

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 18, 2006  
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ICU MEDICAL, INC.

(Exact name of registrant as specified in its charter)

|  |  |  |
|--|--|--|
| DELAWARE<br>-----<br>(State or other jurisdiction)<br>of incorporation | 0-19974<br>-----<br>(Commission File Number) | 33-0022692<br>-----<br>(I.R.S. Employer<br>Identification No.) |
|--|--|--|

|   |                              |
|---|------------------------------|
| 951 Calle Amanecer, San Clemente, California<br>-----<br>(Address of principal executive offices) | 92673<br>-----<br>(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))

INFORMATION TO BE INCLUDED IN THE REPORT

Item 2.02 Results of Operations and Financial Condition  
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ICU Medical, Inc. announced its earnings for the second quarter 2006.

Item 9.01 Financial Statements and Exhibits  
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(c) Exhibits

99.1 Press release, dated July 18, 2006 announcing ICU Medical, Inc.'s second quarter 2006 earnings.

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 hereunto duly authorized.

Date: July 18, 2006

ICU MEDICAL, INC.

/s/ Francis J. O'Brien

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Francis J. O'Brien  
Secretary, Treasurer and  
Chief Financial Officer

[ICU LOGO] ICU MEDICAL, INC.

ICU MEDICAL, INC. RAISES 2006 EARNINGS TARGETS AND REPORTS  
SECOND QUARTER EARNINGS RESULTS

SAN CLEMENTE, CALIF., JULY 18, 2006 - 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 ended June 30, 2006.

Second quarter revenue was \$51.4 million, a 26% increase as compared to \$40.7 million in the same period last year. Net income increased 33% to \$6.3 million, or \$0.40 per diluted share, as compared to \$4.7 million, or \$0.31 per diluted share, in the second quarter of 2005.

For the six-months ended June 30, 2006, the Company earned \$12.7 million, or \$0.82 per diluted share, on revenues of \$100.2 million, as compared to net income of \$9.2 million, or \$0.61 per diluted share, on revenues of \$67.8 million for the six-months ended June 30, 2005.

"We are encouraged by our better than expected revenue and earnings results in the second quarter," said Frank O'Brien, ICU Medical's Chief Financial Officer. "Our gross margins on product sales improved to 44% in the second quarter from 42% in the first quarter and our manufacturing relocation to Salt Lake City and Mexico continues to be on plan and, as of today, is approximately 40% complete. All channels experienced increased sales growth, particularly International which grew 66%."

Operating cash flows were \$14.4 million for the first six months of 2006. As of June 30, 2006, cash and investments totaled \$100.5 million and working capital rose to \$140.4 million.

Based on results to date and expectations for the remainder of 2006, the Company is raising its revenue and earnings targets for the full year. The company now is targeting sales of \$195 million and diluted earnings per share of \$1.65 for 2006.

The Company will be conducting a conference call concerning its second quarter ended June 30, 2006 results at 1:30 p.m. PST (4:30 p.m. EST) on Tuesday, July 18, 2006 which can be accessed at 800-901-5248, passcode 45801025 or by replay at 888-286-8010, passcode 36966844. The conference call will be simultaneously available by webcast, which can be accessed by going to the Company's website at [www.icumed.com](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 [www.icumed.com](http://www.icumed.com) within 48 hours of this announcement.

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 MOST RECENT 10-Q. ACTUAL RESULTS IN THE FUTURE MAY DIFFER MATERIALLY FROM MANAGEMENT'S CURRENT EXPECTATIONS.

Contact: Francis J. O'Brien  
Chief Financial Officer  
ICU Medical, Inc.  
(949) 366-2183

John F. Mills  
Managing Director  
Integrated Corporate Relations  
(310) 395-2215

ICU MEDICAL, INC.  
Condensed Consolidated Statements of Income  
(all dollar amounts in thousands, except share and per share data)  
(unaudited)

|   | Three Months Ended June 30, |            | Six Months Ended June 30, |            |
|---|-----------------------------|------------|---------------------------|------------|
|   | 2006                        | 2005       | 2006                      | 2005       |
| REVENUES:   |                             |            |                           |            |
| Net sales   | \$ 50,891                   | \$ 40,116  | \$ 98,348                 | \$ 65,779  |
| Other   | 534                         | 577        | 1,858                     | 1,999      |
| TOTAL REVENUE                                       | 51,425                      | 40,693     | 100,206                   | 67,778     |
| COST OF GOODS SOLD                                  | 28,351                      | 24,360     | 55,782                    | 36,220     |
| Gross profit  | 23,074                      | 16,333     | 44,424                    | 31,558     |
| OPERATING EXPENSES:                                 |                             |            |                           |            |
| Selling, general and administrative                 | 12,236                      | 9,606      | 22,827                    | 17,629     |
| Research and development                            | 2,335                       | 1,004      | 3,904                     | 1,678      |
| Total operating expenses                            | 14,571                      | 10,610     | 26,731                    | 19,307     |
| Income from operations                              | 8,503                       | 5,723      | 17,693                    | 12,251     |
| OTHER INCOME  | 1,197                       | 986        | 1,958                     | 1,574      |
| Income before income taxes<br>and minority interest | 9,700                       | 6,709      | 19,651                    | 13,825     |
| PROVISION FOR INCOME TAXES                          | 3,543                       | 2,095      | 7,271                     | 4,866      |
| MINORITY INTEREST                                   | (135)                       | (125)      | (278)                     | (197)      |
| NET INCOME  | \$ 6,292                    | \$ 4,739   | \$ 12,658                 | \$ 9,156   |
| NET INCOME PER SHARE                                |                             |            |                           |            |
| Diluted   | \$ 0.40                     | \$ 0.31    | \$ 0.82                   | \$ 0.61    |
| WEIGHTED AVERAGE NUMBER OF SHARES                   |                             |            |                           |            |
| Diluted   | 15,571,367                  | 15,080,689 | 15,490,707                | 14,939,345 |

ICU MEDICAL, INC.  
Summary Consolidated Balance Sheet Data (all dollar amounts  
in thousands, except share data)

ASSETS

|                                   | 6/30/06     | 12/31/05   |
|-----------------------------------|-------------|------------|
|                                   | (UNAUDITED) |            |
| CURRENT ASSETS:                   |             |            |
| Cash and liquid investments       | \$ 100,467  | \$ 86,742  |
| Accounts receivable, net          | 26,732      | 23,644     |
| Inventories                       | 18,549      | 15,435     |
| Prepaid and deferred income taxes | 6,216       | 7,241      |
| Other current assets              | 4,967       | 4,700      |
| Total current assets              | 156,931     | 137,762    |
| PROPERTY AND EQUIPMENT, NET       | 57,602      | 52,194     |
| OTHER ASSETS                      | 13,358      | 14,581     |
|                                   | \$ 227,891  | \$ 204,537 |

LIABILITIES AND STOCKHOLDERS' EQUITY

|   |            |            |
|---|------------|------------|
| CURRENT LIABILITIES                                   | \$ 16,533  | \$ 13,887  |
| DEFERRED INCOME TAXES                                 | 352        | 529        |
| MINORITY INTEREST                                     | 645        | 923        |
| STOCKHOLDERS' EQUITY                                  |            |            |
| 14,462,660 common shares outstanding at June 30, 2006 | 210,361    | 189,198    |
|   | -----      | -----      |
|   | \$ 227,891 | \$ 204,537 |
|   | =====      | =====      |

ICU MEDICAL, INC.  
Summary Consolidated Statements of Cash Flows  
(all dollar amounts in thousands)  
(unaudited)

|   | SIX MONTHS ENDED |          |
|---|------------------|----------|
|   | 6/30/06          | 6/30/05  |
|   | -----            | -----    |
| CASH FLOWS FROM OPERATING ACTIVITIES:                   |                  |          |
| Net Income  | \$ 12,658        | \$ 9,156 |
| Adjustments to reconcile net income to net cash         |                  |          |
| Provided by operating activities --                     |                  |          |
| Depreciation and amortization                           | 5,176            | 4,212    |
| Net change in current assets and liabilities, and other | (3,467)          | (8,204)  |
| Tax benefits from exercise of stock options in 2005     | --               | 2,080    |
|   | -----            | -----    |
| Net cash provided by operating activities               | 14,367           | 7,244    |
|   | -----            | -----    |
| CASH PAID FOR ACQUIRED ASSETS                           | --               | (32,116) |
| PURCHASES OF PROPERTY AND EQUIPMENT                     | (9,413)          | (2,449)  |
| NET INCREASE (DECREASE) IN LIQUID INVESTMENTS           | (13,787)         | 24,300   |
| EMPLOYEE EQUITY PLANS                                   | 8,118            | 3,958    |
| OTHER   | 653              | 323      |
| NET INCREASE (DECREASE) IN CASH                         |                  |          |
| AND CASH EQUIVALENTS                                    | \$ (62)          | \$ 1,260 |
|   | =====            | =====    |