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, 2003.

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM _____ TO _____.

Commission File Number 0-18592

MERIT MEDICAL SYSTEMS, INC.
(Exact name of Registrant as specified in its charter)

Utah	87-0447695
(State or other jurisdiction of incorporation or organization)	(I.R.S. Identification No.)

1600 West Merit Parkway, South Jordan Utah, 84095
(Address of Principal Executive Offices)

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

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Sections 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 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 Registrant's classes of common stock, as of the latest practicable date.

Common Stock	19,311,127
TITLE OR CLASS	Number of Shares Outstanding at November 13, 2003

MERIT MEDICAL SYSTEMS, INC.

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MERIT MEDICAL SYSTEMS, INC.

CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2003 AND DECEMBER 31, 2002 (Unaudited)

PART I - FINANCIAL INFORMATION

ITEM 1: Financial Statements

ASSETS	September 30, 2003	December 31, 2002
CURRENT ASSETS:		
Cash and cash equivalents	$ 26,322,717	$ 9,683,578

Short-term investments	503,038	217,451
Trade receivables - net	16,881,910	15,247,892
Other receivables	42,857	1,209,804
Employee and related party receivables	168,463	299,751
Inventories	20,019,013	18,699,217
Prepaid expenses and other assets	904,390	667,151
Deferred income tax assets	153,150	143,265
Total current assets	64,995,538	46,168,109
PROPERTY AND EQUIPMENT:		
Land	2,740,394	2,034,522
Building	5,120,410	5,118,683
Automobiles	87,536	87,536
Manufacturing equipment	27,150,529	25,577,837
Furniture and fixtures	11,631,401	10,823,852
Leasehold improvements	4,573,150	4,345,620
Construction-in-progress	5,718,587	3,008,734
Total	57,022,007	50,996,784
Less accumulated depreciation and amortization	(28,785,421)	(25,584,648)
Property and equipment - net	28,236,586	25,412,136
OTHER ASSETS:		
Intangible assets - net	1,824,403	1,927,160
Goodwill - net	4,764,596	4,764,596
Deposits	32,163	33,213
Total other assets	6,621,162	6,724,969
TOTAL ASSETS	$ 99,853,286	$ 78,305,214

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See Notes to Consolidated Financial Statements

MERIT MEDICAL SYSTEMS, INC.

CONSOLIDATED BALANCE SHEETS (Continued)
SEPTEMBER 30, 2003 AND DECEMBER 31, 2002 (Unaudited)

LIABILITIES AND STOCKHOLDERS' EQUITY

	September 30, 2003	December 31, 2002
CURRENT LIABILITIES:		
Current portion of long-term debt	$ 87,431	$ 400,182
Trade payables	5,705,358	4,121,577
Accrued expenses	9,210,768	6,618,407
Advances from employees	191,093	161,529
Income taxes payable	1,209,951	284,148
Total current liabilities	16,404,601	11,585,843
DEFERRED INCOME TAX LIABILITIES	2,487,147	2,443,156

LONG-TERM DEBT	--	16,693
DEFERRED CREDITS	672,692	860,931
Total liabilities	19,564,440	14,906,623
STOCKHOLDERS' EQUITY:		
Preferred stock-5,000,000 shares authorized; no shares issued Common stock - no par value; 50,000,000 and 20,000,000 shares authorized, respectively 19,266,455 and 18,485,403 shares issued at September 30, 2003 and December 31, 2002, respectively	34,492,315	30,265,963
Retained earnings	46,272,713	33,663,083
Accumulated other comprehensive loss	(476,182)	(530,455)
Total stockholder's equity	80,288,846	63,398,591
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 99,853,286	$ 78,305,214

See Notes to Consolidated Financial Statements

MERIT MEDICAL SYSTEMS, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2003 and 2002 (Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2003	2002	2003	2002
NET SALES	$ 34,506,889	$ 29,341,129	$ 100,825,767	$ 86,802,667
COST OF SALES	18,529,448	16,784,463	56,396,216	51,061,143
GROSS PROFIT	15,977,441	12,556,666	44,429,551	35,741,524
OPERATING EXPENSES:				
Selling, general and administrative	7,766,160	6,965,367	22,606,684	20,654,795
Research and development	1,126,960	967,248	3,421,853	2,875,416
Total operating expenses	8,893,120	7,932,615	26,028,537	23,530,211
INCOME FROM OPERATIONS	7,084,321	4,624,051	18,401,014	12,211,313
OTHER (INCOME) EXPENSE:				
Other (income) expense	(124,873)	(10,764)	(268,670)	75,696
Litigation settlement	--	--	(475,000)	--
Gains on sale of land	--	--	(507,928)	--
Total other (income) expense	(124,873)	10,764	(1,251,598)	75,696

INCOME BEFORE INCOME TAXES	7,209,194	4,634,815	19,652,612	12,135,617
INCOME TAX EXPENSE	2,557,307	1,509,412	7,042,982	3,981,493
NET INCOME	$ 4,651,887	$ 3,125,403	$ 12,609,630	8,154,124
EARNINGS PER COMMON SHARE:				
Basic	$ .24	$ .17	$ .67	$ .45
Diluted	$ .23	$ .16	$ .63	$ .42
AVERAGE COMMON SHARES:				
Basic	19,137,692	18,272,080	18,939,243	18,069,404
Diluted	20,429,190	19,753,535	20,128,926	19,544,367

See Notes to Consolidated Financial Statements

MERIT MEDICAL SYSTEMS, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2003 AND 2002 (Unaudited)

	September 30, 2003	September 30, 2002
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$12,609,630	$8,154,124
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	3,360,963	3,380,893
Bad debt expense	232,191	190,837
(Gains) losses on sales and abandonment of property and equipment	(508,100)	543
Amortization of deferred credits	(119,795)	(117,507)
Abandonment of certain patents and trademarks	10,113	198,511
Deferred income taxes	34,106	171,851
Tax benefit attributable to appreciation of common stock options exercised	2,666,469	1,926,121
Changes in operating assets and liabilities net of effects from acquisitions:		
Short-term investments	(285,587)	(35,860)
Trade receivables	(1,866,209)	335,414
Other receivables	1,166,947	
Employee and related party receivables	131,288	86,956
Irish Development Agency grant receivable	--	153,813
Inventories	(1,319,796)	664,266
Prepaid expenses and other assets	(237,239)	(156,524)
Deposits	1,050	(480)
Trade payables	1,583,781	(71,433)
Accrued expenses	2,514,158	2,142,630
Advances from employees	29,564	25,968

Income taxes payable	925,803	394,691
Total adjustments	8,319,707	9,290,690
Net cash provided by operating activities	20,929,337	17,444,814
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures for:		
Property and equipment	(6,130,356)	(6,581,837)
Intangible assets	(14,322)	--
Proceeds from the sale of property and equipment	569,768	2,498
Net cash used in investing activities	(5,574,910)	(6,579,339)

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See Notes to Consolidated Financial Statements

MERIT MEDICAL SYSTEMS, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2003 AND 2002 (Unaudited)

	September 30, 2003	September 30, 2002
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of common stock	1,559,883	903,295
Principal payments on long-term debt	(329,444)	(5,781,407)
Net cash provided by (used in) financing activities	1,230,439	(4,878,112)
EFFECT OF EXCHANGE RATES ON CASH	54,273	91,605
NET INCREASE IN CASH	16,639,139	6,078,968
CASH AT BEGINNING OF PERIOD	9,683,578	341,690
CASH AND AT END OF PERIOD	$ 26,322,717	$ 6,420,658
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid during the period for:		
Interest (including capitalized interest of $0 and $17,282, respectively)	$ 19,616	$ 103,578
Income taxes	$ 2,754,257	$ 1,488,830

See Notes to Consolidated Financial Statement

1. Basis of Presentation. The interim financial statements of Merit Medical Systems, Inc. ("Merit," "we" or "us") for the three and nine months ended September 30, 2003 and 2002 are not audited. The financial statements are prepared in accordance with the requirements for unaudited interim periods, and consequently, do not include all disclosures required to be in conformity with accounting principles generally accepted in the United States of America. In the opinion of management, the accompanying consolidated financial statements contain all adjustments, except for the true-up of deferred tax balances, consisting only of normal recurring accruals, necessary for a fair presentation of our financial position as of September 30, 2003, and the results of our operations and cash flows for the three and nine months ended September 30, 2003 and 2002. The results of operations for the three and nine months ended September 30, 2003 and 2002 are not necessarily indicative of the results for a full-year period. The information included in this Form 10-Q should be read in conjunction with Management's Discussion and Analysis and financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2002.

Stock-Based Compensation. We account for stock compensation arrangements under the provisions of Accounting Principles Board Opinion No. 25, Accounting for Stock Issued to Employees, (APB 25) and intend to continue to do so. Accordingly, no compensation cost has been recognized for our stock compensation arrangements. If the compensation cost for our compensation plans had been determined consistent with Statement of Financial Accounting Standards (SFAS) No. 123, Accounting for Stock-Based Compensation, our net income and net income per common and common share equivalent would have changed to the pro forma amounts indicated below:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2003	2002	2003	2002
Net income:				
As reported	$ 4,651,887	$ 3,125,403	$ 12,609,630	$ 8,154,124
Pro forma	4,228,658	2,830,572	10,984,407	6,991,100
Net income per common share:				
Basic:				
As reported	$.24	$ .17	$.67	$.45
Pro forma	.22	.15	.58	.39
Diluted:				
As reported	.23	.16	.63	.42
Pro forma	.21	.14	.55	.36

The fair value of each option grant is estimated on the date of grant using the Black-Scholes option-pricing model with the following weighted-average assumptions used for grants in 2003 and 2002: dividend yield of 0%; expected volatility of 62.60% and 63.24% for 2003 and 2002, respectively; risk-free interest rates ranging from 3.97% to 6.71%; and expected lives ranging from 2.33 to 4.80 years.

2. Inventories. Inventories at September 30, 2003 and December 31, 2002 consisted of the following:

	September 30, 2003	December 31, 2002
Raw materials	$ 8,879,871	$ 10,223,180
Work-in-process	4,421,757	2,343,500
Finished goods	9,739,459	8,900,959
Less reserve for obsolete inventory	(3,022,074)	(2,768,422)
Total	$ 20,019,013	$ 18,699,217

3. Reporting Comprehensive Income. Comprehensive income for the three and nine months ended September 30, 2003 and 2002 consisted of net income and foreign currency translation adjustments. As of September 30, 2003 and December 31, 2002, the cumulative effect of such adjustments reduced stockholders' equity by $476,182 and $530,455, respectively. Comprehensive income for the three and nine months ended September 30, 2003 and 2002 has been computed as follows:

	Three Months Ended September 30,		Nine Months Ended September 30	
	2003	2002	2003	2002
Net income	$ 4,651,887	$ 3,125,403	$12,609,630	$ 8,154,124
Foreign currency translation	(12,291)	1,544	54,273	91,605
Comprehensive income	$ 4,639,596	$ 3,126,947	$12,663,903	$ 8,245,729

4. Recently Issued Accounting Standards. In November 2002, the Financial Accounting Standards Board (FASB) issued Financial Accounting Standards Board Interpretation No. ("FIN") 45, Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others, which require the guarantor to recognize as a liability the fair value of the obligation at the inception of the guarantee. The disclosure requirements in FIN 45 were effective for financial statements of interim or annual periods ending after December 15, 2002. We adopted the initial recognition and measurement provisions in FIN 45, effective January 1, 2003. As of September 30, 2003, there were no guarantees required to be disclosed or recorded in the financial statements under FIN 45.

In January 2003, the Financial Accounting Standards Board issued FASB Interpretation No. (FIN) 46, "Consolidation of Variable Interest Entities." FIN 46 addresses the requirements for business enterprises to consolidate related entities, for which they do not have controlling interests through voting or other rights, if they are determined to be the primary beneficiary as a result of variable economic interests. The Company adopted FIN 46 in the third quarter of 2003. The adoption of FIN 46 did not impact at all our consolidated earnings, financial position, or cash flows.

5. Stock Splits. On July 31, 2003, the Company's Board of Directors approved a four-for-three forward stock split of the Company's outstanding shares of common stock, which was effective August 15, 2003, for shareholders of record as of August 11, 2003. All earnings per share and share data have been adjusted to reflect this split.

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

Disclosure Regarding Forward-Looking Statements

This Report includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements in this Report other than statements of historical fact, are "forward-looking statements" for purposes of these provisions, including any projections of earnings, revenues or other financial items, any statements of the plans or objectives of management for future operations, any statements concerning proposed new products or services, any statements regarding future economic conditions or performance, and any statements of assumptions underlying any of the foregoing. All forward-looking statements included in this Report are made as of the date hereof and are based on information available to us as of such date. We assume no obligation to update any forward-looking statement. In some cases, forward-looking statements can be identified by the use of terminology such as "may," "will," "expects," "plans," "anticipates," "intends" or "believes," "estimates," "potential," or "continue," or the negative thereof or other comparable terminology. Although we believe that the expectations reflected in the forward-looking statements contained herein are reasonable, there can be no assurance that such expectations or any of the forward-looking statements will prove to be correct, and actual results will vary, and may vary materially, from those projected or assumed in the forward-looking statements. Future financial condition and results of operations, as well as any forward-looking statements, are subject to inherent risks and uncertainties, including market acceptance of our products, product introductions, potential product recalls, delays in obtaining regulatory approvals, or the failure to maintain such approvals, cost increases, fluctuations in and obsolescence of inventory, price and product competition, availability of labor and materials, development of new products and technology that could render our products obsolete, product liability claims, modification or limitation of governmental or private insurance reimbursement procedures, infringement of our technology or the assertion that our technology infringes the rights of other parties, foreign currency fluctuations, challenges associated with our growth strategy, changes in health care markets related to health care reform initiatives and other factors referred to in our press releases and reports filed with the Securities and Exchange Commission (the "SEC"). All subsequent forward-looking statements attributable to Merit or persons acting on our behalf are expressly qualified in their entirety by these cautionary statements. Additional factors that may have a direct bearing on our operating results are described under "Factors That May Affect Future Results" beginning on page 10.

Overview

During the three months ended September 30, 2003, we experienced the best quarterly earnings performance in our history. We reported net income of $4.7 million, or $.23 per share, on revenues of $34.5 million, for the three months ended September 30, 2003. For the comparable period of 2002, we reported net income of $3.1 million, or $.16 per share, on revenues of $29.3 million. For the nine months ended September 30, 2003, net income was $12.6 million, or $.63 per share, on revenues of $100.8 million, compared to net income for the nine months ended September 30, 2002 of $8.2 million, or $.42 per share, on revenues of $86.8 million.

The rise in net income for the three and nine months ended September 30, 2003, was favorably affected by increased sales, higher gross margins and lower selling, general and administrative expenses as a percentage of sales, when compared to comparable periods in 2002.

Inventory turns improved during the twelve months preceding September 30, 2003 to 3.64 times per year from 3.17 times per year for the twelve months preceding

September 30, 2002. The improvement contributed to lower inventory carrying costs for the three months ended September 30, 2003. Our cash flow from operations was strong at $20.9 million for the first nine months of 2003, compared to $17.4 million for the same period of 2002. Our cash position was $26.3 million at September 30, 2003, compared to $6.4 million at September 30, 2002.

Results of Operations

The following table sets forth certain operational data as a percentage of sales for the three and nine month periods ended September 30, 2003 and 2002:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2003	2002	2003	2002
Sales	100.0%	100.0%	100.0%	100.0%
Gross profit	6.3	42.8	44.1	41.2
Selling, general and administrative expenses	22.5	23.7	22.4	23.8
Research and development expenses	3.3	3.3	3.4	3.3
Income from operations	20.5	15.8	18.3	14.1
Other (income) expense	(.4)	(.04)	(1.2)	.1
Net income	13.5	10.7	12.5	9.4

Sales. Sales for the three months ended September 30, 2003 increased by 18%, or $5.2 million, compared to the same period of 2002. All product categories of our business contributed to our sales growth during third quarter of 2003: custom kit sales rose 21%, stand alone device sales grew by 21%, inflation device sales rose 15% and catheter sales rose by 8%. For the nine month period ended September 30, 2003 compared to the same period in 2002, stand alone device sales grew by 20%, inflation devices sales grew by 16%; custom kit sales rose 16%; and catheter sales increased 6%. Growth in sales for the three and nine months ended September 30, 2003, when compared to the same periods in 2002, benefited from procedural growth, increase in our market share, OEM product sales and group purchasing contracts. The increase in the exchange rate between the Euro and the U.S. Dollar increased sales by 1.2% and 1.8%, respectively, for the three and nine months ended September 30, 2003, when compared to prior periods for 2002.

Gross Profit. For the three months ended September 30, 2003, gross margin as a percentage of sales was 46.3%, compared to 42.8% for the same period in 2002. For the nine months ended September 30, 2003, gross margin was 44.1%, as compared to 41.2% for the same period in 2002. Gross profit improvement for both the three and nine months ended September 30, 2003 was due primarily to an increase in efficiency and productivity gains achieved by the operations group. These productivity gains included increases in finished goods inventories of $2 million from June 30, 2003 through September 30, 2003. The Company does not anticipate similar increases in finished goods inventories for future periods. Gross profit was also favorably impacted during the three and nine months ended September 30, 2003 from an increase in the exchange rate of the Euro against the U.S. Dollar when compared to the same periods of 2002, resulting in an increase in gross profit of 1.2% and 1.7%, respectively, for both the three and nine-month periods ended September 30, 2003.

Operating Expenses. Operating expenses decreased as a percentage of sales to 25.8% for the three months ended September 30, 2003, compared to 27.0% for the same period of 2002. For the nine months ended September 30, 2003, operating expenses decreased as a percentage of sales to 25.8%, compared to 27.1% for the same period in 2002. Selling, general and administrative expenses decreased as a percentage of sales to 22.5% and 22.4% for three and nine months ended September 30, 2003, respectively, compared to 23.7% and 23.8%, respectively, for the same period of 2002. The decrease in operating expenses as a percentage of sales during the three and nine months ended September 30, 2003 was due primarily to our increased revenues. Research and development expenses were 3.3% of sales during the three months ended June 30, 2003 and 2002. For the nine months ended September 30, 2003, research and development expenditures were 3.4% of sales, compared to 3.3% for the same period 2002.

Other (Income) Expense. Other income for the three months ended September 30, 2003 was $124,873, compared to $10,764 for the same period in 2002. The generation of other income during the third quarter of 2003 was primarily due to an increase in interest income from the Company's strong cash position, when compared to the comparable period in 2002. For the nine months ended September 30, 2003, other income was $1.3 million, compared to other expense of $75,696 for the same period in 2002. The generation of other income during the first nine months of 2003 was principally the result of a gain from the settlement of a legal dispute of $475,000 and a gain on sale of land adjacent to our South Jordan, Utah facility of $507,928. Other income for the nine months ended September 30, 2003 was also affected by an increase in interest income of $209,065 and a decrease in interest expense of $66,283, when compared to the same period in 2002.

Income Taxes. The effective tax rate for the three months ended Septmeber 30, 2003 was 35.5% compared to 32.6% for 2002. For the nine months ended September 30, 2003, the effective tax rate was 35.8%, compared to 32.8% for 2002. The increase in the effective tax rate for the three and nine months ended September 30, 2003, as compared to the same periods of the prior year, was principally the result of an increase in the incremental corporate tax rate of 3% on taxable income from $15 million to $18.3 million and a dilution of the impact of our Extra Territorial Income Exclusion and research and development tax credits on higher income before tax expense. Also, taxable income from our Galway, Ireland operations, which is taxed at a lower rate than U.S. operations, was lower in the three and nine months ended September 30, 2003 compared to the 2002 comparable periods, which helped contribute to our increased effective tax rate for these periods.

Income. During the three months ended September 30, 2003, we reported income from operations of $7.1 million, an increase of 53%, compared to income from operations of $4.6 million for the comparable period in 2002. Operating income for the first nine months of 2003 was $18.4 million, compared to $12.2 million for the first nine months of 2002, an increase of 51%. The increase in income from operations for the three and nine months ended September 30, 2003, was attributable primarily to increased sales, higher gross margins, and lower selling, general and administrative expenses as a percentage of sales. These factors also contributed to our net income of $4.7 million for the three months ended September 30, 2003, compared to net income of $3.1 million for the same period of 2002, and net income for the nine months ended September 30, 2003 was $12.6 million, compared to $8.2 million for the nine months of 2002.

Liquidity and Capital Resources.

At September 30, 2003, our working capital was $48.6 million, which represented a current ratio of 4.0 to 1. Our cash balance at September 30, 2003 was $26.3 million. Historically, we have incurred significant expenses in connection with

product development and introduction of new products. Substantial capital has also been required to finance the increase in our receivables and inventories associated with our increased sales. During the next 15 months, substantial funds will be needed to construct additional facilities in Galway, Ireland and South Jordan, Utah. Construction of these facilities is needed to expand our manufacturing capacity to meet current and future demand of the Company's products. The construction of the facilities in South Jordan, Utah will also be used to consolidate our Murray, Utah facility and our Merit Sensor System, Inc. wafer fab facility from Santa Clara, California to South Jordan, Utah. We currently expect to spend approximately $21 million dollars to build these facilities. It is anticipated that an additional $4 million, in excess of the Company's current annual capital expenditures, will be spent on a finished goods handling system and other production equipment for these new facilities. Our principal source of funding for these and other expenses has been cash generated from operations, sale of equity and cash secured from loans on equipment and bank lines of credit. Management believes that Merit's present sources of liquidity and capital are adequate for our current operations.

Critical Accounting Policies

The SEC has requested that all registrants discuss their most critical accounting policies. We understand that a "critical accounting policy" is one which is both important to the representation of the subject company's financial condition and results and requires management's most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain. We base our estimates on past experience and on various other assumptions that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. The following are our most critical accounting policies:

Inventory Obsolescence Reserve. We write down our inventory for estimated obsolescence for unmarketable and/or slow-moving products that may expire prior to being sold. If market conditions become less favorable than those projected by our management, additional inventory write-downs may be required. Our obsolescence reserve was $3 million on September 30, 2003.

Allowance for Doubtful Accounts. We maintain allowances for doubtful accounts for estimated losses resulting from the inability of customers to make required payments. The allowance is based upon historical experience and a review of individual customer balances. If the financial condition of our customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required. Our bad debt reserve was $744,911 at September 30, 2003, which is generally consistent with our historical experience with collection of receivables.

Factors that May Affect Future Results

Our business, operations and financial condition are subject to certain risks and uncertainties. Should one or more of these risks or uncertainties materialize, or should any underlying assumptions prove incorrect, actual results will vary, and may vary materially, from those anticipated, estimated, projected or expected. The following are among the key factors that may have a direct bearing on our business, operations and financial condition:

Our products may be subject to recall or product liability claims. Our products are used in connection with surgical procedures and in other medical contexts in which it is important that those products function with precision and accuracy. If our products do not function as designed, or are designed improperly, we may

be forced by regulatory agencies to withdraw such products from the market. In addition, if medical personnel or their patients suffer injury as a result of any failure of our products to function as designed, or an inappropriate design, we may be subject to lawsuits seeking significant compensatory and punitive damages. Any product recall or lawsuit seeking significant monetary damages may have a material adverse effect on our business and financial condition.

Substantially all of our products are backed by a limited warranty for returns due to defects in quality and workmanship. We maintain a reserve for these future returned products, but the actual costs of such returns may significantly exceed the reserve, which could have a material adverse effect on our operations.

Termination of relationships with our suppliers, or failure of such suppliers to perform, could disrupt our business. We rely on raw materials, component parts, finished products, and services supplied by outside third parties in connection with our business. For example, substantially all of our products are sterilized by two entities. In addition, some of our products are manufactured or assembled by third parties. If a supplier of significant raw materials, component parts, finished goods or services were to terminate its relationship with Merit, or otherwise cease supplying raw materials, component parts, finished goods or services consistent with past practice, our ability to meet our obligations to our end customers may be disrupted. A disruption with respect to numerous products, or with respect to a few significant products, could have a material adverse effect on our business and financial condition.

We may be unable to compete in our markets, particularly if there is a significant change in relevant practices and technology. The market for each of our existing and potential products is highly competitive. We face competition from several companies, many of which are larger, better established and have greater financial, technical and other resources and greater market presence than does Merit. Such resources and market presence may enable our competitors to more effectively market competing products or to market competing products at reduced prices in order to gain market share.

In addition, our ability to compete successfully is dependent, in part, upon our ability to respond effectively to changes in technology and to develop and market new products which achieve significant market acceptance. Competing companies with substantially greater resources than Merit are actively engaged in research and development of diagnostic and interventional methods, treatments and procedures that could limit the market for our products and eventually make certain of our products obsolete. A reduction in the demand for a significant number of our products, or a few key products, could have a material adverse effect on our business and financial condition.

A significant adverse change in, or failure to comply with, governing regulations could adversely affect our business. Substantially all of our products are "devices," as defined in the Federal Food, Drug and Cosmetic Act, and the manufacture, distribution, record keeping, labeling and advertisement of our products is subject to regulation by the Food and Drug Administration (the "FDA") in the United States and equivalent regulatory agencies in various foreign countries in which our products are manufactured, distributed, labeled, offered or sold. Further, we are subject to continual review and periodic inspections at our current facilities with respect to the FDA Good Manufacturing Practices and similar requirements of foreign countries. Our business and financial condition could be adversely affected if we are found to be out of compliance with governing regulations. In addition, if such regulations are amended to become more restrictive and costly to comply with, the costs of compliance could adversely affect our business and financial condition.

Limits on reimbursement imposed by governmental and other programs may adversely affect our business. The cost of a significant portion of medical care is funded by governmental, social security or other insurance programs. Limits on reimbursement imposed by such programs may adversely affect the ability of hospitals and others to purchase Merit products. In addition, limitations on reimbursement for procedures which utilize Merit products could adversely affect our sales.

We are subject to work stoppage, transportation and related risks. We manufacture our products at various locations in the United States and in Ireland and sell our products throughout the United States, Europe and other parts of the world. We depend on third-party transportation companies to deliver supplies necessary to manufacture Merit products from vendors to our various facilities and to move Merit products to customers, operating divisions and other subsidiaries located within and outside the United States. Our manufacturing operations, and the operations of the transportation companies on which our operations depend, may be adversely affected by natural disasters and significant human events, such as a war, terrorist attack, riot, strike, slowdown or similar event. Any disruption in our manufacturing or transportation could materially adversely affect our ability to meet customer demands or conduct our operations.

We may be unable to protect our proprietary technology or our technology may infringe on the proprietary technology of others. Our ability to remain competitive is dependent, in part, upon our ability to prevent other companies from using proprietary technology incorporated into our products. We seek to protect our technology through a combination of patents and trade secrets, as well as license, proprietary know-how and confidentiality agreements. We may be unable, however, to prevent others from using our proprietary information, or continue to use such information ourselves, for numerous reasons, including the following:

- Our issued patents may not be sufficiently broad to prevent others from copying our proprietary technologies;

- Our issued patents may be challenged by third parties and deemed to be overbroad or unenforceable;

- Our products may infringe on the patents of others, requiring us to alter or discontinue our manufacture or sale of such products;

- Costs associated with seeking enforcement of our patents against infringement, or defending ourselves against allegations of infringement, may be significant;

- Our pending patent applications may not be granted for various reasons, including overbreadth or conflict with an existing patent; and

- o Other persons may independently develop, or have developed, similar or superior technologies.

A significant portion of our revenues are derived from a few products and procedures. A significant portion of our revenues are attributable to sales of our inflation devices. During the year ended December 31, 2002, sales of our inflation devices (including inflation devices sold in custom kits) accounted for approximately 33% of our total revenues. During the three and nine months ended September 30, 2003, sales of our inflation devices (including inflation devices sold in custom kits) accounted for approximately 31.8% and 32.7%, respectively, of our total revenues. Any material decline in market demand for our inflation devices could have an adverse effect on our business and financial condition.

In addition, the products that have accounted for a majority of our historical revenues are designed for use in connection with a few related medical procedures, including angiography, angioplasty and stent placement procedures. If subsequent developments in medical technology or drug therapy make such procedures obsolete, or alter the methodology of such procedures so as to eliminate the usefulness of our products, we may experience a material decrease in demand for our products and experience deteriorating financial performance.

Fluctuations in Euro exchange rates may negatively impact our financial results. Fluctuations in the rate of exchange between the Euro and the U.S. Dollar could have a negative impact on our margins and financial results. For example, for the year ended December 31, 2000, the exchange rate between the Euro and the U. S. Dollar dropped by approximately 13.2%, resulting in a reduction in our gross revenues of $1,076,695 and approximately 1.2% in gross profit. For the year ended December 31, 2001, the exchange rate between the Euro and the U. S. Dollar resulted in a reduction of our gross revenues of $467,283 and approximately 0.4% in gross profit. However, for the year ended December 31, 2002, the exchange rate resulted in an increase of gross revenues of $497,644 and approximately 0.4% in gross profit. For the three and nine months ended September 30, 2003, the exchange rate resulted in an increase of gross revenues of $406,315 and $1.8 million, respectively, and approximately 1.2% and 1.7%, respectively, of an increase in gross profit.

For the year ended December 31, 2002, approximately $10.1 million, or 8.7%, of our sales were denominated in Euros. If the rate of exchange between the Euro and the U.S. Dollar declines, we may not be able to increase the prices that we charge our European customers for products whose prices are denominated in Euros. Furthermore, we may be unable or elect not to enter into hedging transactions which could mitigate the effect of declining exchange rates. As a result, as the rate of exchange between Euros and the U.S. Dollars declines, our financial results may be negatively impacted.

We may be unable to successfully manage growth, particularly if accomplished through acquisitions. Successful implementation of our business strategy will require that we effectively manage any associated growth. To manage growth effectively, our management will need to continue to implement changes in certain aspects of our business, to enhance our information systems and operations to respond to increased demand, to attract and retain qualified personnel and to develop, train and manage an increasing number of management-level and other employees. Growth could place an increasing strain on our management, financial, product design, marketing, distribution and other resources, and we could experience operating difficulties. Any failure to manage growth effectively could have a material adverse effect on our results of operations and financial condition.

To the extent that we grow through acquisition, we will face the additional challenges of integrating our current operations, culture, informational management systems and other characteristics with that of the acquired entity. We may incur significant expenses in connection with negotiating and consummating one or more transactions, and we may inherit certain liabilities in connection with the acquisition as a result of our failure to conduct adequate due diligence or otherwise. In addition, we may not realize competitive advantages, synergies or other benefits anticipated in connection with such acquisition(s). If we do not adequately identify targets for, or manage issues related to our future acquisitions, such acquisitions may have a negative adverse effect on our business and financial results.

The market price of our common stock has been, and may continue to be, volatile. The market price of our common stock has been, and may continue to be, highly volatile for various reasons, including the following:

- o Our announcement of new products or technical innovations, or similar announcements by our competitors;

- o Development of new procedures that use, or do not use, our technology;

- o Quarter-to-quarter fluctuations in our financial results;

- o Claims involving potential infringement of patents and other intellectual property rights;

- o Analyst and other projections or recommendations regarding our common stock or medical technology stocks generally;

- o Any restatement of our financial statements or any investigation into Merit by the SEC or another regulatory authority; and

- o A general decline, or rise, of stock prices in the capital markets.

We are dependent upon key personnel Our continued success is dependent on key management personnel, including Fred P. Lampropoulos, our Chairman of the Board, President and Chief Executive Officer. Mr. Lampropoulos is not subject to any agreement prohibiting his departure, and we do not maintain key man life insurance with his life. The loss of Mr. Lampropoulos, or of certain other key management personnel, could materially adversely affect our business and operations. Our success also depends, among other factors, on the successful recruitment and retention of key operations, manufacturing, sales and other personnel.

ITEM 3: QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our principal market risk relates to changes in the value of the Euro relative to the value of the U.S. Dollar. Our consolidated financial statements are denominated in, and our principal currency is, the U.S. Dollar. A portion of our revenues during the three months ended September 30, 2003 ($3.3 million, representing approximately 9.5% of aggregate revenues) came from sales that were denominated in Euros. Certain of our expenses are also denominated in Euros, partially offsetting any risk associated with fluctuations of the Euro/Dollar exchange rate. As a result of our Euro-denominated revenues and expenses, in a year in which our Euro-denominated revenues exceed our Euro-based expenses, the value of such Euro-denominated net income increases if the value of the Euro increases relative to the value of the U.S. Dollar, and decreases if the value of the Euro decreases relative to the value of the U. S. Dollar. For example, in 2000, a 13.2% drop in the value of the Euro in relation to the U.S. Dollar led to reduced revenues and gross profit of $1.1 million. By contrast, in 2002, an increase in the value of the Euro relative to the U.S. Dollar led to increased revenue and gross profit of approximately $500,000.

At September 30, 2003, we had a net exchange rate exposure (representing the difference between Euro-denominated receivables and Euro-denominated payables) of approximately $2.6 million. In order to partially offset such risk, on August 29, 2003, we entered into a 30-day Euro hedge contract. We enter into similar hedging transactions at various times during the year in an effort to partially offset exchange rate risks we bear throughout the year. We do not purchase or hold derivative financial instruments for speculative or trading purposes. This economic hedge does not qualify for hedge accounting. During the three and nine months ended September 30, 2003, we experienced a net gain of $11,074 and a net loss of $50,071, respectively, on hedging transactions we executed during the three and nine months ended September 30, 2003 in an effort to limit our exposure to fluctuations in the Euro/Dollar exchange rate.

As of September 30, 2003, we had no variable rate debt. As long as we do not have variable rate debt, our interest expense would not be affected by changes in interest rates.

ITEM 4: CONTROLS AND PROCEDURES

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of our disclosure controls and procedures, as such term is defined under Rules 13a-14(c) and 15d-14(c) promulgated under the Exchange Act, within 90 days of the filing date of this Report. Based on this evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures are effective in alerting them on a timely basis to material information relating to Merit (including our consolidated subsidiaries) required to be included in our reports filed or submitted under the Exchange Act.

There have been no significant changes (including corrective actions with regard to significant deficiencies or material weaknesses) in our internal controls or in other factors that could significantly affect these controls subsequent to the date of the evaluation referenced in the preceding paragraph.

PART II - OTHER INFORMATION

ITEM 6: EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits - None

Exhibit No.	Description
31.1	Certification of Principal Executive Officer
31.2	Certification of Principal Financial Officer
32.1	Certification of Principal Executive Officer
32.2	Certification of Principal Financial Officer

(b) The following Current Reports on Form 8-K were filed during the quarter ended September 30, 2003:

Form 8-K	Date of Event	Description
Item 7 & 9	7/23/2003	2nd quarter - 2003 results

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: November 13, 2003 /s/: FRED P. LAMPROPOULOS

FRED P. LAMPROPOULOS
PRESIDENT AND CHIEF EXECUTIVE OFFICER

Date: November 13, 2003 /s/: KENT W. STANGER

KENT W. STANGER
SECRETARY AND CHIEF FINANCIAL OFFICER

EXHIBIT 31.1

Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Fred P. Lampropoulos, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Merit Medial Systems, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and we have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 13, 2003 /s/: FRED P. LAMPROPOULOS

Fred P. Lampropoulos, Chief Executive Officer

EXHIBIT 31.2

Certification of Chief Financial Officer

Pursuant to Section 302 of the
Sarbanes-Oxley Act of 2002

I, Kent W. Stanger, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Merit Medial Systems, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and we have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 13, 2003 /s/:KENT W. STANGER

Kent W. Stanger, Chief Financial Officer

EXHIBIT 32.1

Certification of Chief Executive Officer

Pursuant to Section 906 of the
Sarbanes-Oxley Act of 2002

In connection with this quarterly report on Form 10-Q of Merit Medical Systems, Inc. I, Fred P. Lampropoulos, Chief Executive Officer of Merit Medical Systems, Inc., certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The report fully complies with the requirements of Section 13(a) or 15 (d) of the Securities Exchange Act of 1934; and

(2) The information contained in this report fairly presents, in all material respects, the financial condition and results of operations of Merit Medical Systems, Inc

Date: November 13, 2003

/s/ Fred P. Lampropoulos

Fred P. Lampropoulos
Chairman of the Board, President
and Chief Executive Officer

EXHIBIT 32.2

Certification of Chief Financial Officer

Pursuant to Section 906 of the
Sarbanes-Oxley Act of 2002

In connection with this quarterly report on Form 10-Q of Merit Medical Systems, Inc. I, Kent W. Stanger, Chief Financial Officer of Merit Medical Systems, Inc., certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The report fully complies with the requirements of Section 13(a) or 15 (d) of the Securities Exchange Act of 1934; and

(2) The information contained in this report fairly presents, in all material respects, the financial condition and results of operations of Merit Medical Systems, Inc.

Date: November 13, 2003

/s/ Kent W. Stanger

Kent W. Stanger
Chief Financial Officer