

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

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FILER

ATRION CORP

CIK: **701288** | IRS No.: **630821819** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **8-K** | Act: **34** | File No.: **000-10763** | Film No.: **05788800**
SIC: **3841** Surgical & medical instruments & apparatus

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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) May 2, 2005

Atrion Corporation
(Exact name of registrant as specified in its charter)

Delaware 0-10763 63-0821819
(State or other jurisdiction (Commission (IRS Employer
of incorporation) File Number) Identification No.)

One Allentown Parkway, Allen, Texas 75002
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code (972) 390-9800

(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))

Item 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITIONS

On April 29, 2005, Atrion Corporation issued a press release announcing its financial results for the quarter ended March 31, 2005. A copy of such release is attached hereto as Exhibit 99.1 and is incorporated herein by reference. As such, the information contained herein shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be incorporated by reference into any filing under the Securities Act of 1933 or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 FINANCIAL STATEMENTS AND EXHIBITS

Exhibit

No.	Description
99.1	Press Release dated April 29, 2005 issued by Atrion Corporation.

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.

ATRION CORPORATION

By: /s/ Emile A. Battat

Its: Chairman, President and
Chief Executive Officer

Date: May 2, 2005

Exhibit

No.	Description
99.1	Press Release dated April 29, 2005 issued by Atrion Corporation.

Atrion Reports First Quarter Results

ALLEN, Texas--(BUSINESS WIRE)--April 29, 2005--Atrion Corporation (Nasdaq:ATRI) today announced that for the first quarter of 2005 diluted earnings per share were up 76% compared to the results for the first quarter of 2004. Revenues in the first quarter were 11% higher than in the first quarter of last year.

Commenting on the Company's results, Emile A. Battat, Chairman, said: "We are very pleased with the double digit increase in sales and the exceptionally strong increase in profits. The increase in profits reflected not only a growth in sales but also the more favorable mix towards higher-margin products. This resulted in a significant increase in gross margin as a percentage of sales for the quarter, without which our diluted earnings per share would have been \$0.87, a 24% increase over the same period last year rather than the reported increase of 76%. There is no assurance that in coming quarters higher-margin products will represent as significant a portion of our overall sales as in the first quarter."

Atrion's revenues for the quarter ended March 31, 2005 were \$18,645,000 compared with \$16,789,000 in the same period in 2004. On a diluted per share basis, earnings for the period increased to \$1.23 as compared to \$.70 in the same quarter of last year. Operating income for the current year period totaled \$3,418,000, compared to \$1,901,000 in last year's first quarter.

At the end of the quarter, Halkey-Roberts Corporation, a Company subsidiary, and Filtertek Inc. settled their pending litigation. Terms of the settlement required Halkey-Roberts to make a one-time payment to Filtertek in exchange for a paid-up license to manufacture and sell swabable valves that were the subject of the litigation. The cost of the settlement was apportioned to past and future licensing periods. No charges were made against our first quarter income for this settlement since the reserves previously established for the cost of litigation were sufficient to cover the liability for past sales as well as expenses incurred to date. The cost of the settlement associated with the future licensing period will be amortized on a straight-line basis over the remaining life of the patent.

Atrion Corporation designs, develops, manufactures, sells and distributes products and components primarily to medical markets worldwide.

The statements in this press release that are forward-looking are based upon current expectations and actual results or future events may differ materially. Such statements include, but are not limited to, Atrion's expectations regarding the amortization of the cost of a part of the Filtertek settlement over the remaining life of the patent. Words such as "expects," "believes," "anticipates," "intends," and variations of such words and similar expressions are intended to

identify such forward-looking statements. These statements involve risks and uncertainties. The following are some of the factors that could cause actual results or future events to differ materially from those expressed in or underlying our forward-looking statements: changing economic, market and business conditions; acts of war or terrorism; the effects of governmental regulation; competition and new technologies; slower-than-anticipated introduction of new products or implementation of marketing strategies; the Company's ability to protect its intellectual property; changes in the prices of raw materials; changes in product mix; and intellectual property and product liability claims and product recalls. The foregoing list of factors is not exclusive, and other factors are set forth in the Company's filings with the SEC.

ATRION CORPORATION
 UNAUDITED CONSOLIDATED STATEMENTS OF INCOME
 (In thousands, except per share data)

	Three Months Ended March 31,	
	2005	2004
	-----	-----
Revenues	\$18,645	\$16,789
Cost of goods sold	11,024	10,834
	-----	-----
Gross profit	7,621	5,955
Operating expenses	4,203	4,054
	-----	-----
Operating income	3,418	1,901
Interest expense, net	(6)	(16)
Other income, net	8	6
	-----	-----
Income before income taxes	3,420	1,891
Income tax provision	(1,126)	(604)
	-----	-----
Net income	2,294	1,287
	=====	=====
Income per basic share	\$1.33	\$.76
	=====	=====
Weighted average basic shares outstanding	1,723	1,703
	=====	=====
Income per diluted share	\$1.23	\$.70

Weighted average diluted shares outstanding	1,865	1,843
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ATRION CORPORATION
CONSOLIDATED BALANCE SHEETS
(In thousands)

ASSETS	Mar. 31, 2005	Dec. 31, 2004
	-----	-----
	(Unaudited)	
Current assets:		
Cash and cash equivalents	\$1,083	\$255
Accounts receivable	8,535	7,588
Inventories	15,094	14,013
Prepaid expenses	957	1,028
Land deposit	3,750	3,750
Deferred income taxes	1,039	1,039
	-----	-----
Total current assets	30,458	27,673
Property, plant and equipment, net	25,665	25,331
Other assets	14,986	14,404
	-----	-----
	\$71,109	\$67,408
	=====	=====

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities	8,439	8,467
Line of credit	4,127	2,936
Other non-current liabilities	5,570	5,402
Stockholders' equity	52,973	50,603
	-----	-----
	\$71,109	\$67,408
	=====	=====

CONTACT: Atrion Corporation, Allen
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