

FORM 8-K

CURRENT REPORT

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

October 25, 1995

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(Date of earliest event reported)

LABORATORY CORPORATION OF AMERICA HOLDINGS

-----  
(Exact name of registrant as specified in its charter)

Delaware	1-11353	13-3757370
----- (State or other jurisdiction or organization)	----- (Commission File Number)	----- (IRS Employer Identification Number)

358 South Main Street, Burlington, North Carolina 27215

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(Address of principal executive offices)

800-222-7566

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(Registrant's telephone number, including area code)

Item 5. Other Events

On October 25, 1995, the Registrant issued a press release dated as of such date announcing operating results of the Registrant for the three and nine month periods ended September 30, 1995 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 Registrant dated October 25, 1995.



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  
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(Registrant)

By: /s/ BRADFORD T. SMITH  
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Bradford T. Smith  
Executive Vice President,  
General Counsel and Secretary

Date: October 30, 1995



EXHIBIT INDEX

Exhibit Number	Exhibit
20	Press release of the Registrant dated October 25, 1995.

Contact: Pam Sherry  
Laboratory Corporation of America  
910-584-5171

LABORATORY CORPORATION OF AMERICA HOLDINGS  
REPORTS THIRD QUARTER RESULTS

Results In Line With Recently Revised Expectations

BURLINGTON, NC, OCTOBER 25, 1995 - Laboratory Corporation of America Holdings (LabCorp) (NYSE:LH) today announced results for the third quarter and nine months ended September 30, 1995. Results for the 1995 periods reflect the April 28th merger of LabCorp's predecessor companies - National Health Laboratories and Roche Biomedical Laboratories - and therefore, are not directly comparable to prior periods.

Net sales for the quarter ended September 30, 1995, were \$417.5 million. The Company reported operating income for the period of \$43.2 million, net income of \$14.4 million and earnings per share of \$0.12. These results were in line with the Company's expectations.

Net sales for the nine month period ended September 30, 1995, were \$1,028.6 million. In the second quarter of 1995, the Company took a special charge of \$75.0 million relating to restructuring and other provisions, and also had an extraordinary loss of \$8.3 million, net of taxes, related to the early extinguishment of debt. Thus, operating results for the nine month period ended September 30, 1995, before the special charge and extraordinary item were as follows: operating income of \$124.7 million, net earnings of \$42.4 million, and net earnings per share of \$0.40. Operating results for the period after the special charge and extraordinary item were: operating income of \$49.7 million, net loss of \$12.7 million, and net loss per share of \$0.12.

"While greater than expected declines in utilization and continued pricing pressure due to changes in billing mix have negatively impacted our third quarter, the Company remains ahead of schedule and above its original projections in implementing synergies ensuing from the merger," said Dr. James B. Powell, President and Chief Executive Officer. "We will incur some expense duplication in the near term which will enable us to achieve these higher synergy levels. Previously estimated at \$80 to \$90 million, these synergies are now expected to result in cost savings of approximately \$110 million."

The Company's program of selective small laboratory acquisitions is continuing, although at a slower pace while it concentrates on the achievement of merger synergies. LabCorp is currently in active discussions with a number of acquisition candidates. By acquiring existing labs, the Company gains additional market share and increased economies of scale.

During the third quarter, LabCorp signed a three year full service hospital laboratory management agreement with the Kentucky Division of Columbia/HCA Healthcare Corporation to manage laboratory services for three of Columbia's hospitals in Louisville. The agreement became effective October 1, 1995.

Since July 1, 1995, the Company's business from hospital affiliations and institutional relationships -- including agreements relating to reference testing, management, shared services and joint marketing -- has totaled more than \$28 million annually in contracts already completed or likely to be signed before year end. The Columbia/HCA agreement, as well as others currently in negotiation, is in keeping with the Company's strategy of increased participation in the hospital marketplace utilizing its low-cost producer advantage.

The Company has continued to increase its presence in managed care throughout the year. Since January 1, 1995, through September 30, 1995, LabCorp added 128 new managed care contracts representing 4.5 million new lives.

Laboratory Corporation of America Holdings (LabCorp) is a national clinical laboratory organization with estimated annualized revenues in excess of \$1.7 billion. The Company operates 40 primary testing facilities nationally, offering more than 1,700 different clinical assays, from routine blood analysis to more sophisticated technologies. LabCorp performs diagnostic tests for physicians, managed care organizations, hospitals, clinics, nursing homes, industrial companies and other clinical laboratories.

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

	Three Months Ended		September 30,	September 30,		Nine Months Ended			
	September 30,	September 30,		September 30,	September 30,	September 30,	September 30,	September 30,	September 30,
	1995	1994 (a)	1995	1995	1994 (a)	1995	1994 (a)	Before Special Charge and Extraordinary Item	After Special Charge and Extraordinary Item
Net sales	\$ 417.5	\$ 248.7	\$ 1,028.6	\$ 1,028.6	\$ 637.6				
Operating income	\$ 43.2	\$ 34.5	\$ 124.7	\$ 49.7	\$ 83.6				
Earnings (loss) before income taxes and extraordinary item	\$ 26.2	\$ 2.1	\$ 77.4	\$ 2.3	\$ 41.2				
Provision for income taxes	(11.8)	(1.9)	(35.0)	(6.7)	(18.8)				
Earnings (loss) before extraordinary item	14.4	0.2	42.4	(4.4)	22.4				
Extraordinary Item - loss on early extinguishment of debt, net of income tax benefit of \$5.2	-	-	-	(8.3)	-				
Net earnings (loss)	\$ 14.4	\$ 0.2	\$ 42.4	\$ (12.7)	\$ 22.4				
Earnings (loss) per common share (b):									
Earnings (loss) per share before extraordinary item	0.12	\$ -	-	\$ 0.40	\$ (0.04)	\$ 0.26			
Extraordinary loss	-	-	-	(0.08)	-	-			
Net earnings (loss) per common share	\$ 0.12	-	\$ 0.40	\$ (0.12)	\$ 0.26				

(a) In 1994, National Health Laboratories Holdings Inc., the predecessor of Laboratory Corporation of America Holdings, recorded a pretax special charge of \$21.0 (\$12.8 net of tax) related to the settlement of shareholder derivative litigation. This pretax special charge reduced net earnings for the three- and nine-month periods ended September 30, 1994 by \$12.8 and net earnings per common share for the three- and nine-month periods ended September 30, 1994 by \$0.16.

(b) Earnings (loss) per common share are based on the weighted average number of shares outstanding during the three- and nine-month periods ended September 30, 1995 of 122,908,698 and 106,424,042 shares, respectively, and the weighted average number of shares outstanding during the three- and nine-month periods ended September 30, 1994 of 84,754,089 and 84,752,194 shares, respectively. The increase in the weighted average number of shares in 1995 is the result of shares issued in connection with the merger with Roche Biomedical Laboratories, Inc. on April 28, 1995.