

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange
Act of 1934

APRIL 30, 1998

(Date of earliest event reported)

LABORATORY CORPORATION OF AMERICA HOLDINGS

(Exact name of registrant as specified in its charter)

DELAWARE

(State or other
jurisdiction or
organization)

1-11353

(Commission
File Number)

13-3757370

(IRS Employer
Identification
Number)

358 SOUTH MAIN STREET, BURLINGTON, NORTH CAROLINA 27215

(Address of principal executive offices)

336-229-1127

(Registrant's telephone number, including area code)

ITEM 5. OTHER EVENTS

On April 30, 1998, Laboratory Corporation of America Holdings (the "Company") issued a press release dated as of such date announcing operating results of the Company for the quarter ended March 31, 1998, as well as certain other information. The press release is attached as an exhibit hereto and the text thereof is incorporated in its entirety herein by reference.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS

(c) Exhibit

20 Press release of the Company dated April 30, 1998.

SIGNATURES

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

LABORATORY CORPORATION OF AMERICA HOLDINGS

(Registrant)

By: /s/ WESLEY R. ELINGBURG

Wesley R. Elingburg
Executive Vice President,
Chief Financial Officer and
Treasurer (Principal Financial
Officer and Principal
Accounting Officer)

Date: May 7, 1998

FOR IMMEDIATE RELEASE

PAMELA SHERRY - INVESTOR RELATIONS CONTACT
336-584-5171, EXT. 4855

LABCORP SHAREHOLDER DIRECT 800-LAB-0401

LABORATORY CORPORATION OF AMERICA-REGISTERED TRADEMARK- REPORTS
FIRST QUARTER RESULTS

BURLINGTON, NC, APRIL 30, 1998 - Laboratory Corporation of America-Registered Trademark- Holdings (LabCorp-Registered Trademark-) (NYSE: 1LH) today announced results for the quarter ended March 31, 1998.

Net sales for the first quarter were \$373.0 million, operating income \$29.4 million, and net income \$9.3 million. The loss per common share on a basic and diluted basis (after deducting preferred stock dividends) was \$0.01. This compares with net sales of \$391.5 million, operating income of \$27.8 million, net income of \$2.4 million, and basic and diluted earnings per common share of \$0.02 for the same period in 1997.

The revenue decline is the result of a 4.6% reduction in volume compared to the first quarter of 1997. This is a decrease in the rate of decline noted in each of the last three quarters in 1997, when declines approximated 7% versus comparable periods in 1996. The volume decline is attributable to LabCorp's program of shedding unprofitable business, as well as changes in physicians' ordering patterns caused by new government and private reimbursement policies, and hospitals aggressively competing in the outpatient testing market. Despite a January 1, 1998 decrease in the Medicare fee schedule, price during the quarter remained level with the comparable period in 1997.

Earnings before interest, taxes, depreciation, and amortization (EBITDA), considered by LabCorp to be the best measurement of its performance, was \$50.2 million for the first quarter of 1998, or 13.5% of net sales, versus \$49.2 million, or 12.6% of net sales, for the comparable period in 1997. Furthering LabCorp's trend in operating expense reduction, first quarter 1998 operating expenses declined by 5.5%, or \$20.1 million, compared to the same period in 1997.

"We are pleased with our first quarter results, which were in line with our expectations," said Thomas P. Mac Mahon, President and Chief Executive Officer. "Our days sales outstanding (DSO) remained at the same level as reported for year-end 1997. Our operating cash flow for the quarter was \$27.9 million. As a result, we were able to pay-down \$30.0 million in debt during the quarter. We remain committed to lowering DSO, increasing cash collections, reducing costs, and improving price as we proceed with enhancements to our billing system and the implementation of our new strategic plan to strengthen our core business and create new revenue-generating opportunities."

On April 28, 1998, LabCorp announced an exclusive partnership with Virco to offer important new tests that will provide physicians treating HIV-infected patients drug resistance information. These tests will provide physicians with information about which components of anti-HIV drug cocktails for individual patients are likely to be effective, and which drugs are not. LabCorp is planning to use Virco's new phenotyping technology to enhance the analysis of genotypic testing, which identifies genetic mutations that can signify drug resistance. LabCorp will have exclusive access to the first HIV resistance database that directly relates genotypic analysis to phenotypic interpretation. Developed by Virco, the Company believes the database provides the most useful guide for AIDS-treating physicians to date.

During the quarter, LabCorp completed the acquisition of a laboratory in St. Petersburg, Florida representing approximately \$3 million in annual revenues. In March, consistent with its strategic plan for growth, LabCorp completed the divestiture of its veterinary business in an asset sale to Antech Diagnostics, a subsidiary of Veterinary Centers of America, Inc., resulting

in a gain on the divestiture of \$2.0 million. And on April 22, the Company also entered into an agreement to acquire certain of the assets of Medlab, Inc. Based in Wilmington, Delaware, Medlab, Inc. is the largest provider of clinical laboratory testing services in Delaware with annual revenues in 1997 of approximately \$20 million.

The Company noted that each of the above forward-looking statements was subject to change based on various important factors, including without limitation, competitive actions in the marketplace and adverse actions of governmental and other third-party payors. Further information on potential factors that could affect the Company's financial results is included in the Company's Form 10-K for the year ended December 31, 1997.

Laboratory Corporation of America-Registered Trademark- Holdings (LabCorp-Registered Trademark-) is a national clinical laboratory organization with annual revenues of \$1.5 billion in 1997. The Company operates primary testing facilities nationally, offering more than 1,700 different clinical assays, from routine blood analyses to more sophisticated technologies. LabCorp performs diagnostic tests for physicians, managed-care organizations, hospitals, clinics, long-term care facilities, industrial companies and other clinical laboratories.

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- Table to Follow -

LABORATORY CORPORATION OF AMERICA HOLDINGS
Summarized Financial Information
(Dollars in millions, except per share data)

	(Unaudited) Three Months Ended March 31,	
	----- 1998	1997 -----
Net sales	\$ 373.0 =====	\$ 391.5 =====
Operating income	29.4 =====	27.8 =====
Earnings before income taxes	18.8	5.9
Provision for income taxes	9.5 -----	3.5 -----
Net earnings	\$ 9.3	\$ 2.4
Less preferred stock dividends and accretion of manditorily redeemable preferred stock	11.1 -----	-- -----
Net gain (loss) attributable to common shareholders	\$ (1.8) =====	\$ 2.4 =====
Basic and diluted earnings (loss) per share (1)	\$ (0.01) =====	\$ 0.02 =====

(1) Earnings (loss) per common share are based on the weighted average number of shares outstanding during the three-month periods ended March 31, 1998 and March 31, 1997 of 124,397,665 shares and 122,935,080 shares, respectively