UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

[x] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 30, 1997

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934 For the transition period from __________ to __________

Commission file number 0-20165

STERIS CORPORATION

(Exact name of registrant as specified in its charter)

OHIO	34-1482024
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
5960 HEISLEY ROAD, MENTOR, OHIO	44060
(Address of principal executive offices)	(Zip Code)

(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 .

Indicate the number of shares outstanding of each of the issuer's classes of common shares, as of the latest practicable date.

Common Shares, without par value	34,062,142
(Title of Class)	(Outstanding at September 30, 1997)

PART I FINANCIAL INFORMATION

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

	SEPTEMBER 30, 1997	MARCH 31, 1997
ASSETS		
Current assets:		
Cash and cash equivalents	$ 35,815	$ 20,576
Marketable securities	933	2,977
Accounts receivable	177,402	164,163
Inventories	86,896	78,762
Current portion of deferred income taxes	24,888	24,888
Prepaid expenses and other assets	8,667	8,676
TOTAL CURRENT ASSETS	334,601	300,042
Property, plant, and equipment	280,865	177,184
Accumulated depreciation	(81,505)	(74,332)
Net property, plant, and equipment	199,360	102,852
Intangibles	247,226	186,417
Accumulated amortization	(67,938)	(67,032)
Net intangibles	179,288	119,385
Deferred income taxes	6,002	14,862
Other assets	4,299	2,314
TOTAL ASSETS	$ 723,550	$ 539,455
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term indebtedness	$ 5,800	$ 12
Accounts payable	39,492	39,323
Accrued income taxes	22,146	19,059
Accrued expenses and other	128,085	100,294
TOTAL CURRENT LIABILITIES	195,523	158,688
Long-term indebtedness	153,729	35,879
Other liabilities	49,764	50,172
TOTAL LIABILITIES	399,016	244,739
Shareholders' equity:		
Serial preferred shares, without par value, 3,000 shares authorized; no shares outstanding		
Common Shares, without par value, 100,000 shares authorized; issued and outstanding shares of 34,062 at September 30, 1997 and 33,984 at March 31, 1997, excluding 177 and 255 treasury shares, respectively	233,524	231,278
Retained earnings	96,569	69,513
Cumulative translation adjustment	(5,559)	(6,075)
TOTAL SHAREHOLDERS' EQUITY	324,534	294,716
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 723,550	$ 539,455

See notes to consolidated condensed financial statements.

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

	THREE MONTHS ENDED SEPTEMBER 30		SIX MONTHS ENDED SEPTEMBER 30	
	1997	1996	1997	1996
Net revenues	$ 173,383	$ 138,490	$ 328,517	$ 266,358
Cost of goods and services sold	95,196	85,165	183,496	165,747
Gross profit	78,187	53,325	145,021	100,611
Cost and expenses:				
Selling, informational, and administrative	46,573	27,570	87,716	53,688
Research and development	5,974	5,871	11,930	10,173
Non-recurring items	0	0	0	90,831
	52,547	33,441	99,646	154,692
Income (loss) from operations	25,640	19,884	45,375	(54,081)
Interest expense	(873)	(346)	(1,395)	(1,948)
Interest income and other	315	866	375	2,797
Income (loss) before income taxes	25,082	20,404	44,355	(53,232)
Income tax expense	9,773	8,866	17,299	6,825
Net income (loss)	$ 15,309	$ 11,538	$ 27,056	$ (60,057)
Net income (loss) per share	$ 0.44	$ 0.33	$ 0.78	$ (1.81)
Weighted average number of shares outstanding used in computing net income (loss) per share	35,135	35,307	34,473	33,261

See notes to consolidated condensed financial statements.

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

	SIX MONTHS ENDED SEPTEMBER 30	
	1997	1996
OPERATING ACTIVITIES		
Net income (loss)	$ 27,056	$ (60,057)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	10,129	7,184
Deferred income taxes	525	(357)
Non-recurring items	0	64,645
Other items	(2,180)	1,810
Changes in operating assets and liabilities:		
Accounts receivable	(5,355)	(1,258)
Inventories	(7,209)	(5,137)
Other assets	143	163
Accounts payable and accruals	(13,967)	(2,778)
Accrued income taxes	(3,997)	130
NET CASH PROVIDED BY OPERATING ACTIVITIES	5,145	4,345
INVESTING ACTIVITIES		
Purchases of property, plant, equipment, and patents	(13,722)	(6,588)
Investment in businesses	(126,505)	(7,482)
Sale of assets	35,577	0
Proceeds from notes receivable	0	8,438
Purchases of marketable securities	0	(4,026)
Proceeds from sales of marketable securities	2,044	7,147
NET CASH USED IN INVESTING ACTIVITIES	(102,606)	(2,511)
FINANCING ACTIVITIES		
Payments on long-term obligations	(62)	(99,749)
Borrowing under Credit Facility	110,000	0
Purchase of treasury shares	(2,386)	0
Proceeds from exercise of stock options	3,624	11,827
Tax benefits from exercise of stock options	1,008	1,773
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	112,184	(86,149)
Effect of exchange rate changes on cash and cash equivalents	516	228
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	15,239	(84,087)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	20,576	140,788
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 35,815	$ 56,701

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 September 30, 1997 and 1996

A. - REPORTING ENTITY

STERIS Corporation (the "Company" or "STERIS") is a leading provider of infection prevention, contamination prevention, microbial reduction, and surgical support systems, products, services, and technologies to healthcare, scientific, research, and industrial Customers throughout the world. The Company has over 4,000 Associates (employees) worldwide, including more than 1,200 direct sales, service, and field support personnel. Customer Support facilities are located in major global market centers with manufacturing operations in the United States, Canada, Germany, and Finland. STERIS operates in a single business segment.

B. - BASIS OF PRESENTATION

On May 13, 1996, STERIS merged with Amsco International, Inc. ("Amsco") in a tax-free, stock-for-stock transaction (the "Amsco Merger"). The Amsco Merger has been accounted for using the pooling-of-interests method. Accordingly, the accompanying unaudited consolidated condensed financial statements give retroactive effect to the Amsco Merger and include the combined operations of STERIS and Amsco for all periods presented.

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; they do not include all of the information and footnotes required by generally accepted accounting principles for complete audited financial statements. Accordingly, the reader of these financial statements may wish to 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, 1997.

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 reflect all adjustments necessary for a fair presentation of interim results and, except as discussed in Note D, 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, 1998.

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

C. - EARNINGS (LOSS) PER SHARE

The computations of earnings (loss) per Common Share and Common Share equivalents are based upon the weighted average number of Common Shares outstanding and when applicable, the dilutive effect of Common Share equivalents (consisting solely of stock options). Common Share equivalents were antidilutive for the six month period ended September 30, 1996 and accordingly were excluded from the computation of earnings (loss) per Common Share for such period. Following is a summary, in thousands, of Common Shares and Common Share equivalents outstanding used in the calculations of earnings (loss) per share.

	THREE MONTHS ENDED SEPTEMBER 30		SIX MONTHS ENDED SEPTEMBER 30	
	1997	1996	1997	1996
Weighted average Common Shares outstanding	33,990	33,409	33,962	33,261
Dilutive effect of stock options--primary basis	1,145	1,898	511	0
Weighted average Common Shares and equivalents--primary basis	35,135	35,307	34,473	33,261
Additional dilutive effect of stock options--fully diluted basis	0	170	0	0
Weighted average Common Shares and equivalents--fully diluted basis	35,135	35,477	34,473	33,261

The FASB has issued Statement 128, "Earnings Per Share," that will require the Company to calculate earnings per share using different methods beginning in the 1998 fiscal third quarter (early adoption is prohibited). Under the Statement 128 calculation of "basic" earnings per share, the dilutive effect of stock options will be excluded. The Company does not expect that applying the new methods to the 1998 fiscal second quarter operations would materially change the calculation of "diluted" earnings per share (the replacement under Statement 128 for fully diluted earnings per share).

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

D. - NON-RECURRING ITEMS

During the second quarter of fiscal 1998, STERIS completed the sale of the assets of its Management Services Division to General Electric Medical Systems, a business of General Electric Company. The transaction is not expected to result in a material income statement effect. Costs related to the transaction include tangible and intangible assets relating to the business, impairment cost of redundant assets, and transaction related costs. These costs are based on estimates and may be adjusted in the future.

Non-recurring charges of $90,831 ($81,300 net of tax, or $2.44 per share) were recorded in the 1997 fiscal first quarter for costs related to the Amsco Merger. The charges include transaction costs of approximately $15,000 and other non-recurring charges of approximately $75,800 ($66,300 net of tax). The transaction costs were for legal, accounting, investment banking, and related expenses. The other non-recurring charges were for (i) elimination of redundant facilities and other assets ($27,000), (ii) satisfaction of Amsco executive employment agreements and other Associate severance ($19,300), (iii) write-off of goodwill related to Amsco's Finn-Aqua business ($27,250), and (iv) other merger-related items. Property write downs of $20,000 were recorded as part of the estimated cost of eliminating redundant facilities based on fair value estimates. During fiscal 1997, STERIS closed a manufacturing and research facility in Apex, North Carolina, Amsco's headquarters in Pittsburgh, Pennsylvania, as well as Customer Service facilities in Dallas, Texas and Atlanta, Georgia. Operations of the closed facilities were consolidated into existing STERIS facilities.

The effective income tax rate for the six months ended September 30, 1996 differed from statutory rates principally because certain non-recurring items that increased the net loss are non-deductible for tax purposes. Non-deductible items include the write-off of goodwill related to Amsco's Finn-Aqua business and provisions for certain executive severance costs. Also, additional tax valuation allowances were provided to reflect the effects of merger activities.

E. - INVENTORIES

Inventories were as follows:

	SEPTEMBER 30, 1997	MARCH 31, 1997
Raw material	$30,978	$30,027
Work in process	17,426	15,240
Finished goods	38,492	33,495
	$86,896	$78,762

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

F. - FINANCING

During the first fiscal quarter 1998, STERIS increased the amount available for borrowing under its unsecured revolving Credit Facility from $125,000 to $215,000. The amended Credit Facility expires September 30, 2001 and may be used for general corporate purposes. Loans under the Credit Facility will bear interest, at STERIS's option, at either KeyBank National Association's prime rate or LIBOR rates plus 0.25 percent to 0.35 percent. The Credit Facility contains customary covenants which include maintenance of certain financial ratios. Outstanding borrowings under the Credit Facility were $145,000 at September 30, 1997.

Additional obligations consist mainly of industrial revenue bonds which bear interest at a variable rate based on the bank/marketing agent's Demand Note index. These bond agreements contain various covenants relating to minimum capitalization, consolidated net worth, and working capital. Outstanding obligations under the industrial revenue bonds were $8,500 at September 30, 1997.

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 presently maintains product liability insurance coverage in amounts and with deductibles that it believes are prudent.

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

H. - ACQUISITIONS

On September 17, 1997, the Company acquired all of the shares of common stock of Isomedix Inc. in exchange for cash of $134,102. Isomedix is a leading provider of contract sterilization and microbial reduction services, with gamma irradiation, ethylene oxide, and electron-beam processing facilities across North America. The acquisition has been accounted for as a purchase transaction. The following is a preliminary allocation of the purchase price:

Current assets	$ 21,778
Property, plant and equipment	94,546
Excess purchase price over net assets acquired	63,000
Other assets	1,044
Current liabilities	(30,096)
Long-term debt	(7,900)
Deferred income taxes	(8,270)
Total cost of acquisition	$ 134,102

The following unaudited pro forma results of operations assume the acquisition occurred on April 1, 1996. These pro forma results have been prepared for comparative purposes only and do not purport to be indicative of the results of operations which actually would have resulted had the acquisition occurred on the date indicated, or which may result in the future.

	Six Months Ended September 30	
	1997	1996
Net revenues	$ 349,787	$ 288,713
Income (loss) from continuing operations	$ 26,953	$ (59,673)
Income (loss) from discontinued operations	200	(129)
Net income (loss)	$ 27,153	$ (59,802)
Income (loss) from continuing operations per share	$ 0.78	$ (1.79)
Net income (loss) per share	$ 0.79	$ (1.80)

In July 1997, STERIS acquired Joslyn Sterilizer Corporation, a designer and manufacturer of high quality, high performance sterile processing systems based upon widely accepted steam and gas sterilization methodologies. The acquisition was accounted for as a purchase transaction and did not have a material effect on the operations of the Company.

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

BASIS OF DISCUSSION

The Amsco Merger has been accounted for by the pooling-of-interests method. Accordingly, the accompanying unaudited consolidated condensed financial statements give retroactive effect to the transaction and include the combined operations of STERIS and Amsco for all periods presented.

RESULTS OF OPERATIONS

Net revenue increased by 25.2% to $173.4 million in the second quarter fiscal 1998 from $138.5 million in the second quarter fiscal 1997. Net revenue increased by 23.3% to $328.5 million in the first six months of fiscal 1998 from $266.4 million in the same period in fiscal 1997. Infection Prevention revenues increased by 21.0% to $91.8 million in the second quarter fiscal 1998 from $75.9 million in the second quarter fiscal 1997. Infection Prevention revenues increased by 27.2% to $181.3 million in the first six months of fiscal 1998 from $142.5 million in the same period in fiscal 1997. Surgical Support revenues increased by 28.5% to $39.3 million in the second quarter fiscal 1998 from $30.6 million in the second quarter fiscal 1997. Surgical Support revenues increased by 18.2% to $71.7 million in the first six months of fiscal 1998 from $60.7 million in the same period in fiscal 1997. Scientific, Contracted Services and Other revenue increased by 32.0% to $42.2 million in the second quarter fiscal 1998 from $32.0 million in the second quarter fiscal 1997. Scientific, Contracted Services and Other revenue increased by 19.6% to $75.5 million in the first six months of fiscal 1998 from $63.1 million in the same period in fiscal 1997. The increase in net revenues was due mainly to increases in the sales of consumable products, capital equipment and services during the first six months of fiscal 1998. Revenues related to consumables and supplies are included in the Infection Prevention, Surgical Support, and Scientific, Contracted Services and Other classifications; each of these classifications includes revenues related to consumable products, capital equipment and services. In addition to increases in sales of existing products, a portion of the increase in sales of consumable products results from the benefits of the December 1996 acquisition of the assets of the infection control and contamination control businesses of Calgon Vestal Laboratories, and the fiscal second quarter 1996 acquisition of Surgicot, Inc., a manufacturer and supplier of biological and chemical sterile process monitors, sterilization wraps and pouches, and other quality assurance products.

The costs of products and services sold increased by 11.8% to $95.2 million in the second quarter fiscal 1998 from $85.2 million in the second quarter fiscal 1997. The costs of products and services sold increased by 10.7% to $183.5 million for the first six months of fiscal 1998 from $165.7 million for the first six months of fiscal 1997. The cost of products and services sold as a percentage of net revenue was 54.9% for the second quarter fiscal 1998 compared to 61.5% for the same period in fiscal 1997. The decrease in the cost of products and services sold as a percentage of net revenue for the second quarter fiscal 1998 resulted principally from favorable changes in the mix of products sold, vertical integration, improved overhead absorption from plant consolidation and volume increases, and the benefits from the restructuring of the acquired and merged businesses. The mix of products sold in the second quarter fiscal 1997 included greater revenues from higher margin consumables and services.

Selling, informational, and administrative expenses increased by 68.9% to $46.6 million in the second quarter fiscal 1998 from $27.6 million in the second quarter fiscal 1997. Selling, informational, and administrative expenses increased by 63.4% to $87.7 million in the first six months of fiscal 1998 from $53.7 million in the same period of fiscal 1997. The expenses as a percentage of net revenue increased to 26.8% in the second quarter fiscal 1998 from 19.9% in the second quarter fiscal 1997. The increase was primarily attributable to the investments in Customer Support, direct sales efforts in key global markets, business development, management information systems, and the inclusion of acquired companies' selling, informational and administrative expenses.

The costs of the Company's research activities relating to the discovery and development of new products and the improvement of existing products are charged directly to income as incurred. Research and development expenses increased by 1.8% to $6.0 million in the second quarter fiscal 1998 from $5.9 million in the second quarter fiscal 1997. Research and development expenses increased by 17.3% to $11.9 million in the first six months of fiscal 1998 from $10.2 million in the same period fiscal 1997. The increases were due to additional product and application development expenditures. Research and development expenses as a percentage of net revenue were 3.4% for the second quarter fiscal 1998 compared to 4.2% for the second quarter fiscal 1997.

Interest expense increased by 152.3% to $0.9 million in the second quarter fiscal 1998 from $0.3 million in the second quarter fiscal 1997. The increase was due to the additional borrowing under the Credit Facility for the purchase of Isomedix common shares. Interest expense decreased by 28.4% to $1.4 million in the first six months of fiscal 1998 from $1.9 million in the same period fiscal 1997. The decrease was due primarily to the July 1996 redemption of approximately $100 million of Amsco 4.5%/6.5% Convertible Subordinated Notes.

Interest income and other decreased by 63.6% to $0.3 million in the second quarter fiscal 1998 from $0.9 million in the second quarter fiscal 1997. Interest income and other decreased by 86.6% to $0.4 million in the first six months of fiscal 1998 from $2.8 million in the same period fiscal 1997. The decrease in interest income was due primarily to lower cash, cash equivalents, and marketable security balances, with the lower balances resulting from the cash redemption of the aforementioned Amsco Convertible Subordinated Notes.

Income for the second quarter of fiscal 1998 increased by 32.7% to $15.3 million ($.44 per share) from $11.5 million ($.33 per share) in the same period fiscal 1997. Excluding the effect of non-recurring items, income for the first six months of fiscal 1998 increased by 27.4% to $27.1 million ($.78 per share) from $21.2 million ($.60 per share) in the same period fiscal 1997.

The effective income tax rate for the six months ended September 30, 1996 differed from statutory rates principally because certain non-recurring items that increased the net loss are non-deductible for tax purposes. Non-deductible items include the write-off of goodwill related to Amsco's Finn-Aqua business and provisions for certain executive severance costs. Also, additional tax valuation allowances were provided to reflect the effects of merger activities.

As a result of the foregoing factors, net income for the first six months of fiscal 1998 was $27.1 million, compared to net loss of $60.1 million in the same period fiscal 1997.

LIQUIDITY AND CAPITAL RESOURCES

The Company had $36.7 million in cash, cash equivalents and marketable securities as of September 30, 1997, compared to $23.6 million of the same at March 31, 1997. The increase was due mainly to cash received through borrowings under the Credit Facility and the sale of assets offset by cash paid for the acquisitions of Isomedix and Joslyn.

Accounts receivable increased by 8.1% to $177.4 million as of September 30, 1997, compared to $164.2 million at March 31, 1997.

Inventory increased by 10.3% to $86.9 million as of September 30, 1997, compared to $78.8 million at March 31, 1997. The increase was due to the acquisition of businesses and the build up of inventory to support increased sales volume.

Property, plant, and equipment increased by 58.5% to $280.9 million as of September 30, 1997, compared to $177.2 million at March 31, 1997. The increase was primarily a result of the acquisitions of Isomedix and Joslyn.

Intangibles increased by 32.6% to $247.2 million as of September 30, 1997, compared to $186.4 million at March 31, 1997. The increase was primarily a result of the acquisitions of Isomedix and Joslyn.

Deferred tax assets decreased by 59.6% to $6.0 million as of September 30, 1997, compared to $14.9 million at March 31, 1997. The decrease was primarily a result of the acquisition of Isomedix.

Current liabilities increased by 23.2% to $195.5 million as of September 30, 1997, compared to $158.7 million at March 31, 1997. The increase was due to the assumption of liabilities through the acquisitions of Isomedix and Joslyn and the accrual of costs relating to the sale of the Management Services Division.

Other liabilities were $49.8 million as of September 30, 1997, compared to $50.2 million of the same at March 31, 1997.

During the first fiscal quarter 1998, STERIS increased the amount available for borrowing under its unsecured revolving Credit Facility from $125 million to $215 million. The amended Credit Facility expires September 30, 2001 and may be used for general corporate purposes. Loans under the Credit Facility will bear interest, at STERIS's option, at either KeyBank National Association's prime rate or LIBOR rates plus 0.25 percent to 0.35 percent. The Credit Facility contains customary covenants which include maintenance of certain financial ratios. Outstanding borrowings under the Credit Facility were $145 million at September 30, 1997.

Additional obligations consist mainly of industrial revenue bonds which bear interest at a variable rate based on the bank/marketing agent's Demand Note index. These bond agreements contain various covenants relating to minimum capitalization, consolidated net worth, and working capital. Outstanding obligations under the industrial revenue bonds were $8,500 at

September 30, 1997.

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 of acquired businesses, including Amsco, 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, international business practices, and differing fiscal year ends. 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 Amsco and other acquired businesses into STERIS, including the change to a March ending fiscal year, may alter the historical patterns of the previously independent businesses.

FORWARD-LOOKING INFORMATION

The Company has included in this Form 10-Q statements concerning trends and other expectations. Actual results could differ materially, since forward-looking information inherently is subject to risks and uncertainties. Important factors which could cause actual results to differ from expectations include: (a) the possibility that the continuing integration of acquired businesses will take longer than anticipated, (b) the possibility that peak Customer product demands may occur late in a period and that resulting logistical challenges could delay product shipments, (c) the possibility that key individual Associates are unable to perform their responsibilities due to illness or disability, (d) the potential for changes in product mix that could adversely affect gross margin, and (e) other matters identified in STERIS's Form 10-K for the year ended March 31, 1997.

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
27.1	Financial Data Schedule

(b) Reports on Form 8-K

September 17, 1997: Item 2. Acquisition or Disposition of Assets. On September 17, 1997, STERIS purchased shares representing approximately 96% of the outstanding capital stock of Isomedix Inc., a Delaware corporation ("Isomedix"), through STERIS's newly incorporated and wholly owned subsidiary, STERIS Acquisition Corporation. On the same day, STERIS completed the acquisition of Isomedix through the merger of STERIS Acquisition Corporation with and into Isomedix. As a consequence of the merger, STERIS became the owner of 100% of the outstanding capital stock of Isomedix. Isomedix is a leading provider of contract sterilization and microbial reduction services, with gamma irradiation, ethylene oxide, and electron-beam processing facilities across North America. STERIS intends to utilize the assets of Isomedix in accordance with their use by Isomedix prior to its acquisition by STERIS.

Item 7. Financial Statements, Pro Forma Financial Information, and Exhibits. With respect to the September 17, 1997 purchase of Isomedix shares, STERIS filed the Agreement and Plan of Merger, dated August 12, 1997, by and among Isomedix, STERIS Corporation, and STERIS Acquisition Corporation.

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/ Michael A. Keresman, III

Michael A. Keresman, III
Chief Financial Officer and
Senior Vice President
(Principal Financial Officer)
November 14, 1997

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1,000

6-MOS
MAR-31-1998
SEP-30-1997
35,815
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177,402
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86,896
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