

UTAH MEDICAL PRODUCTS, INC.



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

PRESS RELEASE

Utah Medical Products Acquires Gesco® Neonatal Product Line from Bard Access Systems

July 30, 1998

Contact: Paul Richins
(801) 566-1200

Salt Lake City, Utah - Utah Medical Products, Inc. (NYSE:UM) announces that on July 29 it purchased the neonatal product line assets, including manufacturing processes, intellectual property rights and business, of Gesco International Inc. and Bard Access Systems Inc., both of which are subsidiaries of C.R. Bard, Inc.

The well-established Gesco® neonatal products are used in Level III Neonatal Intensive Care Units (NICU's) of hospitals for the care of the most critically-ill babies. Gesco's products include Umbili-Cath® umbilical vessel catheters, Nutri-Cath™ feeding tubes, Uri-Cath™ urinary drainage system, the patented Hemo-Nate® disposable blood filtration system, Hemo-Tap® spike, Myelo-Nate™ lumbar puncture supplies, the patented Pala-Nate™ oral protection appliance, Dially-Nate™ disposable peritoneal dialysis system, Thora-Cath™ chest tubes, general purpose catherization trays and other supplies. UM already sells specialty patented products to NICU's, including the Dispos-Hood™, a disposable infant oxygen hood designed to control a neutral thermal environment, and Deltran® disposable pressure transducer systems for continuously monitoring neonatal blood pressure.

According to Kevin Cornwell, UM's CEO, "UM is privileged to have this acquisition opportunity in a number of respects. The array of neonatal products helps further enhance UM's critical mass for marketing to some of the most sensitive areas of hospital care, including labor and delivery and the NICU. The products themselves fit with UM's reputation of providing the best in quality and reliability for clinicians who place high value on patient safety. C.R. Bard Inc.'s commitment to maintaining manufacturing processes that are well-engineered and documented will greatly facilitate the speed of the integration into UM's own operations. Having the opportunity to work with a company of the quality of Bard during a transition period provides an excellent learning opportunity. We have tried to structure the acquisition so that Bard will have a continuing incentive to help UM be successful with this product line. The most immediate financial benefit for UM will come from more effective use of its existing manufacturing overhead resources. Over time, UM will rationalize Gesco's current distributor network with its own direct sales resources."

In addition to the products acquired, Bard Access Systems, Inc. has agreed to allow UM to exclusively distribute its 2.0 French neonatal Per-Cu-Cath catheter. Bard and UM have also entered into a supply agreement where Bard will provide UM with the specialty small diameter silicone tubing which is a key raw component of many of the Gesco catheter products.

The terms of the acquisition, which will be disclosed in a Form 8-K filing with the SEC, include cash payments and a royalty on future sales of Gesco products by UM. As part of a purchase of assets transaction, resulting goodwill associated with the acquisition will be tax deductible and amortized over 15 years. UM will begin shipping product immediately as a result of acquiring Bard's existing

inventories. UM believes that the acquisition will be immediately accretive to earnings, but that the greatest impact will become apparent beginning in 1999 after operations have been fully integrated into UM's Midvale facility, distribution resources have been streamlined and interest on debt balances required to consummate the transaction have declined.

Mr. Cornwell further states, "In a way similar to the CMI acquisition in 1997, this is the kind of acquisition that makes sense for UM: a profitable business with well-accepted products, in a specialized market niche with growth potential, where distribution to customers can be leveraged using UM's established sales relationships. We expect this acquisition to solidify UM's plan for 20% growth in eps for 1998, and help drive another 20% growth in eps in 1999."

Investors are cautioned that actual results may differ from those projected in any of the Company's forward-looking statements. Risk factors that could cause results to differ materially from those projected in any forward-looking statements have been outlined in UM's public disclosure filings with the SEC. Additional risk factors associated with the acquisition of Gesco International's neonatal product line will be outlined in the 8-K filings associated with the acquisition.

UM develops, manufactures and markets a broad range of disposable medical devices for the hospital in critical care including the NICU and in labor and delivery, as well as specialty products used by Ob/Gyn physicians in their offices and clinics.