

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-QSB

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES
ACT OF 1934

For the quarterly period ended MAY 31, 2003

Commission File Number 0-12305

REPRO-MED SYSTEMS, INC.

(Exact name of registrant as specified in its charter)

NEW YORK 13-3044880

(State or other jurisdiction of (IRS Employer
incorporation or organization) Identification No.)

24 CARPENTER ROAD, CHESTER, NY 10918

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code (845) 469-2042

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

Class	Outstanding at May 31, 2003
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Common stock, \$.01 par value	23,504,000 shares

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REPRO-MED SYSTEMS, INC.
BALANCE SHEET
UNAUDITED

	FEBRUARY	
ASSETS	MAY 31, 2003	28, 2003
CURRENT ASSETS		
Cash & Cash Equivalents	\$ 52,804	\$ 16,738
Accounts Receivable, net	190,670	184,103
Inventory	360,841	381,623
Prepaid Expenses	19,694	11,470
TOTAL CURRENT ASSETS	624,009	593,934
EQUIPMENT & OTHER ASSETS		
Total Equipment	1,200,840	1,199,772
Less - Accumulated Depreciation	(802,239)	(784,017)
Net Book Value of Equipment	389,601	415,755
Deposits	31,302	54,802
Other Assets	46,024	46,135
TOTAL EQUIPMENT & OTHER ASSETS	475,927	516,692
TOTAL ASSETS	\$ 1,099,936	\$ 1,110,626

LIABILITIES & STOCKHOLDERS' EQUITY

CURRENT LIABILITIES

Accounts Payable	\$ 257,601	\$ 267,634
Note Payable to Related Parties	120,000	84,000
Accrued Expenses	73,406	66,543
Note Payable to Bank	199,461	199,461
Current Portion Capital Lease Obligations	26,492	26,492
Current Portion Capital Gain	22,481	22,481
TOTAL CURRENT LIABILITIES	699,441	666,611

OTHER LIABILITIES

Long-Term Portion		
Capital Lease Obligations	36,602	45,614
Deferred Capital Gain Income	331,595	337,215

TOTAL LIABILITIES	1,067,638	1,049,440
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STOCKHOLDERS' EQUITY

Preferred Stock, 8% Cumulative \$.01 Par Value		
Authorized 2,000,000 Issued & Outstanding		
10,000 Shares (liquidation value \$100,000) ...	100	100
Common Stock, \$.01 Par Value, Authorized		
50,000,000 Shares, Issued & Outstanding		
23,504,000(Includes 2,275,000 in Treasury		
Shares) Respectively at May 31 and		
February 28, 2003	235,040	235,040

Additional Paid-in Capital	2,211,631	2,211,631
Accumulated Deficit	(2,272,473)	(2,243,585)
Treasury Stock at Cost	(142,000)	(142,000)
	-----	-----
TOTAL STOCKHOLDERS' EQUITY	32,298	61,186
	-----	-----
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	\$ 1,099,936	\$ 1,110,626
	=====	=====

See Accompanying Notes to Financial Statements

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REPRO-MED SYSTEMS, INC.
STATEMENTS OF OPERATIONS
UNAUDITED

FOR THE 3 MONTHS ENDED
MAY 31, 2003 MAY 31, 2002

SALES

Net Sales \$ 429,501 \$ 435,242

COST AND EXPENSES

Cost of Goods Sold	198,645	317,264
Selling, General & Administrative Expenses ...	221,939	138,562
Research and Development	8,680	5,413
Depreciation and Amortization	19,734	21,588
	-----	-----
TOTAL COST AND EXPENSES	448,998	482,827
	-----	-----

LOSS FROM OPERATIONS (19,497) (47,585)

Non-Operating Income (Expense)

Interest (Expense)	(8,797)	(6,992)
Interest & Other Income	237	5,103
	-----	-----
	(8,560)	(1,889)
	-----	-----

LOSS BEFORE INCOME TAXES (28,057) (49,474)

Provision for Income Taxes	(831)	(702)
	-----	-----

NET LOSS AFTER TAXES (28,888) (50,176)

NET LOSS PER COMMON SHARE

Basic	(\$0.01)	(\$0.01)
Diluted	(\$0.01)	(\$0.01)

Average Common Shares Outstanding 23,504,000 23,504,000

See Accompanying Notes to Financial Statements

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REPRO-MED SYSTEMS, INC.
STATEMENTS OF CASH FLOWS
UNAUDITED

FOR THE THREE MONTHS ENDED
MAY 31, 2003 MAY 31, 2002

CASH FLOWS FROM OPERATING ACTIVITIES

Net (Loss)	(\$28,888)	(\$50,176)
Adjustments to reconcile net (loss) to cash used in operating activities:		
Depreciation and Amortization	19,734	21,588
Capital Gain - building lease	(5,620)	(5,621)
Decrease (Increase) in Accounts Receivable	(6,567)	22,210
Decrease (Increase) in Inventories	20,782	39,025
Increase in Prepaid Expenses	(8,224)	(5,420)
Decrease (Increase) in Accounts Payable	(10,033)	9,244
Increase in Accrued Expenses	6,863	8,342
	-----	-----
NET CASH (USED IN) PROVIDED BY OPERATIONS	(11,953)	39,192

CASH FLOWS FROM INVESTING ACTIVITIES

Decrease in Security Deposit	23,500	0
Capital Expenditures	(2,468)	(20,018)
	-----	-----
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	21,032	(20,018)

CASH FLOW PROVIDED BY FINANCING ACTIVITIES

Increase in Notes Payable to Related Parties ..	36,000	0
Payments, Increased Obligations on Capitalized Leases	(9,012)	10,460
	-----	-----
NET CASH PROVIDED BY FINANCING ACTIVITIES	26,988	10,460

NET INCREASE IN CASH 36,067 29,634

Cash and Cash Equivalents -- Beginning of Period ... 16,738 25,669

Cash and Cash Equivalents -- End of Period \$ 52,805 \$ 55,303

Supplemental disclosures of Cash Flow Information:

Interest	\$ 8,797	\$ 6,992
Income Taxes	831	702

See Accompanying Notes to Financial Statements

REPRO-MED SYSTEMS, INC.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

BASIS OF PRESENTATION

The accompanying unaudited condensed financial statements have been prepared in accordance with generally accepted accounting principles for interim financial statements and with instructions to Form 10-QSB. Accordingly, they do not include all of the information and disclosures required for annual financial statements. These financial statements should be read in conjunction with the consolidated financial statements and related footnotes for the year ended February 28, 2003 included in the Form 10-KSB for the year then ended.

As shown in the accompanying interim financial statements, the Company incurred a net loss of \$28,888 during the three months ended May 31, 2003. The Company intends to raise additional capital or financing, to improve their liquidity.

These factors create substantial doubt as to the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the financial statements that might be necessary should the Company be unable to continue as a going concern.

In the opinion of the Company's management, all adjustments (consisting of normal recurring accruals) necessary to present fairly the Company's financial position as of May 31, 2003, and the results of operations and cash flows for the three-month periods ended May 31, 2003 and 2002 have been included.

The results of operations for the three-month period ended May 31, 2003, are not necessarily indicative of the results to be expected for the full year. For

further information, refer to the financial statements and footnotes thereto included in the Company's Form 10-KSB as filed with the Securities and Exchange Commission for the year ended February 28, 2003.

In March, 2003, the Company negotiated with the landlord of its Chester, New York, facility to utilize \$27,500 of its security deposit (held by the landlord) to pay March and April, 2003, rent. The agreement provides for replenishment within 90 days. At the date of this filing, the security deposit had not been repaid.

DEBT

As of May 31, 2003, we have an outstanding balance of \$199,461 on our bank line of credit. The line agreement officially ended on June 30, 2001 but the bank renewed the line verbally through June 30, 2003 and we are requesting the bank to continue the line with a six-month extension.

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

This Quarterly Report on Form 10-QSB contains certain "forward-looking" statements (as such term is defined in the Private Securities Litigation Reform Act of 1995) and information relating to us that are based on the beliefs of the management, as well as assumptions made by

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and information currently available. Our actual results may vary materially from the forward-looking statements made in this report due to important factors such as, recent operating losses, uncertainties associated with future operating results, unpredictability related to Food and Drug Administration regulations, introduction of competitive products, limited liquidity, reimbursement related risks, government regulation of the home health care industry, success of the research and development effort, market acceptance of FREEDOM60, availability of sufficient capital to continue operations and dependence on key personnel. When used in this report, the words "estimate," "project," "believe," "anticipate," "intend," "expect" and similar expressions are intended to identify forward-looking statements. Such statements reflect current views with respect to future events based on currently available information and are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. These statements involve risks and uncertainties with respect to the ability to raise capital to develop and market new products, acceptance in the market place of new and existing products, ability to penetrate new markets, our success in enforcing and obtaining patents, obtaining required Government approvals and attracting and maintaining key personnel that could cause the actual results to differ materially. Repro-Med does not undertake any obligation to release publicly any revision to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

THREE MONTHS ENDED MAY 31, 2003 AND 2002

Net sales overall decreased 1.3% from \$435,242 (2002) to \$429,501 (2003). The reduced sales were partially offset by a \$28,347 increase in OEM sales compared to the first quarter of 2002. Sales of our core products decreased 3.1% quarter over quarter ended May 31, 2003, with our Freedom60 sales increasing by 22.1% and RES-Q-VAC sales decreasing slightly by 7.4%. With more than 60% of RES-Q-VAC sales coming from exports, this slight decrease is attributed to softening of the world economic markets and also a back order situation for our sterile product.

Gross profit increased to 54% of net sales in 2003 from 27% in 2002 primarily due to certain reallocations of expenses and improvements in production efficiencies.

Selling, general and administrative expense increased by \$83,377 in 2003 from \$138,562 in 2002 primarily as the result of these same reallocations.

Research and development expenses increased \$3,267 from 2002 to 2003.

Depreciation and amortization expense decreased somewhat period over period as certain equipment became fully depreciated.

Interest expense increased 72.4% as a result of an increase in loans by related parties to the Company and additional capitalized leases.

Other income decreased by \$4,866 due to refunds received during FY2003 for expenses from a prior year and which did not recur during the current fiscal year.

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LIQUIDITY AND CAPITAL RESOURCES

During June 2000, we negotiated a \$200,000 line of credit with M&T Bank that is guaranteed by the President and one of the directors. As of May 31, 2003, \$199,461 has been advanced on the line of credit. Although the line expired on June 30, 2002, the bank verbally extended the line through June 30, 2003. We are requesting the bank to extend the line for another six months. The bank has assured the Company that if the line is not renewed, there will be no requirement for immediate repayment of the line.

Quarter over quarter ending May 2003 the losses from Operations decreased 59% from \$47,586 for the Quarter ending May 2002 to \$19,497 for the current quarter. This decrease is due to increased sales of our higher margin products, and the implementation of cost controls.

We continue to work towards positive cash flow and have several opportunities to improve sales of our key products, RES-Q-VAC and Freedom60. On March 13, 2003, we signed a contract with Joint Purchasing Corporation. JPC is a non-profit, health services organization headquartered in New York that helps healthcare providers strengthen their bottom line by assisting in the implementation of cost control and resource management strategies. JPC has approximately 3,500 members and is assisting us in promoting our cost saving products to their members.

In April, we signed agreements with an outside salesman to provide field representation for our products and with a medical consultant who is introducing us to national distributors and buying groups. As a result of these activities, an agreement with a national distributor, Sammons Preston Rolyan has been signed for Freedom60, RES-Q-VAC and our Gyneco products. Also, during this quarter an agreement was signed with one of our vendors to license, sell and promote the Freedom60 as well as securing potential investment in the Company. We are anticipating agreements with several additional national distributors and Group Purchasing Organizations.

Our distributor in Europe, Gama Sanitos, is actively engaged in establishing the Freedom60 as the device of choice for the treatment of post operative pain control throughout Europe. We are exploring the potential of this market in domestic market. Gama Sanitos is also jointly developing a variable rate flow controller with us which will enhance the operation of the Freedom60 as well as have uses on other pressurized pump systems, as well as providing support for Freedom60 in the chemotherapy market.

We continue to pursue capital investment through debt or equity to increase our marketing and sales, and to enhance our existing products as well as new line additions.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The Company is neither a party to any material litigation, nor to the knowledge of the officers and directors of the Company, is there any other material litigation threatened against the Company.

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ITEM 2. CHANGES IN SECURITIES AND USE OF PROCEEDS

None

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matters were submitted to a vote of security holders of the Company during the quarter ended May 31, 2003.

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

a) Exhibits

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

b) Reports on Form 8-K

Form 8-K/A, Item 4, Changes in Registrant's Certifying Accountant, incorporated by reference dated February 28, 2003, as amended July 14, 2003.

Form 8-K, Item 9, Regulation FD Disclosure, incorporated by reference dated May 12, 2003.

SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) 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.

REPRO-MED SYSTEMS, INC.

Date: July 18, 2003 /s/ Andrew I. Sealfon

Andrew I. Sealfon, President, Treasurer,
Chairman of the Board, Director,
Chief Executive Officer and Chief Financial Officer

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CERTIFICATION

I, Andrew Sealfon, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Repro-Med 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 circumstance under which such statements were made, not misleading with respect to the period covered by this quarterly 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 quarterly report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

a) Designed such disclosure controls and procedures 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 this quarterly report is being prepared;

b) Evaluated the effectiveness of the registrant's disclosure controls and

procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

c) Presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

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

a) All significant deficiencies in the design or operation of internal controls which would adversely effect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) Any fraud, whether or not material; that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: July 18, 2003

/s/Andrew I. Sealfon

Andrew I. Sealfon, President, Treasurer, Chairman of the Board, Director,
Chief Executive Officer and Chief Financial Officer

Exhibit 99.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Repro-Med Systems, Inc., on Form 10-QSB for the period ending May 31, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Andrew Sealfon, Chief Executive Officer and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. ss.1350, as adopted pursuant to ss.906 of the Sarbanes-Oxley Act of 2002, that:

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

The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/Andrew I. Sealfon

Date: July 18, 2003

Andrew I. Sealfon, President, Treasurer, Chairman of the Board, Director,
Chief Executive Officer and Chief Financial Officer