

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 (Date of earliest event reported) **July 17, 2008**

**ICU Medical, Inc.**

(Exact name of registrant as specified in its charter)

**DELAWARE**  
(State or other jurisdiction  
of incorporation)

**0-19974**  
(Commission File Number)

**33-0022692**  
(IRS Employer Identification No.)

**951 Calle Amanecer, San Clemente, California**  
(Address of principal executive offices)

**92673**  
(Zip Code)

**(949) 366-2183**  
Registrant's telephone number, including area code

**N/A**  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)  
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)  
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))  
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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**Item 2.02. Results of Operations and Financial Condition.**

ICU Medical, Inc. announced its earnings for the second quarter 2008.

**Item 9.01. Financial Statements and Exhibits.**

- (c) Exhibits
- 99.1 Press release, dated July 17, 2008 announcing ICU Medical, Inc.'s second quarter 2008 earnings.

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**SIGNATURE**

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

**ICU Medical, Inc.**

Date: **July 17, 2008**

**/s/ SCOTT E. LAMB**  
Scott E. Lamb  
*Secretary, Treasurer and Chief Financial Officer*

## ICU Medical, Inc. Reports Second Quarter 2008 Results

SAN CLEMENTE, Calif., July 17, 2008 (PRIME NEWSWIRE) – ICU Medical, Inc., (Nasdaq:ICUI), a leading low cost manufacturer of safe medical connectors, custom medical products and critical care devices, today announced results for the second quarter and six months ended June 30, 2008.

Second quarter of 2008 revenue was \$48.6 million, compared to \$48.9 million in the same period last year. Net income for the second quarter of 2008 was \$4.8 million, or \$0.33 per diluted share, compared to net income of \$2.5 million, or \$0.16 per diluted share, for the second quarter of 2007.

For the six months ended June 30, 2008, revenue totaled \$93.2 million, compared to revenue of \$97.7 million in the same period last year. For the six months ended June 30, 2008, the Company earned \$7.7 million, or \$0.53 per diluted share, compared to net income of \$12.4 million, or \$0.79 per diluted share, for the six months ended June 30, 2007.

Scott Lamb, ICU Medical's Chief Financial Officer, commented, "We are pleased with the revenue and earnings performance of our core business during the second quarter. Our gross margins expanded 3 percentage points to 43% and operating income increased over 100% on a sequential basis. Sales from our Custom systems were up 12% during the second quarter, compared to last year, while sales from our new products, including oncology, increased over 65% on a sequential basis. This growth was offset by continued weakness in critical care products that we manufacture for Hospira. Excluding critical care, our revenue grew 9%, compared to the same period last year."

"Looking forward, we are very pleased with our long-term domestic and international growth opportunities. As evidenced by our recently renewed agreement with MedAssets Supply Chain Systems, we are well positioned to expand our distribution network for our CLAVE, Custom and oncology products. These agreements validate our reputation as a low-cost and quality leader in the industry and create additional growth opportunities for years to come," concluded Mr. Lamb.

Operating cash flow was \$11.0 million for the first six months of 2008. As of June 30, 2008, cash and investments totaled \$109 million and working capital was \$148 million.

Taking into account continued softness in the Company's critical care product division and higher commodity prices affecting shipping and raw material costs, management is providing a guidance range for 2008 revenue of \$190 - \$200 million, annual gross margins to be approximately 43% and diluted earnings per share to be in the range of \$1.35 - \$1.45 per diluted share.

The Company will be conducting a conference call concerning its second quarter ended June 30, 2008 results at 4:30 p.m. EDT (1:30 p.m. PDT) on Thursday, July 17, 2008. The call can be accessed at 866-831-6291, passcode 98859306 or by replay at 888-286-8010, passcode 36686876. The conference call will be simultaneously available by webcast, which can be accessed by going to the Company's website at <http://www.icumed.com>, clicking on the Investors tab, clicking on the Webcast icon and following the prompts. The webcast will also be available by replay. Certain information provided as part of that call will be provided on the Company's website at <http://www.icumed.com> within 48 hours of the call.

The foregoing statement concerning Management's expectation with respect to future results is a forward-looking statement based upon the best information currently available to Management and assumptions Management believes are reasonable, but Management does not intend the statement to be a representation as to future results. Future results are subject to risks and uncertainties, including the risk factors described in the Company's filings with the Securities and Exchange Commission, which include those in the Form 10-K for the year ended December 31, 2007 and 10Q for the quarter ended March 31, 2008. Actual results in the future may differ materially from Management's current expectations.

ICU Medical, Inc. and Subsidiaries  
Condensed Consolidated Balance Sheets  
(Amounts in thousands, except share and per share data)

ASSETS

	6/30/08	12/31/07
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	(unaudited)	(1)
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 79,607	\$ 7,873
Marketable securities	28,977	87,770
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Cash, cash equivalents and marketable securities investments	108,584	95,643
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Accounts receivable, net of allowance for doubtful accounts of \$329 and \$655 as of June 30, 2008 and December 31, 2007, respectively	29,633	26,115
Inventories	20,611	19,504
Prepaid income taxes	3,193	2,740
Prepaid expenses and other current assets	3,645	4,746
Deferred income taxes - current portion	4,143	4,509

Total current assets	169,809	153,257
PROPERTY AND EQUIPMENT, net	74,077	72,708
INTANGIBLE ASSETS, net	11,331	11,884
DEFERRED INCOME TAXES- non-current	2,689	2,432
INCOME TAXES RECEIVABLE - non-current	1,848	1,848
OTHER ASSETS	465	465
	\$260,219	\$242,594

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES:		
Accounts payable	\$ 7,234	\$ 8,439
Accrued liabilities	14,136	13,036
Total current liabilities	21,370	21,475
DEFERRED INCOME TAXES - non-current portion	4,325	4,325
INCOME TAXES PAYABLE - non-current portion	3,190	2,890
COMMITMENTS AND CONTINGENCIES	--	--
STOCKHOLDERS' EQUITY:		
Convertible preferred stock, \$1.00 par value- Authorized - 500,000 shares, issued and outstanding - none	--	--
Common stock, \$0.10 par value - Authorized -- 80,000,000 shares, issued 14,746,951 shares at June 30, 2008 and December 31, 2007	1,475	1,475
Additional paid-in capital	61,309	74,805
Treasury stock, at cost - 458,360 and 1,057,501 shares at June 30, 2008 and December 31, 2007, respectively	(17,754)	(40,776)
Retained earnings	184,674	177,004
Accumulated other comprehensive income, net of tax	1,630	1,396
Total stockholders' equity	231,334	213,904
	\$260,219	\$242,594

(1) December 31, 2007 balances were derived from audited consolidated financial statements.

ICU Medical, Inc. and Subsidiaries  
Condensed Consolidated Statements of Income  
(Amounts in thousands, except share and per share data)  
(unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2008	2007	2008	2007
REVENUES:				
Net sales	\$ 48,382	\$ 48,370	\$ 92,053	\$ 96,033
Other	210	520	1,193	1,690
TOTAL REVENUE	48,592	48,890	93,246	97,723
COST OF GOODS SOLD	27,788	28,252	54,671	57,869
Gross profit	20,804	20,638	38,575	39,854

OPERATING EXPENSES:				
Selling, general and administrative	13,685	11,504	26,793	23,503
Research and development	1,452	2,155	3,471	4,006
Total operating expenses, net	15,137	13,659	30,264	27,509
Income from operations	5,667	6,979	8,311	12,345
OTHER INCOME (EXPENSE)	1,139	(3,402)	2,695	5,997
Income before income taxes and minority interest	6,806	3,577	11,006	18,342
PROVISION FOR INCOME TAXES	(2,034)	(1,033)	(3,336)	(6,053)
MINORITY INTEREST	--	--	--	70
NET INCOME	\$ 4,772	\$ 2,544	\$ 7,670	\$ 12,359
NET INCOME PER SHARE				
Basic	\$0.34	\$0.18	\$0.55	\$0.85
Diluted	\$0.33	\$0.16	\$0.53	\$0.79
WEIGHTED AVERAGE NUMBER OF SHARES				
Basic	13,966,161	14,456,396	13,858,892	14,518,705
Diluted	14,381,185	15,534,568	14,387,683	15,572,663

ICU Medical, Inc. and Subsidiaries  
Condensed Consolidated Statements of Cash Flows  
(Amounts in thousands)  
(unaudited)

	Six months ended June 30,	
	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 7,670	\$ 12,359
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	7,028	5,364
Provision for doubtful accounts	(282)	222
Minority interest	--	(70)
Stock compensation	882	310
Cash provided (used) by changes in operating assets and liabilities		
Accounts receivable	(2,890)	(5,521)
Inventories	(969)	591
Prepaid expenses and other assets	565	(261)
Accounts payable	(1,252)	(1,345)
Accrued liabilities	1,037	5,296
Prepaid and deferred income taxes	(813)	526
Net cash provided by operating activities	10,976	17,471
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(7,122)	(14,171)
Cash paid for acquired assets	--	(3,224)

Proceeds from finance loan repayments	48	38
Purchases of marketable securities	(12,357)	(18,258)
Proceeds from sale of marketable securities	70,685	21,004
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Net cash provided (used) by investing activities	51,254	(14,611)
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CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from exercise of stock options	4,602	808
Proceeds from employee stock purchase plan	744	742
Tax benefits from exercise of stock options	3,849	238
Purchase of treasury stock	--	(8,613)
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Net cash provided (used) by financing activities	9,195	(6,825)
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Effect of exchange rate changes on cash	309	69
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NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	71,734	(3,896)
CASH AND CASH EQUIVALENTS, beginning of period	7,873	13,153
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CASH AND CASH EQUIVALENTS, end of period	\$ 79,607	\$ 9,257
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