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MERIT MEDICAL SYSTEMS INC  
Form 8-K  
April 19, 2001

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

Date of Report: April 18, 2001

Merit Medical Systems, Inc.

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

|   |                                |   |
|---|--------------------------------|---|
| Utah  | 1-18592                        | 87-0447695                                    |
| -----<br>(State or other<br>jurisdiction<br>of incorporation) | -----<br>(Commission File No.) | -----<br>(IRS Employer<br>Identification No.) |

1600 West Merit Parkway  
South Jordan, Utah 84095

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(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code: (801) 253-1600

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Item 5. Other Events

MERIT MEDICAL SYSTEMS, INC.

CONSOLIDATED BALANCE SHEETS  
MARCH 31, 2001 AND DECEMBER 31, 2000

| ASSETS                                    | March 31,<br>2001    | December 31,<br>2000 |
|---|----------------------|----------------------|
|   | -----<br>(Unaudited) | -----                |
| CURRENT ASSETS:                           |                      |                      |
| Cash and cash equivalents                 | \$ 469,092           | \$ 412,300           |
| Trade receivables - net                   | 14,372,128           | 13,235,800           |
| Employee and related<br>party receivables | 406,603              | 440,600              |
| Irish Development Agency grant receivable | 46,617               | 177,400              |
| Inventories                               | 23,123,591           | 25,273,400           |

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|  |               |             |
|--|---------------|-------------|
| Prepaid expenses other assets                              | 900,658       | 663,1       |
| Deferred income tax assets                                 | 1,183,944     | 1,183,9     |
| Income tax refund receivable                               | 238,958       | 588,6       |
|  | -----         | -----       |
| Total current assets                                       | 40,741,591    | 41,975,4    |
|  | -----         | -----       |
| PROPERTY AND EQUIPMENT:                                    |               |             |
| Land   | 1,260,985     | 1,260,9     |
| Building   | 1,500,000     | 1,500,0     |
| Manufacturing equipment                                    | 21,141,914    | 19,696,5    |
| Automobiles  | 91,496        | 131,0       |
| Furniture and fixtures                                     | 9,632,975     | 9,576,0     |
| Leasehold improvements                                     | 5,456,297     | 5,420,1     |
| Construction-in-progress                                   | 1,564,479     | 2,120,6     |
|  | -----         | -----       |
| Total  | 40,648,146    | 39,705,5    |
| Less accumulated depreciation<br>and amortization          | (18,788,557)  | (17,860,4   |
|  | -----         | -----       |
| Property and equipment - net                               | 21,859,589    | 21,845,0    |
|  | -----         | -----       |
| OTHER ASSETS:  |               |             |
| Patents & trademarks - net                                 | 2,584,214     | 2,522,3     |
| Deposits   | 38,859        | 41,2        |
| Cost in excess of the fair value of assets of acquired-net | 4,987,993     | 5,062,4     |
|  | -----         | -----       |
| Total other assets   | 7,611,066     | 7,626,1     |
|  | -----         | -----       |
| TOTAL ASSETS   | \$ 70,212,246 | \$ 71,446,6 |
|  | =====         | =====       |

(Continued)

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MERIT MEDICAL SYSTEMS, INC.

CONSOLIDATED BALANCE SHEETS  
MARCH 31, 2001 AND DECEMBER 31, 2000

|                                      | March 31,<br>2001 | December 31,<br>2000 |
|--------------------------------------|-------------------|----------------------|
|                                      | -----             | -----                |
|                                      | (Unaudited)       |                      |
| LIABILITIES AND STOCKHOLDERS' EQUITY |                   |                      |
| CURRENT LIABILITIES:                 |                   |                      |
| Current portion of long-term debt    | \$ 872,428        | \$ 1,091,7           |
| Trade payables                       | 4,557,909         | 4,835,5              |
| Accrued expenses                     | 5,113,941         | 3,471,0              |
| Advances from employees              | 138,206           | 96,7                 |
| Income taxes payable                 | 318,872           | 33,4                 |
|                                      | -----             | -----                |
| Total current liabilities            | 11,001,356        | 9,528,4              |
| DEFERRED INCOME TAX LIABILITIES      | 2,210,088         | 2,177,8              |
| LONG-TERM DEBT                       | 20,061,415        | 24,011,7             |

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|   |               |             |
|---|---------------|-------------|
| DEFERRED CREDITS  | 914,012       | 955,8       |
| Total Liabilities   | 34,186,871    | 36,673,9    |
| STOCKHOLDERS' EQUITY:   |               |             |
| Preferred stock- 5,000,000 shares authorized as of<br>March 31, 2001 and December 31, 2000, respectively,<br>no shares issued                               |               |             |
| Common stock- no par value; 20,000,000 shares authorized;<br>7,801,988 and 7,788,208 shares issued at March 31, 2001<br>and December 31, 2000, respectively | 19,888,904    | 19,779,7    |
| Accumulated other comprehensive loss  | (667,029)     | (624,1      |
| Retained earnings   | 16,803,500    | 15,617,0    |
| Total stockholders' equity  | 36,025,375    | 34,772,7    |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY  | \$ 70,212,246 | \$ 71,446,6 |

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MERIT MEDICAL SYSTEMS, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS  
FOR THE THREE MONTHS ENDED  
MARCH 31, 2001 AND 2000 (Unaudited)

|   | March 31,<br>2001 | March 31,<br>2000 |
|---|-------------------|-------------------|
| SALES   | \$ 26,788,373     | \$ 22,080,4       |
| COST OF SALES   | 17,568,999        | 14,446,3          |
| GROSS PROFIT  | 9,219,374         | 7,634,0           |
| OPERATING EXPENSES:                                     |                   |                   |
| Selling, general and administrative                     | 6,006,073         | 6,338,5           |
| Research and development                                | 1,130,072         | 1,005,9           |
| TOTAL   | 7,136,145         | 7,344,4           |
| INCOME FROM OPERATIONS                                  | 2,083,229         | 289,5             |
| OTHER EXPENSE - NET                                     | 436,067           | 517,4             |
| INCOME (LOSS) BEFORE INCOME TAXES                       | 1,647,162         | (227,8            |
| INCOME TAX EXPENSE (BENEFIT)                            | 460,737           | (68,3             |
| NET INCOME (LOSS)                                       | \$ 1,186,425      | \$ (159,4         |
| EARNINGS (LOSS) PER COMMON SHARE -<br>Basic and diluted | \$ .15            | \$ (.0            |

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AVERAGE COMMON SHARES -

Basic

7,795,253

7,622,9

Diluted

7,894,084

7,893,6

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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.

MERIT MEDICAL SYSTEMS, INC.  
REGISTRANT

Date: May 12, 2000

By: /s/ FRED P. LAMPROPOULOS

-----  
FRED P. LAMPROPOULOS  
PRESIDENT AND CHIEF EXECUTIVE OFFICER

Date: May 12, 2000

By: /s/ KENT W. STANGER

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KENT W. STANGER  
SECRETARY AND CHIEF FINANCIAL OFFICER

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