

FORM 10-QSB
 UNITED STATES
 SECURITIES AND EXCHANGE COMMISSION
 WASHINGTON, DC 20549

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

For the quarterly period ended August 31, 2000

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 incorporation or organization) (IRS Employer 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 Aug. 31, 2000 -----
Common stock, \$.01 par value	23,504,000 shares

REPRO-MED SYSTEMS, INC.
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REPRO-MED SYSTEMS, INC
BALANCE SHEETS

<TABLE>
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ASSETS	8-31-00	2-29-00	
	-----	-----	
<S>	<C>	<C>	
CURRENT ASSETS			
Cash & Cash Equivalents	\$117,668	\$167,085	
Accounts Receivable, net	168,912	227,871	
Inventory	646,306	555,882	
Prepaid Expenses & Other Receivables	47,374	45,517	
	-----	-----	
TOTAL CURRENT ASSETS	1,020,260	1,036,355	
	-----	-----	
EQUIPMENT & OTHER ASSETS			
Total Equipment	1,048,051	1,033,718	
Less - Accumulated Depreciation	(589,862)	(549,912)	
	-----	-----	
Net Book Value of Equipment	458,189	483,806	
Deposits	40,000	40,000	
Other Assets	52,799	54,412	
	-----	-----	
TOTAL EQUIPMENT & OTHER ASSETS	510,988	538,218	
	-----	-----	
TOTAL ASSETS	\$1,531,248	\$1,574,573	
	=====	=====	
LIABILITIES & STOCKHOLDERS' EQUITY			
CURRENT LIABILITIES			
Accounts Payable	\$98,631	\$59,363	
Accrued Expenses	175,162	184,936	
Current Portion Capital Gain	22,481	22,481	
	-----	-----	
Total Current Liabilities	296,274	266,780	
	-----	-----	
OTHER LIABILITIES			
Customer Deposits	124,905	245,230	
Deferred Capital Gain Income	393,415	404,655	
	-----	-----	
TOTAL LIABILITIES	814,594	916,665	
	-----	-----	

STOCKHOLDERS' EQUITY

Preferred Stock, 8% Cumulative \$.01 Par Value Authorized 2,000,000 Issued & Outstanding 10,000 Shares	100	100
Common Stock, \$.01 Par Value, Authorized 50,000,000 Shares, Issued & Outstanding 23,504,000 & 22,904,000 Respectively	235,040	229,040
Additional Paid-in Capital	2,052,631	2,031,631
Accumulated Deficit	(1,429,117)	(1,460,863)
Treasury Stock at Cost	(142,000)	(142,000)
TOTAL STOCKHOLDERS' EQUITY	716,654	657,908
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	\$1,531,248	\$1,574,573

</TABLE>

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REPRO-MED SYSTEMS, INC
STATEMENTS OF INCOME<TABLE>
<CAPTION>

	FOR THE 3 MONTHS ENDED		FOR THE 6 MONTHS ENDED	
	Aug 31, 2000	Aug 31, 1999	Aug 31, 2000	Aug 31, 1999
	<C>	<C>	<C>	<C>
SALES				
Net Sales of Products	\$536,744	\$397,663	\$1,093,358	\$924,939
COST AND EXPENSES				
Cost of Goods Sold	302,435	292,765	594,889	596,212
Selling, General & Administrative Expenses	173,694	244,969	393,491	541,310
Research and Development	14,022	24,872	26,968	58,684
Depreciation and Amortization	21,415	30,627	42,830	53,603
TOTAL COST AND EXPENSES	511,566	593,233	1,058,178	1,249,809
INCOME (LOSS) FROM OPERATIONS	25,178	(195,570)	35,180	(324,870)
Non-Operating Income (Expense)				
Interest (Expense)	(51)	(11,009)	(51)	(21,225)
Interest & Other Income	418	1,826	618	4,995
	367	(9,183)	567	(16,230)
INCOME (LOSS) BEFORE MINORITY INTEREST SHARE OF OPERATIONS	25,545	(204,753)	35,747	(341,100)
Minority Interest In Loss of Subsidiary	0	61,155	0	54,542
Income (Loss) Before Income Taxes	25,545	(143,598)	35,747	(286,558)
Provision for Income Taxes	0	760	0	1,520
NET INCOME (LOSS) AFTER TAXES	25,545	(144,358)	35,747	(288,078)

EARNINGS (LOSS) PER COMMON SHARE

Primary	\$0.00	(\$0.01)	\$0.00	(\$0.01)
Fully Diluted	\$0.00	(\$0.01)	\$0.00	(\$0.01)

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REPRO-MED SYSTEMS, INC
STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED

<TABLE>
<CAPTION>

	AUGUST 31, 2000	AUGUST 31, 1999
	-----	-----
<S>	<C>	<C>
OPERATING ACTIVITIES	\$35,747	(\$288,078)
ADJUSTMENTS TO RECONCILE NET INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Depreciation and Amortization	42,830	53,603
Income (Loss) of Minority Interests	0	(54,542)
Deferred Gross Profit - Building Lease	(11,240)	0
Changes In Assets and Liabilities		
Accounts Receivable	58,959	(28,783)
Inventory	(90,424)	(76,074)
Prepaid Expenses and Other Receivables		(1,858)
Accounts Payable	39,268	48,970
Short Term Investments	0	(168,532)
Other Liabilities	(130,099)	179,801
	-----	-----
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(56,817)	(322,892)
	-----	-----
INVESTING ACTIVITIES		
Purchase of Property and Equipment	(17,213)	(29,845)
Other Assets	1,613	0
	-----	-----
	(15,600)	(29,845)
	-----	-----
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		
FINANCING ACTIVITIES		
Issuance of Common Stock	27,000	0
Repayment of Term Loan	0	(108,398)
Preferred Stock Dividend	(4,000)	(4,000)
	-----	-----
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	23,000	(112,398)
	-----	-----
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	(49,417)	(465,135)
Cash and Cash equivalents, beginning of period	167,085	683,321
	-----	-----
Cash and Cash Equivalents, end of period	\$117,668	\$218,186
	=====	=====

SUPPLEMENTAL DISCLOSURES

CASH PAYMENTS FOR

Interest	51	21,225
Income Taxes	801	0

</TABLE>

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REPRO-MED SYSTEMS, INC.
NOTES TO THE FINANCIAL STATEMENTS

BASIS OF PRESENTATION

The financial statements included herein have been prepared by the Company, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in the financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations, although the Company believes that the disclosures are adequate to make the information presented not misleading. It is suggested that these financial statements be read in conjunction with the financial statements and the notes thereto included in the Company's latest annual report on Form 10-KSB dated February 29, 2000.

PART I 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 Rebro-Med Systems, Inc. that are based on the beliefs of the management of Rebro-Med Systems, Inc. as well as assumptions made by and information currently available to the management of Rebro-Med Systems, Inc. The Company's 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 the current views of Rebro-Med Systems, Inc. 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. Rebro-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.

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THREE MONTHS ENDED AUGUST 31, 2000 VS. 1999

Sales increased 35% from \$397,633 (1999) to \$536,744 (2000) for the quarter ended August 31. Sales continued to improve for the Res-Q-Vac while sales of the IV decreased slightly quarter over quarter due to a one-time sale of product to a distributor in 1999 which did not repeat this year. The OEM sales improved in this quarter over last year while the Plus resuscitator decreased due to a tender order which did not re-occur this year.

Cost of goods decreased 17.2% as a % of sales due to improved efficiencies in production and purchasing. The product margin continued to improve this quarter with an increase from 26% in 1999 to 44% in 2000.

Selling, general and administrative expense decreased 29% for the three months period versus 1999. Management initiated expense and payroll reductions in September 1999 that continue to produce savings compared to prior periods.

Research and development expenses decreased 44% period to period reflecting payroll reductions made in the second quarter of fiscal 2000 and the reduction in the development of our new products.

There was no material change in depreciation and amortization expense during this period.

Interest expense was reduced to 0% as the result of a full payoff of all bank indebtedness in October 1999.

On August 3, 2000 we signed a national distribution agreement with Medical Specialties, a large national distributor for the Freedom60 Syringe Infusion System. The agreement calls for certain minimum requirements to maintain the agreement and allows Repro-Med to continue its relation with certain customers and distributors. The distributor has 25 salesmen on the road to call on new accounts within the continental United States.

On New York August 28, 2000 we were notified of an Indefinite Delivery, Indefinite Quantity (IDIQ) Contract #RFP-797-FDF3-00-0089 awarded on August 25, 2000 by the AFMLO/VA Services Division. This material contract covers three of the Company's patented products, Res-Q-Vac Manual Suction System, Freedom60 Syringe Infusion System and Masterson Endometrial Biopsy System which are now available to all government agencies. This contract is the first step in the process of introducing our medical devices to all federal government agencies. The Company has begun to contact government departments who would most benefit from these life saving devices.

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On September 29, 2000, we were notified that the U. S. Defense Logistics Information Service in Battle Creek, MI had assigned National Stock Numbers to our Freedom60 and Res-Q-Vac products and accessories. This now facilitates orders from any U. S. military agency to be able to acquire our products from a national military catalog listing.

SIX MONTHS ENDED AUGUST 31, 2000 VS. 1999

Sales increase \$168,419 (18%) primarily because of improvements in sales of Res-Q-Vac and sales booked against customer deposits.

Cost of goods sold were 54% for the first six months of 2000 versus 59% for the comparable period in 1999. The higher margins reflect the improved efficiencies in production and purchasing.

Selling, General and Administrative expenses were 27% lower for the comparable period as a result of management's continued emphasis on expense and payroll reductions which began in the third quarter of 1999. Research and Development expenses were 54% lower for the same reasons as well as a deferral of certain research and development projects due to cash restraints.

Income before taxes increased from a loss of \$286,558 in 1999 to a profit of \$35,747 in 2000, as a resulting of both higher sales and profit margins, and lower expenses.

LIQUIDITY AND CAPITAL RESOURCES

Our working capital increased from \$524,345 as of February 29, 2000 to \$683,986 as of August 31, 2000.

During June 2000 we negotiated a \$200,000 line of credit with Premier Bank that is guaranteed by the President and one of the directors. The line of credit is intended for material purchases for new orders. As of August 31, 2000, \$0 has been advanced on the line of credit.

We are currently operating at a neutral cash flow and have sufficient capital for our ongoing needs, based on the anticipated continued sales growth and maintaining careful control of expenses. We have demonstrated our ability to control costs and believe we would be able to offset any unanticipated decreases in revenues with additional reductions in overhead, materials, and labor. The funds available on August 31, 2000 are expected to meet cash requirements as planned under current operating conditions at least for the next 12 months.

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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 material litigation threatened against the Company.

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 August 31, 2000.

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

None

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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.

/

/s/ Andrew I. Sealfon

October 13, 2000

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

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<FISCAL-YEAR-END>	FEB-28-2001
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