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)
OR THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to

Commission file number 1-9114

MYLAN LABORATORIES INC.
(Exact Name of registrant as specified in its charter)

Pennsylvania	25-1211621
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

130 Seventh Street 1030 Century Building Pittsburgh, Pennsylvania	15222
(Address of principal executive offices)	(Zip Code)

412-232-0100
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

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 twelve 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 stock, as of the latest practicable date

Class of Common Stock	Outstanding at November 6, 1997
$.50 par value	122,111,884

MYLAN LABORATORIES INC. AND SUBSIDIARIES

INDEX

MYLAN LABORATORIES INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

ASSETS

	September 30, 1997 Unaudited	March 31, 1997 Audited
Current Assets:		
Cash and cash equivalents	$ 93,062,000	$126,156,000
Marketable securities	18,774,000	13,876,000
Accounts receivable - net	117,535,000	115,303,000
Inventories:		
Raw materials	67,681,000	51,796,000
Work in process	20,471,000	20,843,000
Finished goods	44,306,000	28,251,000
	132,458,000	100,890,000
Prepaid and refundable income tax	4,887,000	-
Deferred income tax benefit	6,861,000	13,532,000
Other current assets	34,784,000	9,263,000
Total Current Assets	408,361,000	379,020,000
Property, Plant and Equipment - at cost	208,662,000	197,466,000
Less accumulated depreciation	67,972,000	61,637,000
	140,690,000	135,829,000
Deferred Income Tax Benefit	2,068,000	-
Marketable Securities, non-current	22,019,000	23,668,000
Investment in and Advances to Somerset	26,716,000	25,113,000
Intangible Assets-net of accumulated amortization	132,934,000	137,062,000
Other Assets	82,971,000	76,888,000
Total Assets	$815,759,000	$777,580,000

See Notes to Consolidated Financial Statements

LIABILITIES AND SHAREH0LDERS' EQUITY

	September 30, 1997 Unaudited	March 31, 1997 Audited
Current Liabilities:		
Trade accounts payable	$ 17,222,000	$ 18,039,000
Current portion of long-term obligations	18,768,000	17,453,000
Income taxes payable	15,820,000	13,795,000
Other current liabilities	27,406,000	24,566,000
Cash dividends payable	4,894,000	4,893,000
Total Current Liabilities	84,110,000	78,746,000
Long-Term Obligations	32,175,000	32,593,000
Deferred Income Tax Liability	-	6,501,000
Shareholders' Equity:		
Preferred stock, par value $.50 per share, authorized 5,000,000 shares, issued and outstanding - none	-	-
Common stock, par value $.50 per share, authorized 300,000,000 shares, issued 122,933,112 shares at September 30, 1997 and 122,814,956 shares at March 31, 1997	61,467,000	61,407,000
Additional paid-in capital	90,528,000	89,262,000
Retained earnings	550,973,000	513,750,000
Net unrealized gain (loss) on investments	1,769,000	(947,000)
	704,737,000	663,472,000
Less Treasury stock - at cost, 849,113 shares at September 30, 1997 and 752,950 shares at March 31, 1997	5,263,000	3,732,000
Net Worth	699,474,000	659,740,000
Total Liabilities and Shareholders' Equity	$815,759,000	$777,580,000

See Notes to Consolidated Financial Statements

MYLAN LABORATORIES INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EARNINGS
UNAUDITED

	Three Months Ended September 30,		Six Months Ended September 30,	
	1997	1996	1997	1996
REVENUES:				
Net Sales	$ 127,133,000	$ 108,981,000	$ 236,321,000	$ 207,524,000
Other Revenues	26,822,000	-	26,822,000	-
TOTAL REVENUES	153,955,000	108,981,000	263,143,000	207,524,000
COST AND EXPENSES:				
Cost of Sales	71,201,000	63,836,000	132,580,000	119,615,000
Research and Development	12,124,000	10,255,000	23,815,000	20,786,000
Selling and Administrative	31,482,000	19,465,000	51,221,000	40,716,000
	114,808,000	93,556,000	207,617,000	181,117,000
	114,807,000	93,556,000	207,616,000	181,117,000
EQUITY IN EARNINGS OF SOMERSET	2,456,000	5,002,000	6,592,000	10,045,000
OTHER INCOME	4,437,000	3,769,000	6,263,000	7,761,000
EARNINGS BEFORE INCOME TAXES	46,041,000	24,196,000	68,382,000	44,213,000
INCOME TAX RATE	34%	28%	31%	29%
INCOME TAXES	15,650,000	6,848,000	21,393,000	12,854,000
NET EARNINGS	$ 30,391,000	$ 17,348,000	$ 46,989,000	$ 31,359,000
EARNINGS PER SHARE	$ .25	$ .14	$ .39	$ .26
WEIGHTED AVERAGE COMMON SHARES	122,029,000	121,892,000	122,047,000	121,880,000

The Company has paid regular quarterly cash dividends of $.04 per share since October 1995.

See Notes to Consolidated Financial Statements

MYLAN LABORATORIES INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED SEPTEMBER 30, 1997 AND 1996

UNAUDITED

	1997	1996
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Earnings	$ 46,989,000	$ 31,359,000
Adjustments to reconcile net earnings to net		
cash (used in) provided from operating activities:		8,876,000
Depreciation and amortization	10,529,000	2,553,000
Deferred income taxes	(1,108,000)	(10,045,000)
Equity in earnings of Somerset	(6,592,000)	7,390,000
Cash received from Somerset	4,989,000	(2,053,000)
Allowances on accounts receivable	5,500,000	(1,349,000)
Other non-cash items	866,000	
Changes in operating assets and liabilities:		(13,503,000)
Accounts receivable	(7,982,000)	80,000
Inventories	(31,555,000)	(1,683,000)
Trade accounts payable	(817,000)	(2,327,000)
Income taxes payable	(5,115,000)	6,800,000
Other operating assets and liabilities	(22,682,000)	26,098,000
Net cash (used in) provided from operating activities	(6,978,000)	
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(11,196,000)	(14,223,000)
Increase in intangible and other assets	(4,465,000)	(27,949,000)
Proceeds from investment securities	7,706,000	12,848,000
Purchase of investment securities	(6,776,000)	(14,318,000)
Net cash used in investing activities	(14,731,000)	(43,642,000)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on long-term obligations	(1,416,000)	(1,415,000)
Cash dividends paid	(9,764,000)	(9,742,000)
Repurchase of Common Stock	(1,507,000)	-
Proceeds from exercise of stock options	1,302,000	700,000
Net cash used in financing activities	(11,385,000)	(10,457,000)
Net Decrease in Cash and Cash Equivalents	(33,094,000)	(28,001,000)
Cash and Cash Equivalents - Beginning of Period	126,156,000	176,980,000
Cash and Cash Equivalents - Beginning of Period	126,156,000	176,980,000
Cash and Cash Equivalents - End of Period	$ 93,062,000	$148,979,000
CASH PAID DURING THE PERIOD FOR:		
Interest	$ 350,000	$ 425,000
Income Taxes	$ 27,640,000	$ 12,627,000

See Notes to Consolidated Financial Statements

MYLAN LABORATORIES INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SIX MONTH PERIOD ENDED
SEPTEMBER 30, 1997

Unaudited

A. In the opinion of management, the accompanying unaudited consolidated financial statements contain all adjustments (consisting of only normal recurring accruals) necessary to present fairly the financial position of the Company as of September 30, 1997 and March 31, 1997 together with the results of operations and cash flows for the interim periods ended September 30, 1997 and 1996. The consolidated results of operations for the three and six months ended September 30, 1997 and 1996 are not necessarily indicative of the results to be expected for the full year.

B. These interim financial statements should be read in conjunction with the consolidated financial statements and notes thereto in the Company's 1997 Annual Report and Report on Form 10-K.

C. In June 1997, the Company's subsidiary Mylan Pharmaceuticals Inc.("Mylan") entered into an exclusive supply and distribution agreement with Genpharm Inc. ("Genpharm"), a Canadian corporation, relating to the sale of ranitidine HCL tablets ("ranitidine") in the United States. Ranitidine is the generic version of Glaxo's Zantac(R).

Under the terms of the agreement Mylan and Genpharm will share in the combined profits resulting from the sale, by Mylan, of ranitidine tablets manufactured by either Mylan or Genpharm. In addition, the agreement provides that Mylan shall be entitled to share in any benefit received by Genpharm as a result of Genpharm entering into any ageement with any third party, which would affect either the marketing of ranitidine or Genpharm's ability to supply product to Mylan.

As announced by the Company on July 24, 1997, after a series of court decisions, Genpharm received notice from the FDA on July 23, 1997 that Genpharm was entitled to generic marketing exclusivity with regard to ranitidine tablets through August 29, 1997. While Glaxo's initial patent exclusivity relating to the product expired on July 25, 1997, neither Genpharm nor Mylan had resolved their respective legal matters with Glaxo and accordingly both were prohibited from marketing their respective products.

On July 31, 1997, Genpharm entered into an agreement with Novopharm Limited a Canadian Corporation, and its United States subsidiary Granutec Inc. ("Novopharm"),whereby Genpharm agreed to waive its generic marketing exclusivity period in favor of Novopharm. Novopharm had previously settled its patent issues with Glaxo. Based on the agreement between Genpharm and Novopharm, the FDA, on August 1, 1997, approved the Novopharm generic ranitidine product for sale in the United States. Upon notice of approval from the FDA, Novopharm immediately began marketing the product in the United States.

C. (con't) Under the terms of the agreement between Genpharm and Novopharm, Genpharm is entitled to receive compensation from Novopharm predicated upon Novopharm's sales of the product through December 31, 1997 and a profit allocation factor which is significantly reduced after the exclusivity period. Under the terms of the agreement between Mylan and Genpharm, Mylan is entitled to share in the compensation received by Genpharm from Novopharm.

During the quarter ended September 30, 1997, the Company recognized income of $26,822,000 recorded under the caption "Other Revenue" with a corresponding receivable reported under the caption "Other current assets". This amount represents the Company's best estimate, based on information provided by both Genpharm and Novopharm, of the Company's revenue for the respective period resulting from Genpharm's agreement with Novopharm. The amount of revenue to be recognized by the Company in future quarters will be affected by a final accounting of the net sales and expenses incurred by Novopharm during the contract period. The revenue recognized by the Company increased net earnings for the quarter by approximately $16,388,000 or $.13 per share.

Subsequent to Genpharm's agreement with Novopharm, Genpharm resolved its patent-related issues with Glaxo. Accordingly, on September 1, 1997 Mylan began marketing ranitidine manufactured by Genpharm under the terms of the distribution agreement between Mylan and Genpharm. Sales of ranitidine by the Company are included under the caption "Net Sales". Promotional and marketing costs associated with the launch of the product are included under the caption "Selling and Administrative" (see note D). Genpharms's portion of the combined profits resulting from the sale of ranitidine by Mylan, as determined in accordance with the distribution agreement, are included under the caption "Cost of Sales".

D. During the quarter ended September 30, 1997, the Company incurred significant costs associated with the launch of new generic products including ranitidine. The most significant cost incurred was for stocking fees paid or credited to customers to assist the customers in their conversion and promotion of the new generic products, primarily ranitidine. A total of $9,533,000 of unusual promotional and marketing costs associated with the launch of new generic products was expensed during the quarter. This unusual expense reduced net earnings for the quarter by approximately $6,930,000 or $.06 per share.

E. In August 1997, Key Pharmaceuticals, Inc. filed suit in the United States District Court for the Western District of Pennsylvania against the Company and certain subsidiaries claiming patent infringement relating to the marketing of its nitriglycerin transdermal system. The Company received FDA approval for its nitriglycerin transdermal system in September 1996 and immediately began marketing the product.

E. (con't) The relief sought includes a preliminary and permanent injunction, treble damages along with interest and attorneys' fees and expenses. The Company believes the suit is without merit and intends to vigorously defend its position.

A suit was filed by Synthecon, Inc in Harris County Circuit Court, Harris County, Texas against the Company relating to a license agreement entered into by VivoRx Inc. and the National Aeronautics and Space Administration. VivoRx Inc. is a biotechnology company in which the Company had made an investment. The suit seeks unspecified damages for allegedly depriving Sythecon of its rights under the license. The Company believes this suit is without merit and intends to vigorously defend its position.

On November 4, 1997 the Company entered into a settlement agreement related to an arbitration award against its Bertek Inc. subsidiary. The Company had accrued expense for this settlement in previous quarters.

F. Equity in Earnings of Somerset includes the Company's 50% portion of the net earnings of Somerset Pharmaceuticals Inc. ("Somerset"), certain management fees and amortization of intangible assets resulting from the acquisition of Somerset. Such intangible assets are being amortized over a 15 year period using the straight line method.

Condensed unaudited financial information of Somerset for the three and six month periods ended September 30, 1997 and 1996 are as follows (in thousands):

	Three Months Ended September 30,		Six Months Ended September 30,	
	1997	1996	1997	1996
Net Sales	$15,110	$26,224	$32,383	$56,367
Costs and Expenses	(8,007)	(11,733)	(13,254)	(28,028)
Income Taxes	(2,485)	(5,337)	(6,640)	(10,144)
Net Earnings	$ 4,618	$ 9,154	$12,489	$18,195

The above information represents 100% of Somerset's operations of which the Company has a 50% interest. Somerset's marketing exclusivity for Eldepryl(R) under the Orphan Drug Act expired on June 6, 1996, Somerset has experienced increased competition since August 1996, due to the approval of several generic tablet forms of Eldepryl(R) by the FDA. This has resulted in the decrease in sales and net earnings from 1996 to 1997.

PART 1 - FINANCIAL INFORMATION

ITEM 2 - MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Results of Operations

Net earnings for the three months ended September 30, 1997 were $30,391,000 representing a 75% increase over the same quarter a year ago and for the six months then ended were $46,989,000 representing a 50% increase over the same period a year ago. Net earnings for the three and six month periods ended September 30, 1997 includes approximately $.13 per share relating to revenue recognized by the Company as a result of the sale of generic ranitidine by an unrelated party during the quarter (see note C) and was reduced by approximately $.06 per share as a result of unusual promotional expense associated with the launch of new generic products by the Company including the launch of generic ranitidine by the Company in September (see note D).

In addition to the unusual items identified above, net earnings for both the three and six month periods ended September 30, 1997 were favorably impacted by the addition of 14 products to the Company's generic product line since September 30, 1996 including six products added during the quarter ended June 30, 1997 and four products added during the quarter ended September 30, 1997. The addition of new generic products and continued volume increases throughout the generic product line have more than offset the price deterioration which continues to plague the generic industry. Generic volume of almost 1.9 billion tablets, capsules and patches for the quarter and 3.4 billion year to date, represents 14% growth over the same periods a year ago.

As a result of the items identified in the previous paragraph, net sales for the quarter increased by 17% from last year to $127,133,000 and gross profit (net sales less cost of goods sold) as a percentage of net sales increased from 41% last year to 44% this year. For the six month period ended September 30, 1997 net sales increased by 14% from the same period from the prior year to $236,321,000 and gross profit as a percentage of net sales increased from 42% to 44%.

Research and development expenses of $12,121,000 for the quarter are 18% higher than the same quarter last year, and consistent with the steady quarterly increase realized throughout the past year. Year to date expenses of $23,815,000 are 15% higher than last year. Based on the current status of the various research projects in progress, including generic, innovative and transdermal patch related projects, the Company expects quarterly expenditures for research and development to increase to approximately $14,000,000 by the quarter ending March 31, 1998.

Selling and administrative expenses of $31,482,000 for the quarter ended September 30, 1997 include $9,533,000 in promotional expenses associated with the launch of new generic products during the quarter (see note D). Excluding this unusual expense year to date selling and administrative expenses are 2% higher than last year. With the addition of Maxzide(R) and Nitrek(TM), the Company has begun to expand its branded sales initiative through its Bertek Pharmaceuticals Inc. division resulting in higher selling and administrative expenses. The Company intends to continue to expand this area in preparation for the addition of new branded products.

Equity in Earnings of Somerset includes the Company's 50% portion of the net earnings of Somerset, which are generated exclusively from the sale of Eldepryl(R). In May of 1996, Somerset withdrew its tablet form of Eldepryl(R) from the market and replaced it with an easy-to-identify Eldepryl(R) capsule. Despite the withdrawal of the tablet form of the innovator product, in August 1996 the Food and Drug Administration approved several generic versions of Eldepryl(R) in tablet form.

The impact of generic competition has and will continue to adversely affect Somerset's contribution to the Company's net earnings. The reduction in Somerset's revenues resulting from generic competition may also impact Somerset's ability to continue research and development expenditures at historical levels.

The effective tax rate for the quarter ended September 30, 1997 was impacted by the Other Revenue recognized during the quarter which is subject to the full Federal and State tax rates. Absent such income in future quarters, the Company expects the effective tax rate to return to the 28% to 30% range previously realized.

Liquidity, Capital Resources and Financial Condition

The Company's balance sheet remains very strong with working capital of $324,251,000, total assets of $815,759,000 and total equity of $699,474,000. The ratio of current assets to current liabilities was 4.9 to 1 as of September 30, 1997 compared to 4.8 to 1 at March 31, 1997.

Significant changes in balance sheet accounts between March 31, 1997 and September 30, 1997 relate principally to the settlement of the Internal Revenue Service audit during the period, increased inventory levels attributable to continued higher demand for the Company's products, and the recording of a receivable from Genpharm in "Other current assets" (see note C). These timing items are mainly responsible for the significant change in cash flows from operating activities between the current period and the same period a year ago.

The acquisition of Maxzide(R) in the prior period is primarily responsible for the decrease in cash used in investing activities during the current period.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

The information required by item 1 is hereby incorporated by reference to notes E on pp. 6 and 7 on this Form 10-Q for the period ended September 30, 1997.

Item 4. Results of Sharelholder Elections

On July 24, 1997 the annual shareholders' meeting was held in Morgantown, West Virginia. The adoption of the 1997 Incentive Stock Option Plan proposal as further described in the Company's Proxy Statement dated May 31, 1997 was voted upon and approved by the shareholders at the meeting. Of the 74,456,869 shareholder votes cast 88.2% voted for the Plan, 8.5% voted against or withheld their vote and 3.3% abstain from voting.

In addition, the shareholders elected the seven directors nominated and elected the independent auditors of the Company as described in the Company's Proxy Statement.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibit 27 required by Item 601(c) of Regulation S-X filed herewith.

(b) Reports on Form 8-K - There were no reports filed on Form 8-K during the three months ended September 30, 1997.

SIGNATURES

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.

Mylan Laboratories Inc.
(Registrant)

DATE 11/10/97
- ----------

/s/ Milan Puskar
Milan Puskar
Chairman of the Board, Chief Executive Officer and President

DATE 11/10/97
- ----------

/s/ Donald C. Schilling
Donald C. Schilling
Vice President of Finance

Financial Data Schedule
Mylan Laboratories Inc. and Subsidiaries
Article 5 of Regulation S-X

The schedule contains summary financial information extracted from the Consolidated Balance Sheet at September 30, 1997 and the Consolidated Statement of Earnings for the six months ended September 30, 1997 and is qualified in its entirety by reference to such consolidated financial statements.

0000069499
none

3-MOS
MAR-31-1998

SEP-30-1997

93,062,000
18,774,000
137,666,000
20,131,000
132,458,000
408,361,000
208,662,000
67,972,000
815,759,000
84,110,000
38,929,000
0
0
61,467,000
638,007,000
815,759,000
236,321,000
263,143,000
132,580,000
132,580,000
75,036,000
0
1,508,000
68,382,000
21,393,000
46,989,000
0
0
0
46,989,000
.39
.39