

UTAH MEDICAL PRODUCTS, INC.



CORPORATE HEADQUARTERS
7043 South 300 West
Midvale, Utah 84047
Telephone: 801-566-1200
FAX: 801-566-2062
NASDAQ Symbol: UTMD
www.utahmed.com

PRESS RELEASE

Utah Medical Products, Inc. Reports Performance Records for First Quarter 2001

April 17, 2001

Contact: Paul Richins
(801) 566-1200

Salt Lake City, Utah - Utah Medical Products, Inc. (Nasdaq:UTMD) reports that First Quarter (1Q) 2001 earnings per share (eps) increased 43% to 27¢, compared to 1Q 2000 eps of 19¢. Eps for the most recent four calendar quarters (TTM) were 98¢, a company record for four consecutive calendar quarters.

The excellent increase in eps was achieved with a 1% decline, or about \$99,000, in overall 1Q 2001 sales relative to 1Q 2000. The slight overall sales decline can be explained by an 11% decline in 1Q international sales, down \$158,000 compared to 1Q 2000. UTMD believes that the lower international revenues in 1Q 2001 relative to 1Q 2000 will be not be indicative of international sales results for the year as a whole.

Because of a favorable product mix, gross profit dollars were 3% higher than in 1Q 2000 and resulted in a record quarterly gross profit margin of 57.3%. Gross profit margins benefited from the fact that international sales of blood pressure monitoring transducers, UTMD's least profitable sales, were down \$206,000 compared to 1Q 2000. UTMD's operating profit margin at 33.9% was also a record. Operating profits improved because of lower selling expenses and R&D costs compared to 1Q 2000. UTMD expects to increase its selling expenses during the remainder of the year. The 13% rate of increase in net profits was less than the 18% increase in operating profits as a result of \$64,400 increased 1Q 2001 interest expense associated with the repurchase of 1.3 million UTMD shares in 3Q 2000. UTMD's 1Q 2001 net profit margin was 21.2%. The 3Q 2000 Tender Offer substantially reduced outstanding shares, which, combined with record 1Q 2001 profitability, resulted in a 43% increase in eps relative to 1Q 2000.

UTMD's EBITDA (earnings before tax and interest expense, plus depreciation and amortization) for 1Q 2001 was \$2.9 million, compared with \$2.6 million in 1Q 2000. At 43.6%, EBITDA as a percentage of sales was also a UTMD record for a calendar quarter. TTM EBITDA was \$11.4 million. With continuing strong cash flow, UTMD was able to reduce long term debt by \$2.4 million during 1Q 2001.

According to CEO Kevin Cornwell, "The first quarter of 2001 performance was a solid step toward our 2001 \$1.10 eps objective publicly projected last December. Eps of \$1.10 in 2001 would be a company record for calendar year eps and represents 22% growth over 2000. It also would represent a fourth consecutive year at a 20% average annually compounded rate of increase in eps."

In the 2Q, UTMD expects to launch its new on-line participation in the Global Healthcare Exchange (GHX), an independent Internet-based company created originally by five of the world's largest medical device manufacturers. UTMD was selected by GHX as one of its first supplier implementation sites. GHX is a single-source solution for online purchasing of potentially all medical

products needed by hospitals using their own internal systems, while maintaining individual supplier relationships. GHX is investing significant resources into developing fully integrated e-procurement solutions, which link supplier systems directly with hospital systems on a customized basis making it possible for buyers to interact in real time with UTMD. UTMD believes that GHX will help offset access limits imposed by hospital GPO's, helping UTMD to answer the challenge of gaining and retaining access to potential hospital customers. Through GHX, UTMD's customers will have electronic access to pricing, product availability, order tracking and all other administrative tasks in the purchasing process. Eventually, UTMD will electronically link sales support, clinical training and third party support.

Investors are cautioned that this press release contains forward looking statements and that actual events may differ from those projected. Risks factors that could cause results to differ materially from those projected include market acceptance of products, timing of regulatory approval of new products, UTMD's ability to efficiently manufacture, market, and sell its products, among other factors that have been outlined in UTMD's public disclosure filings with the SEC. The 2001 1Q 10-Q will be filed with the SEC by May 15.

Utah Medical Products, Inc., with particular interest in health care for women and their babies, develops, manufactures, assembles and markets a broad range of disposable and reusable specialty medical devices designed for better health outcomes for patients and their care-providers. For more information about Utah Medical Products, Inc., visit UTMD's website at www.utahmed.com.

First Quarter ended March 31
(in thousands except earnings per share):

	<u>Percent Change</u>	<u>1Q 2001</u>	<u>1Q 2000</u>
Net Sales	- 1.5%	\$6,567	\$6,666
Gross Profit	+ 2.5%	3,763	3,671
Operating Income	+18.4%	2,225	1,878
Income Before Tax	+14.8%	2,199	1,916
Net Income	+13.5%	1,391	1,226
Earnings Per Share	+43.4%	.272	.189
Shares Outstanding (diluted)		5,117	6,469