	(6,259)	(48,452)
NET CASH USED IN INVESTING ACTIVITIES	(56,087)	(100,466)
FINANCING ACTIVITIES		
Payments on long-term obligations	(1,659)	(1,114)
Borrowing under credit facility	45,000	60,000
Purchase of treasury shares	(28,712)	(6,746)
Stock option and other equity transactions	8,193	7,003
NET CASH PROVIDED BY FINANCING ACTIVITIES	22,822	59,143
Effect of exchange rate changes on cash and cash equivalents	199	519
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	4,900	(2,159)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	23,680	17,172
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 28,580	$ 15,013

See notes to consolidated condensed financial statements.

STERIS CORPORATION
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS) (UNAUDITED)

PERIODS ENDED DECEMBER 31, 1999 AND 1998

A. - REPORTING ENTITY

STERIS Corporation (the "Company" or "STERIS") develops, manufactures, and markets infection prevention, contamination prevention, microbial reduction, and therapy support systems, products, services, and technologies for health care, scientific, research, food, and industrial Customers throughout the world. The Company has over 4,700 Associates (employees) worldwide, including more than 1,900 direct sales, service, field, and Customer support personnel. Customer Support facilities are located in major global market centers with production operations in the United States, Australia, Canada, Germany, Finland, and Sweden. STERIS operates in a single business segment.

B. - BASIS OF PRESENTATION

The accompanying unaudited consolidated condensed financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X; they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. Accordingly, the reader of these financial statements should refer to the audited consolidated financial statements of STERIS filed with the Securities and Exchange Commission as part of STERIS's Form 10-K for the year ended March 31, 1999.

The accompanying consolidated condensed financial statements have been prepared in accordance with STERIS's customary accounting practices and have not been audited. Management believes that the financial information included herein reflects all adjustments necessary for a fair presentation of interim results and all such adjustments are of a normal and recurring nature. The interim results reported are not necessarily indicative of the results to be expected for the fiscal year ending March 31, 2000.

The balance sheet at March 31, 1999 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements.

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. Intercompany accounts and transactions have been eliminated upon consolidation.

STERIS CORPORATION
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS) (UNAUDITED)

C. - EARNINGS PER SHARE

Following is a summary, in thousands, of Common Shares and Common Share equivalents outstanding used in the calculations of earnings per share:

	THREE MONTHS ENDED DECEMBER 31		NINE MONTHS ENDED DECEMBER 31	
	1999	1998	1999	1998
Weighted average Common Shares outstanding - basic	67,495	68,174	67,484	68,203
Dilutive effect of stock options	893	2,204	1,156	2,398
Weighted average Common Shares and equivalents - diluted	68,388	70,378	68,640	70,601

D. - COMPREHENSIVE INCOME

Comprehensive income amounted to $10,240 and $23,493, net of tax, for the quarters ended December 31, 1999 and 1998, respectively. Comprehensive income amounted to $34,032 and $56,610, net of tax, for the nine months ended December 31, 1999 and 1998, respectively. The entire difference between net income and comprehensive income for the periods presented results from changes in the cumulative translation adjustment.

E. - INVENTORIES

Inventories were as follows:

	DECEMBER 31, 1999	MARCH 31, 1999
Raw material	$41,080	$36,878
Work in process	31,905	19,585
Finished goods	57,240	42,816
	$130,225	$99,279

STERIS CORPORATION
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS) (UNAUDITED)

F. - FINANCING

On January 26, 1999, STERIS entered into a $400,000 Credit Facility. The Credit Facility includes an unsecured revolver of $250,000 which expires January 26, 2002. The remaining $150,000 is an unsecured 364 day facility originally expiring on January 25, 2000, which has been extended and will expire on January 23, 2001, subject to being further extended at maturity for an additional 364 days. The $400,000 Credit Facility may be used for general corporate purposes and will bear interest at either KeyBank National Association's prime rate or at LIBOR plus a margin. The Credit Facility contains customary covenants which include maintenance of certain financial ratios. At December 31, 1999, the outstanding borrowings under the existing Credit Facility were $260,000.

The Company has now repurchased 3.7 million Common Shares as a part of its previously announced open market buy-back program. No Common Shares were repurchased in the latest quarter.

G. - CONTINGENCIES

There are various pending lawsuits and claims arising out of the conduct of STERIS's business. In the opinion of management, the ultimate outcome of these lawsuits and claims will not have a material adverse effect on STERIS's consolidated financial position or results of operations. STERIS believes it presently maintains a prudent amount of product liability insurance coverage and associated deductible levels.

On December 15, 1999, STERIS Corporation received a warning letter from the Food and Drug Administration ("FDA") in connection with the FDA's recent inspection of STERIS's manufacturing facility in Mentor, Ohio. Since the inspection and receipt of the warning letter, STERIS has been working diligently with the FDA to resolve the FDA's concerns and will continue to cooperate with the FDA to reach a final resolution of all concerns. Although no assurance can be given as to the timing of any such resolution, management believes this matter will not have a material adverse effect on STERIS's financial condition, results of operations, or cash flows.

H. - ACQUISITION

During the fourth quarter fiscal 2000, the Company purchased a minority equity interest in SterilTek, a provider of sterilization management and outsourcing services for health care facilities.

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

Board of Directors and Shareholders
STERIS Corporation

We have reviewed the accompanying consolidated condensed balance sheet of STERIS Corporation and subsidiaries as of December 31, 1999, and the related consolidated condensed statements of income for the three-month and nine-month periods ended December 31, 1999 and 1998, and the consolidated condensed statements of cash flows for the nine-month periods ended December 31, 1999 and 1998. These financial statements are the responsibility of the Company's management.

We conducted our review in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data, and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the United States, which will be performed for the full year with the objective of expressing an opinion regarding the financial statements taken as a whole. Accordingly we do not express such an opinion.

Based upon our reviews, we are not aware of any material modifications that should be made to the accompanying consolidated condensed financial statements referred to above for them to be in conformity with accounting principles generally accepted in the United States.

We have previously audited, in accordance with auditing standards generally accepted in the United States, the consolidated balance sheet of STERIS Corporation and subsidiaries as of March 31, 1999 and the related consolidated statements of operations, shareholders' equity and cash flows for the year then ended, not presented herein, and in our report dated April 26, 1999, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying consolidated condensed balance sheet as of March 31, 1999, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it is derived.

Ernst & Young LLP

Cleveland, Ohio
January 24, 2000

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

RESULTS OF OPERATIONS

Net revenue decreased by 5.2% to $195.1 million in the third quarter fiscal 2000 from $205.8 million in the third quarter fiscal 1999. The decline in revenues appeared to be largely attributable to delays in capital equipment purchases because of concerns over Y2K, the Balanced Budget Act of 1997 which reduced Medicare reimbursements and caused many hospitals to slow capital purchases, and the recent and pending global consolidations of companies in the biopharmaceutical industry. Net revenue decreased to $570.5 million in the first nine months of fiscal 2000 from $570.7 million in the same period in fiscal 1999. Health Care Group revenues in the fiscal third quarter decreased 3.5% from the prior year period to $145.2 million, or 74.4% of total Company revenues. Scientific and Industrial Group revenues were $49.9 million in the third quarter, a decrease of 9.8% from the prior year period. Health Care Group revenues in the first nine months of fiscal 2000 increased from the prior year period to $424.4 million, or 74.4% of total Company revenues. Scientific and Industrial Group revenues were $146.1 million in the first nine months of fiscal 2000, a decrease of 0.2% from the prior year period. Revenues from consumable products, accessories, and services were 58.8% of net revenue for the quarter.

The costs of products and services sold decreased by 1.1% to $108.0 million in the third quarter fiscal 2000 from $109.3 million in the third quarter fiscal 1999. The costs of products and services sold increased by 2.5% to $310.8 million for the first nine months of fiscal 2000 from $303.3 million for the first nine months of fiscal 1999. The cost of products and services sold as a percentage of net revenue was 55.4% for the third quarter fiscal 2000 compared to 53.1% for the same period in fiscal 1999. The increase in the cost of products and services sold as a percentage of net revenue reflects the impact of lower capital equipment sales for the period upon the absorption of fixed overhead. The Company has engaged an outside firm to assist with a focused project aimed at improving the efficiency and profitability of its major manufacturing operations.

Selling, informational, and administrative expenses increased by 22.7% to $61.1 million in the third quarter fiscal 2000 from $49.8 million in the third quarter fiscal 1999. Selling, informational, and administrative expenses increased by 18.2% to $177.3 million in the first nine months of fiscal 2000 from $150.0 million in the first nine months of fiscal 1999. The increase in expenses during the quarter reflected higher payroll and marketing costs primarily incurred to support the expansion and reorientation of the U.S. Health Care field organization, the addition of a production facility which was acquired as a result of a business combination, as well as a higher level of depreciation expense than the prior year. The expenses as a percentage of net revenue increased to 31.3% in the third quarter fiscal 2000 from 24.2% in the third quarter fiscal 1999.

Research and development expenses decreased by 6.5% to $5.8 million in the third quarter fiscal 2000 from $6.2 million in the third quarter fiscal 1999. Research and development expenses decreased by 3.3% to $17.7 million in the first nine months fiscal 2000 from $18.3 million in the first nine months fiscal 1999 as a result of continued consolidation and rationalization of the research and development activities of acquired businesses.

Interest expense increased by 32.3% to $4.1 million in the third quarter fiscal 2000 from $3.1 million in the third quarter fiscal 1999. Interest expense increased by 47.4% to $11.5 million in the first nine months fiscal 2000 from $7.8 million in the first nine months fiscal 1999. The increase was due to the additional borrowing under the Credit Facility principally for purchases of property, plant, and equipment, acquisition of businesses, and repurchase of Common Shares.

Net income for the third quarter of fiscal 2000 decreased by 52.6% to $10.9 million ($.16 per share) from $23.0 million ($.33 per share) in the same period in fiscal 1999. Net income for the first nine months of fiscal 2000 decreased by 38.2% to $34.7 million ($.51 per share) from $56.1 million ($.79 per share) in the same period in fiscal 1999.

LIQUIDITY AND CAPITAL RESOURCES

The Company had $28.6 million in cash and cash equivalents as of December 31, 1999, compared to $23.7 million of the same at March 31, 1999. The increase was primarily attributable to cash received from operating activities and borrowings, offset by purchases of property, plant, and equipment, acquisition of businesses, and repurchase of Common Shares.

Accounts receivable decreased by 2.6% to $224.4 million as of December 31, 1999, compared to $230.3 million at March 31, 1999. The decrease reflected seasonal changes in revenues and increased collections.

Inventory increased by 31.1% to $130.2 million as of December 31, 1999, compared to $99.3 million at March 31, 1999. The increase in inventories during the period was due to an increase in costs to support product sales and anticipated future product sales.

Prepaid expenses and other assets decreased by 0.6% to $18.1 million as of December 31, 1999, compared to $18.2 million at March 31, 1999.

Property, plant, and equipment increased by 13.4% to $422.3 million as of December 31, 1999, compared to $372.4 million at March 31, 1999. The increase was due to investments in manufacturing equipment, informational technology systems, and contract services operations.

Intangibles increased by 0.9% to $283.3 million as of December 31, 1999, compared to $280.8 million at March 31, 1999.

Current liabilities decreased by 4.0% to $150.9 million as of December 31, 1999, compared to $157.1 million at March 31, 1999. The decrease resulted from reductions in the current portion of long-term indebtedness and accrued expenses.

Long-term indebtedness increased by 20.1% to $265.9 million as of December 31, 1999, compared to $221.5 million at March 31, 1999. The increase was due primarily to fund purchases of property, plant, and equipment, business acquisitions, and the repurchase of Common Shares.

Other long-term liabilities increased by 0.8% to $49.0 million as of December 31, 1999, compared to $48.6 million at March 31, 1999.

On January 26, 1999, STERIS entered into a $400 million Credit Facility. The Credit Facility includes an unsecured revolver of $250 million which expires January 26, 2002. The remaining $150 million is an unsecured 364 day facility originally expiring on January 25, 2000, which has been extended and will expire on January 23, 2001, subject to being further extended at maturity for an additional 364 days. The $400 million Credit Facility may be used for general corporate purposes and will bear interest at either KeyBank National Association's prime rate or at LIBOR plus a margin. The Credit Facility contains customary covenants which include maintenance of certain financial ratios. At December 31, 1999, the outstanding borrowings under the existing Credit Facility were $260 million.

The Company has no material commitments for capital expenditures. The Company believes that its cash requirements will increase due to increased sales requiring more working capital, accelerated research and development, and potential acquisitions or investments in complementary businesses. However, the Company believes that its available cash, cash flow from operations, and sources of credit will be adequate to satisfy its capital needs for the foreseeable future.

CONTINGENCIES

For a discussion of contingencies, see Note G to the consolidated condensed financial statements.

SEASONALITY

Historical data indicates that financial results were subject to recurring seasonal fluctuations. A number of factors have contributed to the seasonal patterns, including sales promotion and compensation programs, Customer buying patterns of capital equipment, and international business practices. Sales and profitability of certain of the acquired and consolidated product lines have historically been disproportionately weighted toward the latter part of each quarter and each fiscal year. Various changes in business practices resulting from the integration of acquired businesses into STERIS may alter the historical patterns of the previously independent businesses.

YEAR 2000 DATE CONVERSION

An issue affecting many companies is how computer applications process date-sensitive information. Some older computer programs were written using two digits rather than four to define the applicable year. As a result, those computer programs have time-sensitive software that recognize a date using "00" as the year 1900 rather than the year 2000. Without corrective actions, this could cause disruptions of operations.

The Company completed all Year 2000 readiness work and has experienced no significant problems. The Y2K concerns that might have impacted Customer buying decisions have been addressed above.

Operating expenses include costs incurred in preparing systems and applications for the year 2000. The Company incurred internal staff costs as well as outside services and other expenses related to the conversion and testing of the systems and applications. These costs were immaterial.

EURO

On January 1, 1999, eleven of the fifteen member countries of the European Monetary Union (EMU) began a three-year transition phase during which a common currency called the Euro was adopted as their legal currency. The Euro began trading on currency exchanges and is available for non-cash transactions. During the transition period, parties may pay for goods and services using either the Euro or the participating country's legacy currency on a "no compulsion, no prohibition" basis. The conversion rates between the existing legacy currencies and the Euro were fixed on January 1, 1999. The legacy currencies will remain legal tender for cash transactions between January 1, 1999, and January 1, 2002, at which time all legacy currencies will be withdrawn from circulation and the new Euro denominated bills and coins will be used for cash transactions.

The Company has several operations within the eleven participating countries that are using the Euro as their local currency. Additionally, the Company's operations in other European countries and elsewhere in the world will be conducting business transactions with Customers and suppliers that will be denominated in the Euro. Euro denominated bank accounts have been established to accommodate Euro transactions.

The Company has established plans to review strategic and tactical issues arising from the Euro conversion. Over the past several periods, these plans have focused on aspects of the Euro conversion that required adjustment or compliance by January 1, 1999, and for conducting Euro-denominated business. These aspects included transacting business in the Euro, the competitive impact on product pricing, and adjustments to billing systems to handle parallel currencies. The Company has determined that these systems have the capability to handle Euro transactions and are currently in a position to transact business in Euros. Continuing analysis and development efforts will help ensure that the implementation of the Euro meets the timetable and regulations established by the EMU.

Based on current estimates, the Company does not expect the costs incurred to address the Euro will have a material impact on its financial condition, results of operations, or cash flows.

FORWARD-LOOKING INFORMATION

This Form 10-Q contains statements concerning certain trends and other forward-looking information affecting or relating to the Company and its industry that are intended to qualify for the protections afforded "forward-looking statements" under the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of forward-looking terms such as "may," "will," "expects," "anticipates," "plans," "estimates," "projects," "targets," "forecasts," or "seeks" or the negative of such terms or other variations on such terms or comparable terminology. There are many important factors that could cause actual results to differ materially from those in the forward-looking statements. Many of these important factors are outside STERIS's control. Changes in market conditions, including competitive factors and changes in government regulations, could cause actual results to differ materially from the Company's expectations. No assurance can be provided as to any future financial results. Other potentially negative factors that could cause actual results to differ materially from those in the forward-looking statements include (a) the possibility that the continuing integration of acquired businesses will take longer than anticipated, (b) the potential for increased pressure on pricing that leads to erosion in profit margins, (c) the possibility that market demand will not develop for new technologies, products, and applications or that regulatory actions may affect market demand, (d) the potential effects of fluctuations in foreign currencies where the Company does a sizable amount of business, (e) the possibility that the Company's activities related to changes in its sales force will take longer or incur greater expense than anticipated and (f) the possibility of reduced demand, or reductions in the rate of growth in demand, for the Company's products and services.

QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

A discussion of market risk exposures is included in Part II, Item 7a, "Quantitative and Qualitative Disclosure about Market Risk," of the Company's 1999 Annual Report and Form 10- K. There were no material changes during the nine months ended December 31, 1999.

PART II   OTHER INFORMATION

ITEM 1   LEGAL PROCEEDINGS

Reference is made to Part I, Item 1., Note G of this Report on Form 10-Q, which is incorporated herein by reference.

ITEM 6 EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

EXHIBIT NUMBER	EXHIBIT DESCRIPTION
10.1	First Amendment Agreement, dated January 25, 2000, among STERIS Corporation, various financial institutions and KeyBank National Association, as Agent.
10.2	Assignment and Acceptance Agreement, dated January 24, 2000, between The Bank of New York ("Assignor") and KeyBank National Association ("Assignee").
10.3	Tranche B Note, dated January 24, 2000, between STERIS Corporation and KeyBank National Association.
15.1	Letter Re: Unaudited Interim Financial Information
27.1	Financial Data Schedule

(b) Reports on Form 8-K

None

SIGNATURE

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

STERIS Corporation

(Registrant)

/s/ Les C. Vinney

Les C. Vinney
Senior Vice President and
Chief Financial Officer
(Principal Financial Officer)
February 11, 2000

EXHIBIT 10.1

FIRST AMENDMENT AGREEMENT

This First Amendment Agreement is made as of the 25th day of January, 2000, among STERIS CORPORATION, an Ohio corporation, ("Borrower"), the banking institutions listed on SCHEDULE 1 to the Credit Agreement, as hereinafter defined ("Banks"), and KEYBANK NATIONAL ASSOCIATION, as administrative agent for the Banks ("Agent").

WHEREAS, Borrower, Agent and the Banks are parties to a Credit Agreement dated as of January 26, 1999, as the same may from time to time be amended, restated or otherwise modified, which provides, among other things, for loans aggregating Four Hundred Million Dollars ($400,000,000), all upon certain terms and conditions ("Credit Agreement");

WHEREAS, Borrower, Agent and the Banks desire to amend the Credit Agreement to modify certain provisions thereof; and

WHEREAS, each term used herein shall be defined in accordance with the Credit Agreement;

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein and for other valuable considerations, Borrower, Agent and the Banks agree as follows:

1. Article I of the Credit Agreement is hereby amended to delete the definitions of "Advantage", "Commitment Percentage" and "Commitment Period" therefrom and to insert in place thereof the following:

> "Advantage" shall mean any payment (whether made voluntarily or involuntarily, by offset of any deposit or other indebtedness or otherwise) received by any Bank in respect of the Debt, if such payment results in that Bank having less than its Pro Rata Share of the Applicable Debt then outstanding, than was the case immediately before such payment.
>
> "Commitment Percentage" shall mean Applicable Commitment Percentage.
>
> "Commitment Period" shall mean the period from the Closing Date to (a) January 26, 2002, with respect to the Tranche A Commitment, and (b) January 25, 2000, as extended as of January 25, 2000, for an additional three hundred sixty-four (364) day period ending January 22, 2001, with respect to the Tranche B Commitment; or such earlier date on which the Commitment shall have been terminated pursuant to Article VIII hereof.

2. Article I of the Credit Agreement is hereby amended to add the following new definitions thereto:

> "Applicable Commitment Percentage" shall mean, for each Bank, (a) with respect to the Tranche A Commitment, the percentage set forth opposite such Bank's name under

the column headed "Tranche A Commitment Percentage" as described in SCHEDULE 1 hereto, and (b) with respect to the Tranche B Commitment, the percentage set forth opposite such Bank's name under the column headed "Tranche B Commitment Percentage" as described in SCHEDULE 1 hereto.

"Applicable Debt" shall mean (a) with respect to the Tranche A Commitment, collectively, (i) all Indebtedness incurred by Borrower to Agent or the Banks pursuant to this Agreement (other than pursuant to the Tranche B Commitment) and includes the principal of and interest on all Notes (other than the Tranche B Notes), (ii) each extension, renewal or refinancing thereof in whole or in part, and (iii) the facility fee, other fees, and any prepayment fees payable under this Agreement (other than the facility fees and prepayment fees payable in connection with the Tranche B Commitment); and (b) with respect to the Tranche B Commitment, collectively, (i) all Indebtedness incurred by Borrower to Agent or the Banks pursuant to the Tranche B Commitment and includes the principal of and interest on the Tranche B Notes, (ii) each extension, renewal or refinancing thereof in whole or in part, and (iii) the facility fee, other fees, and any prepayment fees payable in connection with the Tranche B Commitment.

"Equalization Event" shall mean the earlier of (a) the occurrence of an Event of Default specified in Section 7.10 hereof, or (b) the acceleration of the Debt pursuant to Section 8.1 or 8.2 hereof.

"Payment Conditions" shall mean the following: (a) any regularly scheduled payment of interest on, or facility fee with respect to, the Tranche A Loans shall be applied by Agent and the Banks to the Tranche A Loans and the Tranche A Commitment, respectively; (b) any regularly scheduled payment of interest on, or facility fee with respect to, the Tranche B Loans shall be applied by Agent and the Banks to the Tranche B Loans and the Tranche B Commitment, respectively; (c) any payment of principal prior to an Equalization Event (or any other payment prior to an Equalization Event for which there is no apparent schedule of payment, as determined by Agent) shall be applied to the principal of the Tranche B Loans, or if there are no Tranche B Loans outstanding, then to the Tranche A Loans outstanding; and (d) after an Equalization Event, all payments shall be applied by Agent and the Banks first to the payment of any fees or other expenses owing to Agent (acting in its capacity as agent under this Agreement) and then, pro rata, to each Bank, based upon the aggregate amount of principal outstanding on the Notes of such Bank (other than the Swing Line Note) on the date that such Equalization Event occurred over the aggregate amount of principal then outstanding on all Notes of all of the Banks (other than the Swing Line Note) on the date that such Equalization Event occurred.

"Pro Rata Basis" or "pro rata basis" shall mean distribution to the Banks by Agent in accordance with the Applicable Commitment Percentages.

"Pro Rata Share" or "pro rata share" shall mean, with respect to the Applicable Debt, such Bank's share in accordance with such Bank's Applicable Commitment Percentage.

"Ratable Account" or "ratable account" shall mean each Bank's share of the Applicable Debt in accordance with such Bank's Applicable Commitment Percentage.

"Ratable Share" or "ratable share" shall mean each Bank's share of the Applicable Debt in accordance with such Bank's Applicable Commitment Percentage.

"Ratably" or "ratably" shall mean, other than in Section 9.9 hereof, in accordance with each Bank's Ratable Share.

3. Article I of the Credit Agreement is hereby amended to add the following new sentence at the end thereof:

Whenever payments are made to Agent, "for the benefit of the Banks", "for the benefit of the Banks" shall mean for the benefit of the Banks on a Pro Rata Basis.

4. Section 2.1 of the Credit Agreement is hereby amended to delete the second and third paragraphs therefrom and to insert in place thereof the following:

Each Bank, for itself and not one for any other, agrees to participate in Loans made hereunder during the applicable Commitment Period on such basis that (a) immediately after the completion of any borrowing by Borrower hereunder, the aggregate principal amount then outstanding on the Notes (other than the Swing Line Note) issued to such Bank shall not be in excess of the Maximum Amount for such Bank, (b) such aggregate principal amount outstanding on the Tranche A Note issued to such Bank shall represent that percentage of the aggregate principal amount then outstanding on all Tranche A Notes (including the Tranche A Note held by such Bank) which is such Bank's Applicable Commitment Percentage; and (c) such aggregate principal amount outstanding on the Tranche B Note issued to such Bank shall represent that percentage of the aggregate principal amount then outstanding on all Tranche B Notes (including the Tranche B Note held by such Bank) which is such Bank's Applicable Commitment Percentage.

Each borrowing (other than the Swing Loans) from the Banks hereunder shall be made pro rata according to the Banks' respective Applicable Commitment Percentages. The Loans may be made as Tranche A Loans, Tranche B Loans and Swing Loans as follows:

5. The Credit Agreement is hereby amended to delete Section 2.3 therefrom in its entirety and to insert in place thereof the following:

SECTION 2.3. PAYMENT ON NOTES, ETC. Unless otherwise provided, all payments of principal, interest and facility and other fees shall be made to Agent in immediately available funds for the account of the Banks on a Pro Rata Basis (except as to payments made exclusively for the benefit of Agent pursuant to the Agent Fee Letter). Agent, on the same Business Day, shall distribute to each Bank its Ratable Share of the amount of principal, interest, and facility and other fees received by it for the account of such Bank. Each payment under this Agreement shall be applied by Agent and the Banks in accordance with the Payment Conditions. Each Bank shall record (a) any principal, interest or other payment, and (b) the principal amount of the Prime Rate Loans and the LIBOR Loans and all prepayments thereof and the applicable dates with respect thereto, by such method as such Bank may generally employ; provided, however, that failure to make any such entry shall in no way detract from Borrower's obligations under each such Note. The aggregate unpaid amount of Loans set forth on the records of Agent shall be rebuttably presumptive evidence of the principal and interest owing and unpaid on each Note. Whenever any payment to be made hereunder, including, without limitation, any payment to be made on any Note, shall be stated to be due on a day that is not a Business Day, such payment shall be made on the next succeeding Business Day and such extension of time shall in each case be included in the computation of the interest payable on such Note; provided, however, that, with respect to any LIBOR Loan, if the next succeeding Business Day falls in the succeeding calendar month, such payment shall be made on the preceding Business Day and the relevant Interest Period shall be adjusted accordingly.

6. The Credit Agreement is hereby amended to delete Section 2.4(a) therefrom and to insert in place thereof the following:

(a) Borrower shall have the right at any time or from time to time to prepay, on a Pro Rata Basis for all of the Banks (other than the Swing Line Note), all or any part of the principal amount of the Notes then outstanding as designated by Borrower, plus interest accrued on the amount so prepaid to the date of such prepayment, subject, however, to the Payment Conditions. Borrower shall give Agent notice of prepayment of any Prime Rate Loan by not later than 11:00 A.M. (Cleveland, Ohio time) on the Business Day such prepayment is to be made and written notice of the prepayment of any LIBOR Loan not later than 1:00 P.M.(Cleveland, Ohio time) three (3) Business Days before the Business Day on which such prepayment is to be made.

7. The Credit Agreement is hereby amended to delete Section 8.4 therefrom in its entirety and to insert in place thereof the following:

SECTION 8.4. EQUALIZATION PROVISION. Each Bank agrees with the other Banks that if it, at any time, shall obtain any Advantage over the other Banks or any thereof in respect of the Debt (except as to Swing Loans as set forth in subpart 2 of Section 2.1A hereof or subpart 2 of Section 2.1B hereof and except under Article III hereof), it shall purchase from the other Banks, for cash and at par, such additional participation in the Applicable Debt as shall be necessary to nullify the Advantage. If any such Advantage resulting in the purchase of an additional participation as aforesaid shall be recovered in whole or in part from the Bank receiving the Advantage, each such purchase shall be rescinded, and the purchase price restored (but without interest unless the Bank receiving the Advantage is required to pay interest on the Advantage to the Person recovering the Advantage from such Bank) ratably to the extent of the recovery. Each Bank further agrees with the other Banks that if it at any time shall receive any payment for or on behalf of Borrower on any indebtedness owing by Borrower to that

Bank by reason of offset of any deposit or other indebtedness, it will apply such payment first to any and all Debt owing by Borrower to that Bank (including, without limitation, any participation purchased or to be purchased pursuant to this Section or any other Section of this Agreement), subject to the Payment Conditions. Borrower agrees that any Bank so purchasing a participation from the other Banks or any thereof pursuant to this Section may exercise all its rights of payment (including the right of set-off) with respect to such participation as fully as if such Bank was a direct creditor of Borrower in the amount of such participation.

8. The Credit Agreement is hereby amended to delete SCHEDULE 1 thereof in its entirety and to insert in place thereof a new SCHEDULE 1, in the form of SCHEDULE 1 attached hereto.

9. Concurrently with the execution of this First Amendment Agreement, Borrower shall:

(a) pay to Agent an amendment fee, which shall be applied on a Pro Rata Basis, to each Bank with a Tranche B Commitment, in an amount equal to ten (10) basis points times the amount of each such Bank's Tranche B Commitment;

(b) cause each Guarantor of Payment to consent and agree to and acknowledge the terms of this First Amendment Agreement; and

(c) pay all legal fees and expenses of Agent in connection with this First Amendment Agreement.

10. Borrower hereby represents and warrants to Agent and the Banks that (a) Borrower has the legal power and authority to execute and deliver this First Amendment Agreement, (b) the officers executing this First Amendment Agreement have been duly authorized to execute and deliver the same and bind Borrower with respect to the provisions hereof, (c) the execution and delivery hereof by Borrower and the performance and observance by Borrower of the provisions hereof do not violate or conflict with the organizational agreements of Borrower or any law applicable to Borrower or result in a breach of any provision of or constitute a default under any other agreement, instrument or document binding upon or enforceable against Borrower, (d) no Unmatured Event of Default or Event of Default exists under the Credit Agreement, nor will any occur immediately after the execution and delivery of this First Amendment Agreement or by the performance or observance of any provision hereof, (e) Borrower is not aware of any claim or offset against, or defense or counterclaim to, any of Borrower's obligations or liabilities under the Credit Agreement or any Related Writing, and (f) this First Amendment Agreement constitutes a valid and binding obligation of Borrower in every respect, enforceable in accordance with its terms.

11. Each reference that is made in the Credit Agreement or any other writing to the Credit Agreement shall hereafter be construed as a reference to the Credit Agreement as amended hereby. Except as herein otherwise specifically provided, all provisions of the Credit Agreement shall remain in full force and effect and be unaffected hereby. This First Amendment Agreement is a Related Writing as defined in the Credit Agreement.

12. Borrower and each Guarantor of Payment, by signing below, hereby waives and releases Agent and each of the Banks and the respective directors, officers, employees, attorneys, affiliates and subsidiaries of each of the foregoing from any and all claims, offsets, defenses and counterclaims of which Borrower or such Guarantor of Payment is aware, such waiver and release being with full knowledge and understanding of the circumstances and effect thereof and after having consulted legal counsel with respect thereto.

13. This First Amendment Agreement may be executed in any number of counterparts, by different parties hereto in separate counterparts and by facsimile signature, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement.

14. The rights and obligations of all parties hereto shall be governed by the laws of the State of Ohio, without regard to principles of conflicts of laws.

[Remainder of page intentionally left blank.]

15. JURY TRIAL WAIVER. BORROWER, AGENT AND EACH OF THE BANKS WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, AMONG BORROWER, AGENTS AND THE BANKS, OR ANY THEREOF, ARISING OUT OF, IN CONNECTION WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED AMONG THEM IN CONNECTION WITH THIS AGREEMENT OR ANY NOTE OR OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS RELATED THERETO. THIS WAIVER SHALL NOT IN ANY WAY AFFECT, WAIVE, LIMIT, AMEND OR MODIFY AGENT'S OR ANY BANK'S ABILITY TO PURSUE REMEDIES PURSUANT TO ANY CONFESSION OF JUDGMENT OR COGNOVIT PROVISION CONTAINED IN ANY NOTE OR OTHER INSTRUMENT, DOCUMENT OR AGREEMENT AMONG BORROWER, AGENTS AND THE BANKS, OR ANY THEREOF.

STERIS CORPORATION

By: /s/Bill R. Sanford

Bill R. Sanford, Chairman of the Board, President, and Chief Executive Officer

and: /s/Les C. Vinney

Les C. Vinney, Senior Vice President Finance and Operations, and Chief Financial Officer

KEYBANK NATIONAL ASSOCIATION,
as a Bank and as Agent

By: /s/ J.T. Taylor

J.T. Taylor, Vice President

NATIONAL CITY BANK

By /s/ Robert S. Coleman

Robert S. Coleman, Vice President

BANK ONE, NA,

By: /s/ Babette Casey Coerdt

Title: Managing Director

PNC BANK, NATIONAL ASSOCIATION,

By: /s/ Bryon Pike

Title: Vice President

ABN AMRO BANK N.V.,
PITTSBURGH BRANCH,

By: /s/ Roy D. Hasbrook

Title: Group Vice President and Director
----

and: /s/ Gregory D. Amoroso

Title: Senior Vice President

THE BANK OF NEW YORK

By: /s/ Jonathan Rollins

Title: Vice President

HARRIS TRUST AND SAVINGS BANK

By: /s/ Jeffrey C. Nicholson

Title: Managing Director

SCHEDULE 1

BANKING INSTITUTIONS	TRANCHE A COMMITMENT AMOUNT	TRANCHE A COMMITMENT PERCENTAGE	TRANCHE B COMMITMENT AMOUNT	TRANCHE B COMMITMENT PERCENTAGE	MAXIMUM AMOUNT
KeyBank National Association	$50,000,000	20.00%	$43,125,000	28.75%	$93,125,000
National City Bank	$46,875,000	18.75%	$28,125,000	18.75%	$75,000,000
Bank One, NA	$46,875,000	18.75%	$28,125,000	18.75%	$75,000,000
ABN AMRO Bank N.V., Pittsburgh Branch	$31,250,000	12.50%	$18,750,000	12.50%	$50,000,000
PNC Bank, National Association	$31,250,000	12.50%	$18,750,000	12.50%	$50,000,000
The Bank of New York	$21,875,000	8.75%	$0	0%	$21,875,000
Harris Trust and Savings Bank	$21,875,000	8.75%	$13,125,000	8.75%	$35,000,000
	$250,000,000	100.00%	$150,000,000	100.00%	$400,000,000
Total Commitment Amount					$400,000,000

GUARANTOR ACKNOWLEDGMENT

The undersigned consents and agrees to and acknowledges the terms of the foregoing First Amendment Agreement. The undersigned further agrees that the obligations of the undersigned pursuant to the Guaranty of Payment executed by the undersigned shall remain in full force and effect and be unaffected hereby.

MEDICAL & ENVIRONMENTAL DESIGNS, INC.
ECOMED, INC.
AMERICAN STERILIZER COMPANY
STERIS INTERNATIONAL SALES CORPORATION
STERIS EUROPE, INC.
STERIS ASIA PACIFIC, INC.
STERIS LATIN AMERICA, INC.
STERIS INC.
STERIS USA DISTRIBUTION CORPORATION
HTD HOLDING CORP.
HAUSTED, INC.
ISOMEDIX INC.
ISOMEDIX OPERATIONS INC.
ISOMEDIX (PUERTO RICO), INC.

By: /s/ Bill R. Sanford
Bill R. Sanford, President of each of the foregoing Companies

HSTD LLC

By: HTD Holding Corp., its member

By: /s/ Bill R. Sanford
Bill R. Sanford, President

EXHIBIT 10.2

ASSIGNMENT AND ACCEPTANCE AGREEMENT

This Assignment and Acceptance Agreement (this "Assignment Agreement") between THE BANK OF NEW YORK ("Assignor") and KEYBANK NATIONAL ASSOCIATION ("Assignee") is dated as of January 24, 2000. The parties hereto agree as follows:

1. PRELIMINARY STATEMENT. Assignor is a party to a Credit Agreement, dated as of January 26, 1999 (which, as the same may from time to time be amended, restated or otherwise modified is herein called the "Credit Agreement"), among STERIS CORPORATION, an Ohio corporation ("Borrower"), the banking institutions named on SCHEDULE 1 thereto (collectively, "Banks" and, individually, "Bank"), and KEYBANK NATIONAL ASSOCIATION, as agent for the Banks ("Agent"). Capitalized terms used herein and not otherwise defined herein that are defined in the Credit Agreement shall have the meanings ascribed to them in the Credit Agreement.

2. ASSIGNMENT AND ASSUMPTION. Assignor hereby sells and assigns to Assignee, and Assignee hereby purchases and assumes from Assignor, an interest in and to Assignor's rights and obligations under the Credit Agreement, effective as of the Assignment Effective Date (as hereinafter defined), equal to the percentage interest specified on ANNEX 1 hereto (hereinafter, "Assignee's Percentage") of Assignor's right, title and interest in and to (a) the Tranche B Commitment of Assignor as set forth on ANNEX 1 (hereinafter, "Assigned Amount"), (b) Assignee's interest in the Tranche B Loans made by Assignor and the Banks that are outstanding on the Assignment Effective Date, and (c) the Tranche B Note delivered to Assignor pursuant to the Credit Agreement (collectively, the Assigned Interest"). After giving effect to such sale and assignment and on and after the Assignment Effective Date, Assignee shall be deemed to have a "Commitment Percentage" with respect to the Tranche B Commitment under the Credit Agreement equal to the Commitment Percentage set forth in subparts I.C on ANNEX 1 hereto.

3. ASSIGNMENT EFFECTIVE DATE. The Assignment Effective Date (the "Assignment Effective Date") shall be January 25, 2000 and shall by subject to receipt by Agent of this Assignment Agreement, including ANNEX 1 hereto, properly executed by Assignor and Assignee and accepted and consented to by Agent and, if necessary pursuant to the provisions of Section 10.10(A)(i) of the Credit Agreement, by Borrower. In connection with this Assignment, Borrower shall execute and deliver to Assignee a new Tranche B Note which reflects Assignee's Commitment Percentage with respect to the Tranche B Commitment after giving effect to this Assignment.

4. PAYMENT OBLIGATIONS. In consideration for the sale and assignment of the Assigned Interest, Assignee shall pay to Assignor, on the Assignment Effective Date, an amount in Dollars equal to Assignee's Percentage of the principal amount then outstanding on the Tranche B Commitment. Any interest, fees and other payments accrued prior to the Assignment Effective Date with respect to the Assigned Amount shall be for the account of Assignor. Any interest, fees and other payments accrued on and after the Assignment Effective Date with respect to the Assigned Amount shall be for the account of Assignee. Each of

Assignor and Assignee agrees that it will hold in trust for the other party any interest, fees or other amounts that it may receive to which the other party is entitled pursuant to the preceding sentence and to pay to the other party any such amounts that such party may receive promptly upon receipt thereof.

5. CREDIT DETERMINATION; LIMITATIONS ON ASSIGNOR'S LIABILITY. Assignee represents and warrants to Assignor, Borrower, Agent and the other Banks (a) that it is capable of making and has made and shall continue to make its own credit determinations and analysis based upon such information as Assignee deemed sufficient to enter into the transaction contemplated hereby and not based on any statements or representations by Assignor, (b) Assignee confirms that it meets the requirements to be an assignee as set forth in Section 10.10 of the Credit Agreement; (c) Assignee confirms that it is able to fund Assignee's portion of the Tranche B Loans as required by the Credit Agreement; (d) Assignee agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Credit Agreement and the Related Writings are required to be performed by it as a Bank thereunder; and (e) Assignee represents that it has reviewed each of the Loan Documents. It is understood and agreed that the assignment and assumption hereunder are made without recourse to Assignor and that Assignor makes no representation or warranty of any kind to Assignee and shall not be responsible for (i) the due execution, legality, validity, enforceability, genuineness, sufficiency or collectability of the Credit Agreement or any Related Writings, (ii) any representation, warranty or statement made in or in connection with the Credit Agreement or any of the Related Writings, (iii) the financial condition or creditworthiness of Borrower or any Guarantor of Payment, (iv) the performance of or compliance with any of the terms or provisions of the Credit Agreement or any of the Related Writings, (v) inspecting any of the property, books or records of Borrower, or (vi) the validity, enforceability, perfection, priority, condition, value or sufficiency of any collateral securing or purporting to secure the Loans. Neither Assignor nor any of its officers, directors, employees, agents or attorneys shall be liable for any mistake, error of judgment, or action taken or omitted to be taken in connection with the Loans, the Credit Agreement or the Related Writings, except for its or their own bad faith or willful misconduct. Assignee appoints Agent to take such action as agent on its behalf and to exercise such powers under the Credit Agreement as are delegated to Agent by the terms thereof.

6. INDEMNITY. Assignee agrees to indemnify and hold Assignor harmless against any and all losses, cost and expenses (including, without limitation, attorneys' fees) and liabilities incurred by Assignor in connection with or arising in any manner from Assignee's performance or non-performance with respect to the Assigned Interest.

7. SUBSEQUENT ASSIGNMENTS. After the Assignment Effective Date, Assignee shall have the right pursuant to Section 10.10 of the Credit Agreement to further assign the Assigned Interest, provided that (a) any such subsequent assignment does not violate any of the terms and conditions of the Credit Agreement, any of the Related Writings, or any law, rule, regulation, order, writ, judgment, injunction or decree and that any consent required under the terms of the Credit Agreement or any of the Related Writings has been obtained, (b) the assignee under such assignment from Assignee shall agree to assume all of Assignee's obligations hereunder in a manner satisfactory to Assignor and (c) Assignee is not thereby released from any of its obligations to Assignor hereunder.

8. REDUCTIONS OF AGGREGATE AMOUNT OF COMMITMENTS. If any reduction in the Tranche B Commitment occurs between the date of this Assignment Agreement and the Assignment Effective Date, the percentage of the Tranche B Commitment assigned to Assignee shall remain the percentage specified in Section 1 hereof and the dollar amount of the Commitment of Assignee shall be recalculated based upon the reduced Tranche B Commitment.

9. ACCEPTANCE OF AGENT; NOTICE BY ASSIGNOR. This Assignment Agreement is conditioned upon the acceptance and consent of Agent and, if necessary pursuant to Section 10.10A of the Credit Agreement, upon the acceptance and consent of Borrower; provided, that the execution of this Assignment Agreement by Agent and, if necessary, by Borrower is evidence of such acceptance and consent.

10. ENTIRE AGREEMENT. This Assignment Agreement embodies the entire agreement and understanding between the parties hereto and supersedes all prior agreements and understandings between the parties hereto relating to the subject matter hereof.

11. GOVERNING LAW. This Assignment Agreement shall be governed by the internal law, and not the law of conflicts, of the State of Ohio.

12. COUNTERPARTS. This Assignment Agreement may be executed in any number of counterparts, by different parties hereto in separate counterparts and by facsimile signature, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement.

13. NOTICES. Notices shall be given under this Assignment Agreement in the manner set forth in the Credit Agreement. For the purpose hereof, the addresses of the parties hereto (until notice of a change is delivered) shall be the address set forth under each party's name on the signature pages hereof.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have executed this Assignment Agreement by their duly authorized officers as of the date first above written.

ASSIGNOR:

Address: 10990 Wilshire Blvd. Suite 1125
Los Angeles, CA 90024

Attn: Jonathan Rollins
Phone: (310) 996-8658
Fax: (310) 996-8667

THE BANK OF NEW YORK

By: /s/ Jonathan Rollins

Title: Vice President

ASSIGNEE:

Address: 127 Public Square
Cleveland, Ohio 44114
Attn: Large Corporate Banking

KEYBANK NATIONAL ASSOCIATION,
as a Bank

By: /s/ J.T. Taylor

J.T. Taylor, Vice President

Accepted and Consented to this 24th day
of January, 2000:

KEYBANK NATIONAL ASSOCIATION,
as Agent

By: /s/ J.T. Taylor

J.T. Taylor, Vice President

Accepted and Consented to this 24th day
of January, 2000:

STERIS CORPORATION

By: /s/ Bill R. Sanford

Bill R. Sanford, Chairman of the
Board, President, and Chief
Executive Officer

and: /s/Les C. Vinney

Les C. Vinney, Senior Vice President
Finance and Operations, and Chief
Financial Officer

ANNEX 1
TO
ASSIGNMENT AND ACCEPTANCE AGREEMENT

On and after January 25, 2000 (the "Assignment Effective Date"), the respective Tranche B Commitments of Assignee and Assignor, shall be as follows:

I. ASSIGNEE'S TRANCHE B COMMITMENT

A.	Amount of Assignee's Percentage of the Tranche B Commitment Being Assigned ("Assignee's Percentage")	100%
B.	Assigned Amount of Tranche B Commitment	$13,125,000
C.	Assignee's Commitment Percentage with respect to the Tranche B Commitment under the Credit Agreement after giving effect to this Assignment	28.75%

II. ASSIGNOR'S TRANCHE B COMMITMENT

A.	Assignor's Commitment Percentage with respect to the Tranche B Commitment under the Credit Agreement	0%
B.	Assignor's Tranche B Commitment under the Credit Agreement	$0

EXHIBIT 10.3

TRANCHE B NOTE

$43,125,000 Cleveland, Ohio
As of January 24, 2000

FOR VALUE RECEIVED, the undersigned, STERIS CORPORATION, an Ohio corporation ("Borrower"), promises to pay on the last day of the Commitment Period, as defined in the Credit Agreement (as hereinafter defined), to the order of KEYBANK NATIONAL ASSOCIATION ("Bank") at the Main Office of KEYBANK NATIONAL ASSOCIATION, as Agent, 127 Public Square, Cleveland, Ohio 44114-1306 the principal sum of

FORTY-THREE MILLION ONE HUNDRED TWENTY-FIVE THOUSAND AND 00/100... DOLLARS

or the aggregate unpaid principal amount of all Tranche B Loans made by Bank to Borrower pursuant to Section 2.1B of the Credit Agreement, whichever is less, in lawful money of the United States of America. As used herein,"Credit Agreement" means the Credit Agreement dated as of January 26, 1999, among Borrower, the banks named therein and KeyBank National Association, as Agent, as amended and as the same may from time to time be further amended, restated or otherwise modified. Capitalized terms used herein shall have the meanings ascribed to them in the Credit Agreement.

Borrower also promises to pay interest on the unpaid principal amount of each Tranche B Loan from time to time outstanding, from the date of such Tranche B Loan until the payment in full thereof, at the rates per annum which shall be determined in accordance with the provisions of Section 2.1B of the Credit Agreement. Such interest shall be payable on each date provided for in such Section 2.1B; provided, however, that interest on any principal portion which is not paid when due shall be payable on demand.

The portions of the principal sum hereof from time to time representing Prime Rate Loans and LIBOR Loans, and payments of principal of any thereof, shall be shown on the records of Bank by such method as Bank may generally employ; provided, however, that failure to make any such entry shall in no way detract from Borrower's obligations under this Note.

If this Note shall not be paid at maturity, whether such maturity occurs by reason of lapse of time or by operation of any provision for acceleration of maturity contained in the Credit Agreement, the principal hereof and the unpaid interest thereon shall bear interest, until paid, at a rate per annum equal to the Default Rate. All payments of principal of and interest on this Note shall be made in immediately available funds.

This Note is one of the Tranche B Notes referred to in the Credit Agreement. Reference is made to the Credit Agreement for a description of the right of the undersigned to anticipate payments hereof, the right of the holder hereof to declare this Note due prior to its stated maturity, and other terms and conditions upon which this Note is issued.

Except as expressly provided in the Credit Agreement, Borrower expressly waives presentment, demand, protest and notice of any kind.

JURY TRIAL WAIVER. BORROWER, AGENT AND EACH OF THE BANKS WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, AMONG BORROWER, AGENT AND THE BANKS, OR ANY THEREOF, ARISING OUT OF, IN CONNECTION WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED AMONG THEM IN CONNECTION WITH THIS NOTE OR ANY OTHER NOTE OR OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS RELATED THERETO.

STERIS CORPORATION

By: /s/ Bill R. Sanford

Bill R. Sanford, Chairman of the
Board, President, and Chief
Executive Officer

and: /s/ Les C. Vinney

Les C. Vinney, Senior Vice President
Finance and Operations, and Chief
Financial Officer

EXHIBIT 15.1

LETTER RE: UNAUDITED INTERIM FINANCIAL INFORMATION

We are aware of the incorporation by reference in the Registration Statements and related Prospectuses of our report dated January 24, 2000, relating to the unaudited consolidated condensed interim financial statements of STERIS Corporation and Subsidiaries that are included in its Form 10-Q for the quarter ended December 31, 1999:

Registration Number	Description	Filing Date
333-65155	Form S-8 Registration Statement -- STERIS Corporation Long Term Incentive Stock Plan	October 1, 1998
333-55839	Form S-8 Registration Statement -- Nonqualified Stock Option Agreement between STERIS Corporation and John Masefield and the Nonqualified Stock Option Agreement between STERIS Corporation and Thomas J. DeAngelo	June 2, 1998
333-32005	Form S-8 Registration Statement -- STERIS Corporation 1997 Stock Option Plan	July 24, 1997
333-06529	Form S-3 Registration Statement -- STERIS Corporation	June 21, 1996
333-01610	Post-effective Amendment to Form S-4 on Form S-8 -- STERIS Corporation	May 16, 1996
33-91444	Form S-8 Registration Statement -- STERIS Corporation 1994 Equity Compensation Plan	April 24, 1995
33-91442	Form S-8 Registration Statement -- STERIS Corporation 1994 Nonemployee Directors Equity Compensation Plan	April 24, 1995
33-55976	Form S-8 Registration Statement -- STERIS Corporation 401(k)Plan	December 21, 1992
33-55258	Form S-8 Registration Statement -- STERIS Corporation Amended and Restated Non-Qualified Stock Option Plan	December 4, 1992

Pursuant to Rule 436(c) of the Securities Act of 1933 our reports are not a part of the registration statement prepared or certified by accountants within the meaning of Section 7 or 11 of the Securities Act of 1933.

Ernst & Young LLP

Cleveland, Ohio
February 11, 2000

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1,000

9-MOS
MAR-31-2000
DEC-31-1999
28,580
0
224,400
0
130,225
423,242
422,264
(134,742)
919,946
150,935
0
0
0
204,256
247,023
919,946
570,534
570,534
310,840
310,840
0
0
11,482
55,893
21,215
34,678
0
0
0
34,678
0.51
0.51