

UTAH MEDICAL PRODUCTS, INC.



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

PRESS RELEASE

UTMD Updates Status of Share Repurchases and Applauds Premier

August 6, 2002

Contact: Paul Richins
(801) 566-1200

Salt Lake City, Utah - Utah Medical Products, Inc. (NASDAQ:UTMD) has continued its longstanding share repurchase program by repurchasing another 125,400 shares at an average cost of \$13.70 per share, including commissions, since July 1, 2002. This amount exceeds the cumulative amount of shares issued from exercises of employee options over the last three years combined.

For calendar year 2002 to date, UTMD has repurchased a total of 191,400 shares at an average cost of \$14.17 per share including commissions. This amount exceeds the total number of awarded options to employees and directors, both exercised and not yet exercised, for the last two years combined.

CEO Kevin Cornwell states, "Stock options are of critical importance to a small, risk-taking company's ability to attract and retain dedicated employees and outside directors. However, UTMD will continue to be mindful of the potential dilutive impact of its option programs on its shareholders. The number of current outstanding shares is 4,904,000. We intend to continue share repurchases while the value of UTMD's shares remains attractive relative to our other investment opportunities and valuations in the medical device industry."

Since 1993, UTMD has repurchased 7.5 million of its shares while issuing less than 0.6 million as a result of option exercises. There are another 1.1 million option shares granted since 1993 currently outstanding which have not yet been exercised. UTMD options have a ten year life. Despite some recent reports in the news media regarding the perceived unreported impact of options on company performance, the value, in the form of additional shares, of the unexercised options is added to outstanding shares when UTMD reports its diluted earnings per share (eps). For example, 5,367,000 shares were used to calculate eps in the most recent quarter's performance report.

The announcement yesterday by the offices of U.S. Senators Herb Kohl (D-WI) and Mike DeWine (R-OH) regarding Premier's group purchasing organization, Premier Purchasing Partners, is a major positive event for specialized medical device firms like UTMD. UTMD focuses on providing physician preference items to hospitals that may significantly improve quality and safety, as well as reduce total costs of providing care in difficult procedures such as labor and delivery.

Premier has agreed to implement a series of commitments to govern the operations of its hospital group purchasing arm in response to the Senate Antitrust Committee and the directives of Senators Kohl and DeWine. Premier represents about 25% of the potential U.S. hospital customers for UTMD's products. Premier hospitals have previously been administratively prohibited from purchasing UTMD's products that are clinically preferred by many physicians as a result of exclusive Premier contracts in particular with Tyco International, and because of possible huge financial penalties to member hospitals resulting from losing fees on unrelated "bundled" products. UTMD applauds Premier's commitment to eliminate the anticompetitive practices that also negatively affect the quality of health care in their hospitals.

According to CEO Cornwell, "Of course, the enforcement of Premier's new code of conduct with its member hospitals will be the key. Physicians should be allowed to use products that they know will provide safer, more effective care for their patients. In addition, the special Congressional exemption from federal antikickback laws that allows the largest medical device manufacturers to pay huge fees to the GPO administrators remains a fundamental problem that fouls proper incentives in our health care system, in my opinion."

Investors are cautioned that this press release contains a forward looking statement and that actual results may differ from those projected. Risk factors that could cause results to differ materially from those projected include UTMD's ability to continue to effectively generate cash necessary to repurchase shares and the availability of shares for repurchase in the open marketplace, among other factors.

Utah Medical Products, Inc., with particular interest in healthcare for women and their babies, develops, manufactures, assembles and markets a broad range of disposable and reusable specialty medical devices designed for better health outcomes for patients and their care-providers.