SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the Quarter Ended September 30, 1999 Commission File Number 0-16093

CONMED CORPORATION
(Exact name of the registrant as specified in its charter)

New York	16-0977505
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
310 Broad Street, Utica, New York	13501
(Address of principal executive offices)	(Zip Code)

(315) 797-8375
(Registrant's telephone number, including area code)

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 of 1934 during the preceding 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 [ ]

The number of shares outstanding of registrant's common stock, as of November 9, 1999 is 15,299,043 shares.

CONMED CORPORATION

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PART I FINANCIAL INFORMATION

Item Number

CONMED CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
(in thousands except per share amounts)
(unaudited)

	For three months ended		For nine months ended	
	Sept. 1998	Sept. 1999	Sept. 1998	Sept. 1999
Net sales	$ 85,714	$ 91,712	$ 246,469	$ 273,064
Cost and expenses:				
Cost of sales (Note 3)	41,121	45,036	126,377	131,403
Selling and administrative	24,547	26,659	68,330	79,775
Research and development ..	2,986	3,035	8,587	8,833
Total operating expenses	68,654	74,730	203,294	220,011
Income from operations	17,060	16,982	43,175	53,053
Interest expense, net	(7,809)	(8,212)	(22,990)	(23,952)
Income before income taxes and extraordinary item	9,251	8,770	20,185	29,101
Provision for income taxes ..	(3,330)	(3,157)	(7,266)	(10,476)
Income before extraordinary item	5,921	5,613	12,919	18,625
Extraordinary item, net of income taxes (Note 4)	--	--	(1,569)	--
Net income	$ 5,921	$ 5,613	$ 11,350	$ 18,625
Per share data:				
Income before extraordinary item				
Basic	$ .39	$ 37	$ .85	$ 1.22
Diluted	.39	.36	.84	1.19
Extraordinary item - (Note 4)				
Basic	$ -	$ -	$ (10)	$ -
Diluted	-	-	(10)	-

Net Income				
Basic	$ .39	$ .37	$ .75	$ 1.22
Diluted	.39	.36	.74	1.19
Weighted average common shares				
Basic	15,102	15,276	15,065	15,228
Diluted	15,361	15,609	15,300	15,591

See notes to consolidated financial statements.

CONMED CORPORATION
CONSOLIDATED BALANCE SHEETS
(in thousands except share amounts)

ASSETS	December 1998	(unaudited) September 1999
Current assets:		
Cash and cash equivalents	$ 5,906	$ 2,817
Accounts receivable, net	66,819	68,891
Income taxes receivable	1,441	--
Inventories (Note 3)	78,058	94,362
Deferred income taxes	2,776	2,776
Prepaid expenses and other current assets	4,620	3,703
Total current assets	159,620	172,549
Property, plant and equipment, net	59,044	56,936
Deferred income taxes	3,900	3,900
Goodwill, net	194,690	222,272
Patents, trademarks, and other assets, net	211,530	206,485
Total assets	$ 628,784	$ 662,142

LIABILITIES AND SHAREHOLDERS' EQUITY	December 1998	September 1999
Current liabilities:		
Current portion of long-term debt	$ 22,995	$ 30,480
Accrued interest	6,069	2,607
Accounts payable	19,594	16,573
Income taxes payable	-	6,286
Accrued payroll and withholdings	9,665	5,499
Other current liabilities	7,873	5,600
Total current liabilities	66,196	67,045
Long-term debt	361,877	375,024
Other long-term liabilities	18,543	17,918
Total liabilities	446,616	459,987
Shareholders' equity:		
Preferred stock, par value $.01 per share; authorized 500,000 shares; none outstanding	--	--
Common stock, par value $.01 per share; 100,000,000 authorized; 15,182,811 and 15,303,016 issued and outstanding,in 1998 and 1999, respectively	152	153
Paid-in capital	125,039	126,632
Retained earnings	57,361	75,986
Cumulative translation adjustments	35	(197)
Less 25,000 shares of common stock in treasury, at cost	(419)	(419)
Total equity	182,168	202,155
Total liabilities and shareholders' equity	$ 628,784	$ 662,142

See notes to consolidated financial statements.

CONMED CORPORATION
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
Nine Months Ended September 1998 and 1999
(in thousands)
(unaudited)

	1998	1999
Common stock		
Balance at beginning of period	$ 151	$ 152
Exercise of stock options	1	1
Balance at end of period	152	153
Paid-in capital		
Balance at beginning of period	123,451	125,039
Exercise of stock options	694	1,593
Balance at end of period	124,145	126,632
Retained earnings		
Balance at beginning of period	39,553	57,361
Net income (A)	11,350	18,625
Balance at end of period	50,903	75,986
Accumulated other comprehensive income		
Balance at beginning of period		
Cumulative foreign currency translation adjustments	--	35
Other comprehensive income		
Foreign currency translation adjustments(B)	--	(232)
Balance at end of period		
Cumulative foreign currency translation adjustments	--	(197)
Treasury stock at beginning and end of period	(419)	(419)
Total shareholders' equity	$ 174,781	$ 202,155
Total comprehensive income (A + B)	$ 11,350	$ 18,393

See notes to consolidated financial statements.

CONMED CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
Nine Months Ended September 30, 1998 and 1999
(in thousands)
(unaudited)

	1998	1999
Cash flows from operating activities:		
Net income	$ 11,350	$ 18,625
Adjustments to reconcile net income to net cash provided by operations:		
Depreciation	6,028	6,647
Amortization	11,755	12,215
Extraordinary item, net of		

income taxes (Note 4)	1,569	--
Increase (decrease) in cash flows from changes in assets and liabilities:		
Accounts receivable	(9,695)	(1,854)
Inventories	(14,760)	(12,655)
Prepaid expenses and other current assets	(1,198)	917
Accounts payable	8,681	(3,021)
Income taxes receivable/payable	2,212	7,727
Accrued interest	1,580	(3,462)
Accrued payroll and withholdings	1,535	(4,166)
Other current liabilities	(2,125)	(92)
Other assets/liabilities, net ..	(2,893)	(1,417)
	2,689	839
Net cash provided by operations	14,039	19,464
Cash flows from investing activities:		
Payments related to business acquisitions	(9,965)	(38,224)
Acquisition of property, plant, and equipment	(9,924)	(5,894)
Net cash used by investing activities	(19,889)	(44,118)
Cash flows from financing activities:		
Proceeds of long term debt	130,000	40,900
Borrowings (repayments) under revolving credit facility, net	1,000	(3,000)
Proceeds from issuance of common stock	694	1,594
Payments related to issuance of long-term debt .	(4,635)	(661)
Payments on long-term debt	(131,371)	(17,268)
Net cash provided (used) by financing activities	(4,312)	21,565
Net decrease in cash and cash equivalents	(10,162)	(3,089)
Cash and cash equivalents at beginning of period .	13,452	5,906
Cash and cash equivalents at end of period	$ 3,290	$ 2,817

See notes to consolidated financial statements.

CONMED CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1 - Consolidation and Operations

The consolidated financial statements include the accounts of CONMED Corporation (the "Company") and its subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation. The Company is a leading developer, manufacturer and supplier of a range of medical instruments and systems used in surgical and other medical procedures. The Company believes its product offerings, which include arthroscopic surgery devices, powered surgical instruments, electrosurgical systems, electrocardiogram electrodes and accessories, surgical suction instruments, intravenous therapy accessories and wound care products, have similar economic, operating and other related characteristics. The Company's products are used in a variety of clinical settings, such as operating rooms, surgery centers, physicians' offices and critical care areas of hospitals.

Note 2 - Interim financial information

The financial statements for the three and nine months ended September 1998 and 1999 are unaudited; in the opinion of the Company such unaudited statements include all adjustments (which comprise only normal recurring accruals) necessary for a fair presentation of the results for such periods. The consolidated financial statements for the year ending December 1999 are subject to adjustment at the end of the year when they will be audited by independent accountants. The results of operations for the three and nine months ended September 1999 are not necessarily indicative of the results of operations to be expected for any other quarter nor for the year ending December 1999. The consolidated financial statements and notes thereto should be read in conjunction with the financial statements and notes for the year ended December 1998 included in the Company's Annual Report to the Securities and Exchange Commission on Form 10-K. Certain 1998 amounts previously reported have been reclassified to conform with the current year presentation.

Note 3 - Inventories

The components of inventory are as follows (in thousands):

	December 1998	September 1999
Raw materials..............	$ 35,204	$ 37,293
Work-in-process...........	7,429	12,103
Finished goods.............	35,425	44,966
Total.................	$ 78,058	$ 94,362

In connection with purchase accounting for the December 31, 1997 acquisition of Linvatec Corporation, the Company increased the acquired value of inventory by $3,000,000 over its production cost. This inventory was sold during the quarter ended March 1998 and, accordingly, this non-recurring adjustment served to increase cost of sales during the quarter ended March 1998 and the nine months ended September 1998 by $3,000,000. Similarly, in connection with the August 1999 Powered Instrument Acquisition (see Note 6), the Company increased the acquired value of inventory by $1,600,000. This inventory was sold during the quarter ended September 1999 resulting in a non-recurring adjustment to increase cost of sales during the quarter ended and nine months ended September 1999 by $1,600,000.

Note 4 - Subordinated Note Offering

The Company completed a subordinated note offering (the "Notes") in the aggregate principal amount of $130,000,000 in March 1998. Proceeds from the offering amounting to $126,100,000 were used to reduce the Company's term loans under its credit facility. Deferred financing fees related to the portion of the credit facility repaid amounting to $2,451,000 ($1,569,000 net of income taxes) were written-off as an extraordinary charge.

Note 5- Subsidiary Guarantees

The Company's credit facility and Notes are guaranteed (the "Subsidiary Guarantees") by each of the Company's subsidiaries (the "Subsidiary Guarantors"). The Subsidiary Guarantees provide that each Subsidiary Guarantor will fully and unconditionally guarantee the Company's obligations on a joint and several basis. Each Subsidiary Guarantor is wholly-owned by the Company.

Separate financial statements and other disclosures concerning the Subsidiary Guarantors are not presented because management has determined such financial statements and other disclosures are not material to investors. The combined condensed financial information of the Company's Subsidiary Guarantors is as follows (in thousands):

	December 1998	September 1999
Current assets...........................	$ 96,434	$111,329
Non-current assets.......................	366,299	385,953
Current liabilities......................	30,367	21,415
Non-current liabilities..................	363,160	370,011

For the Nine

	Months Ended September	
	1998	1999
Revenues	$174,864	$210,166
Income from operations	31,376	44,082
Net income	5,228	12,817

Note 6 - Business Acquisitions

On November 16, 1998 the Company acquired the assets related to an arthroscopy product line from Minnesota Mining and Manufacturing Company ("3M") for a purchase price of $17,500,000 which was funded through borrowings under the Company's revolving credit facility. This acquisition (the "Arthroscopy Acquisition") is being accounted for using the purchase method. The results of operations of the acquired product line are included in the consolidated results of the Company from the date of acquisition. Goodwill associated with the acquisition is being amortized on a straight-line basis over a 40-year period.

On June 29, 1999, the Company agreed to purchase certain assets of the powered surgical instrument business of 3M (the "Powered Instrument Acquisition"). The Company and 3M also agreed to a series of transition-related matters in order to facilitate the transfer of the business. The acquisition was completed on August 11, 1999 for a purchase price of $39,000,000, before certain adjustments, which was funded through borrowings under the Company's amended credit facility (see discussion under Liquidity and Capital Resources section of Management's Discussion and Analysis of Financial Condition and Results of Operations). This acquisition is being accounted for using the purchase method. The results of operations of the acquired business are included in the consolidated results of the Company from the date of acquisition. Goodwill associated with the acquisition is being amortized on a straight-line basis over a 40-year period.

The allocation of purchase price for the powered instrument acquisition is based on management's preliminary estimates. It is possible that re-allocation will be required as additional information becomes available. Management does not believe that such reallocations will have a material effect on the Company's financial position or results of operations.

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

The following discussion includes certain forward-looking statements. Such forward-looking statements are subject to a number of factors, including material risks, uncertainties and contingencies, which could cause actual results to differ materially from the forward-looking statements. Such factors include, among others, the following: general economic and business conditions; changes in customer preferences; competition; changes in technology; the integration of any acquisitions; changes in business strategy; the indebtedness of the Company; the identification and remediation of Year 2000 issues; quality of management, business abilities and judgment of the Company's personnel; and the availability, terms and deployment of capital. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The Company does not undertake any obligation to publicly release any revisions 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 September 1999 compared to three months ended September 1998

Sales for the quarter ended September 1999 were $91,712,000, an increase of 7.0% compared to sales of $85,714,000 in the same quarter a year ago. The increase is a result of increased sales volumes, primarily of orthopaedic products, due to the powered instrument acquisition, the arthroscopy acquisition and increased demand for existing product lines.

Cost of sales increased to $45,036,000 in the current quarter compared to $41,121,000 in the same quarter a year ago. In connection with purchase accounting for the Powered Instrument Acquisition, the Company increased the acquired value of inventory by $1,600,000 over its production cost. This inventory was sold during the quarter ended September 1999 and served to increase cost of sales during the third quarter of 1999 by $1,600,000. Excluding the impact of this non-recurring adjustment, cost of sales increased to $43,415,000 in the third quarter of 1999 from $41,121,000 in the third quarter of 1998, as a result of increased sales volumes. Excluding the nonrecurring adjustment, the Company's gross margin percentage for the third quarter of 1999 was 52.7% compared to 52.0% for the third quarter of 1998. The increase in gross margin percentage is primarily attributable to increased sales volumes in the Company's orthopaedic product lines which carry higher gross margins than certain of the Company's other product lines.

Selling and administrative costs increased to $26,659,000 in the third quarter of 1999 as compared to $24,547,000 in the third quarter of 1998. The increase in selling and administrative expense is primarily a result of additional selling expense associated with the increase in sales in the third quarter of 1999 and increased intangible amortization resulting from the Arthroscopy Acquisition and the Powered Instrument Acquisition. As a result of these costs, as a percentage of sales, selling and administrative expense increased to 29.1% in the third quarter of 1999 as compared to 28.6% in the third quarter of 1998.

Research and development expense was $3,035,000 in the third quarter of 1999 as compared to $2,986,000 in the third quarter of 1998. As a percentage of sales, research and development expense was 3.3% in the third quarter of 1999 as compared to 3.5% in the comparable 1998 period. The amount of research and development expense incurred in the third quarter of 1999 is consistent with the comparable 1998 quarter representing the Company's ongoing efforts in this area; the decrease in third quarter 1999 expense as a percentage of sales is primarily a result of higher sales in the third quarter of 1999 as compared to the third quarter 1998.

Interest expense for the third quarter of 1999 was $8,212,000 compared to $7,809,000 in the third quarter of 1998. As part of the Powered Instrument Acquisition, the Company's existing credit facility was amended in the third quarter of 1999 to provide for an additional $40,000,000 loan commitment which was used to fund the acquisition purchase price. The increase in interest expense is primarily a result of these higher term loan borrowings. (See discussion under Liquidity and Capital Resources section of Management's Discussion and Analysis of Financial Condition and Results of Operations).

Nine months ended September 1999 compared to nine months ended September 1998

Sales for the nine months ended September 1999 were $273,064,000, an increase of 10.8% compared to sales of $246,469,000 in the nine months ended September 1998. Approximately 3% of the increase in sales for the first nine months of 1999 as compared to 1998 reflects the pricing impact of changes in distribution from 1999 as compared to the first six months of 1998. In connection with the December 31, 1997 acquisition of Linvatec Corporation from Bristol-Meyers Squibb ("BMS"), the Company entered into fixed price distribution agreements with Zimmer, Inc., a wholly-owned subsidiary of BMS, to distribute certain of the Company's orthopaedic products in selected geographic markets. Beginning in the third quarter of 1998, most of the products formerly distributed by Zimmer were sold and distributed directly by the Company, resulting in improved pricing for the affected products. The remainder of the increase in sales in the first nine months of 1999 as compared to the first nine months of 1998 is a result of increased sales volumes, primarily of orthopaedic products, due to the Powered Instrument Acquisition, the Arthroscopy Acquisition and increased demand for existing product lines.

Cost of sales increased to $131,403,000 in the nine months ended September 1999 compared to $126,377,000 in the nine months ended September 1998. In connection with purchase accounting for the December 31, 1997 acquisition of Linvatec Corporation, the Company increased the acquired value of inventory by $3,000,000 over its production cost. This inventory was sold during the quarter ended March 1998 and served to increase cost of sales during the first quarter of 1998 by $3,000,000. Similarly, in connection with the August 1999 Powered Instrument Acquisition, the Company increased the acquired value of inventory by $1,600,000. This inventory was sold during the quarter ended September 1999 and served to increase cost of sales during the third quarter of 1999 by $1,600,000. Excluding the impact of these non-recurring adjustments, cost of sales increased to $129,782,000 in the first nine months of 1999 from $123,384,000 in the first nine months of 1998, as a result of increased sales volumes. Excluding the nonrecurring adjustments, the Company's gross margin percentage for the first nine months of 1999 was 52.5% compared to 49.9% for the first nine months of 1998. The increase in gross margin percentage is primarily attributable to higher sales volumes in the Company's orthopaedic product lines which carry higher gross margins than certain of the Company's other product lines as well as improved pricing resulting from the elimination of most of the fixed price product distribution agreements with Zimmer discussed previously.

Selling and administrative costs increased to $79,775,000 in the nine months ended September 1999 as compared to $68,330,000 in the nine months ended September 1998. The increase in selling and administrative expense is primarily a result of additional selling expense associated with the increase in sales in the nine months ended September 1999 as compared to the nine months ended September 1998, including increased costs associated with the direct selling and distribution of products distributed through Zimmer during the first half of 1998 and increased intangible amortization resulting from the Powered Instrument Acquisition and the Arthroscopy Acquisition. As a result of these costs, as a percentage of sales, selling and administrative expense increased to 29.2% in the nine months ended September 1999 as compared to 27.7% in the nine months ended September 1998.

Research and development expense was $8,833,000 in the nine months ended September 1999 as compared to $8,587,000 in the nine months ended September 1998. As a percentage of sales, research and development expense was 3.2% in the first nine months of 1999 as compared to 3.5% in the comparable 1998 period. The amount of research and development expense incurred in the nine months ended September 1999 is consistent with the comparable 1998 period representing the Company's ongoing efforts in this area; the decrease in nine months ended September 1999 expense as a percentage of sales is primarily a result of higher sales in the nine months ended September 1999 as compared to the nine months ended September 1998.

Interest expense for the nine months ended September 1999 was $23,952,000 compared to $22,990,000 in the nine months ended September 1998. As part of the Powered Instrument Acquisition, the Company's existing credit facility was amended in the third quarter of 1999 to provide for an additional $40,000,000 loan commitment which was used to fund the acquisition purchase price. The increase in interest expense is a result of these higher term loan borrowings and higher average borrowings under the Company's revolving credit facility during the nine months ended September 1999 as compared to the nine months ended September 1998. The Company funded its Arthroscopy Acquisition during the fourth quarter of 1998 through borrowings under the revolving credit facility which resulted in the higher average borrowings. Offsetting the interest on these increased borrowings was reduced interest expense on the Company's term loans as a result of scheduled quarterly principal payments totaling $17,268,000 through the nine months ended September 1999. (See discussion under Liquidity and Capital Resources section of Management's Discussion and Analysis of Financial Condition and Results of Operations).

During the first quarter of 1998, the Company completed an offering of subordinated notes (the "Notes") and used the net proceeds to repay a portion of the Company's term loans under its credit facility. Deferred financing fees relating to the portion of the credit facility repaid amounting to $2,451,000 ($1,569,000 net of income taxes) were written-off as an extraordinary charge. There was no extraordinary charge during the first nine months of 1999. (See discussion under Liquidity and Capital Resources section of Management's Discussion and Analysis of Financial Condition and Results of Operations).

Liquidity and Capital Resources

The Company's net working capital position increased $12,080,000 or 12.9% to $105,504,000 at September 1999 compared to $93,424,000 at December 1998. Net cash provided by operations was $19,464,000 for the first nine months of 1999 compared to $14,039,000 for the first nine months of 1998. Operating cash flow was positively impacted by higher net income, depreciation, and amortization in the nine months ended September 1999 as compared to the nine months ended September 1998. Operating cash flow was also positively impacted by an increase in accrued income taxes payable. Negatively impacting operating cash flow in the first nine months of 1999 were increases in accounts receivable and inventory and decreases in accounts payable, accrued interest and accrued payroll. The increase in accounts receivable is primarily related to the increase in sales; the increase in inventory is related to the Arthroscopy Acquisition and Powered Instrument Acquisition and overall higher levels of inventory on-hand. The increase in accrued income taxes payable and decreases in accounts payable, accrued interest and accrued payroll are primarily related to the timing of the payment of these liabilities.

Net cash used by investing activities for the nine months ended September 1999 consisted of $38,224,000 in costs related to the Powered

Instrument Acquisition and $5,894,000 in capital expenditures. Net cash used by investing activities for the nine months ended September 1998 consisted of $9,965,000 in costs related to the Company's December 31, 1997 acquisition of Linvatec Corporation from BMS and $9,924,000 in capital expenditures.

Financing activities during the nine months ended September 1999 consisted primarily of a $40,000,000 term loan used to fund the Powered Instrument Acquisition, scheduled payments of $17,268,000 on the Company's previously existing term loans and $3,000,000 in repayments on the Company's revolving credit facility. Financing activities during the nine months ended September 1998 involved the completion of the Notes offering in the aggregate principal amount of $130,000,000; net proceeds from the offering amounting to $126,100,000 were used to repay a portion of the Company's term loans under its credit facility. Additionally, scheduled payments of $5,271,000 on the Company's term loans were made.

The Company's term loans under its credit facility at September 30, 1999 aggregate $239,626,000, including a $40,000,000 term loan, due June 30, 2005, which was used to fund the Powered Instrument Acquisition purchase price and related fees and expenses. The Company's term loans are repayable quarterly over remaining terms of six years. The Company's credit facility also includes a $100,000,000 revolving credit facility which expires December 2002, of which $65,000,000 was available on September 30, 1999. The borrowings under the credit facility carry interest rates based on a spread over LIBOR or an alternative base interest rate. The covenants of the credit facility provide for increase and decrease to this interest rate spread based on the operating results of the Company. The weighted average interest rates at September 30, 1999 under the term loans and the revolving credit facility were 7.51% and 7.31%, respectively. Additionally, the Company is obligated to pay a fee of .375% per annum on the unused portion of the revolving credit facility.

The Company does not use derivative financial instruments for trading or other speculative purposes. Interest rate swaps, a form of derivative, are used to manage interest rate risk. Currently, the Company has entered into two interest rate swaps expiring in June 2001 which convert $100,000,000 of floating rate debt under the Company's credit facility into fixed rate debt at rates ranging from 7.18% to 8.25%. Provisions in one of the interest rate swaps cancels such agreement when LIBOR exceeds 7.35%.

The credit facility is collateralized by all the Company's personal property. The credit facility contains covenants and restrictions which, among other things, require maintenance of certain working capital levels and financial ratios, prohibit dividend payments and restrict the incurrence of certain indebtedness and other activities, including acquisitions and dispositions. The Company is also required to make mandatory prepayments from net cash proceeds from any issue of equity and asset sales and also from any excess cash flow, as defined in the credit agreement.

The Notes are in aggregate principal amount of $130,000,000 and have a maturity date of March 15, 2008. The Notes bear interest at 9.0% per annum which is payable semi-annually. The indenture governing the Notes has certain restrictive covenants and provides for, among other things, mandatory and optional redemptions by the Company.

The credit facility and Notes are guaranteed by each of the Company's subsidiaries. The Subsidiary Guarantees provide that each Subsidiary Guarantor will fully and unconditionally guarantee the Company's obligations on a joint and several basis. Each Subsidiary Guarantor is wholly-owned by the Company. Under the credit facility and Note indenture, the Company's subsidiaries are subject to the same covenants and restrictions that apply to the Company (except that the Subsidiary Guarantors are permitted to make dividend payments and distributions, including cash dividend payments, to the Company or another Subsidiary Guarantor).

Management believes that cash generated from operations, its current cash resources and funds available under its credit facility will provide sufficient liquidity to ensure continued working capital for operations, debt service and funding of capital expenditures in the foreseeable future.

Year 2000

The Company and its subsidiaries use information technology ("IT") and non-IT systems that contain embedded technology throughout their businesses. Third parties with which the Company has material relationships also use such systems. After December 31, 1999, these systems will face a potentially serious problem if they are not able to recognize and correctly process dates beyond December 31, 1999. All of the Company's products, operations and information technology systems have been inventoried and those that were not Year 2000 ready have been identified, upgraded and tested to ensure they function properly after December 31, 1999. The Company has contacted its critical business partners to ascertain their preparation for the Year 2000 issue. The costs of the Company's Year 2000 assessment and remediation program have not been and are not expected to be material. Although the Company does not expect the Year 2000 issue to have a material effect on its results of operations, liquidity or financial condition, failure of critical IT and non-IT systems could have a material adverse effect on the Company's results of operations, liquidity or financial condition. Further, the Company cannot eliminate the risk that revenue will be lost or costs will be incurred as a result of the failure by third parties to properly remediate their Year 2000 issues.

Foreign Operations

The Company's foreign operations are subject to special risks inherent in doing business outside the United States, including governmental instability, war and other international conflicts, civil and labor disturbances, requirements of local ownership, partial or total expropriation, nationalization, currency devaluation, foreign exchange controls and foreign laws and policies, each of which may limit the movement of assets or funds or result in the deprivation of contract rights or the taking of property without fair compensation.

An additional risk with respect to the Company's European operations relates to the conversion of certain European countries to a common currency which began January 1, 1999 (the "Euro Conversion"). The Company has formed an internal task force to evaluate the risks and implement any required actions with respect to the Euro Conversion. Based on the analysis of this task force, the Company does not believe that the costs to the Company to convert to a common currency will be material. Additionally the Company does not believe that there will be any material impact from a competitive point of view with respect to the impact of the Euro Conversion on the sales of products.

Item 6. Exhibits and Reports on Form 8-K

List of Exhibits

Exhibit No.	Description
11	Computation of weighted average number of shares of common stock
27	Financial Data Schedule (included in EDGAR filing only)

Reports on Form 8-K

None

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 thereunto duly authorized.

CONMED CORPORATION
(Registrant)

Date: November 12, 1999 /s/Robert D. Shallish, Jr.

Robert D.Shallish, Jr.
Vice President - Finance
(Principal Financial Officer)

Exhibit Index

EXHIBIT 11

Computation of weighted average number of shares of common stock

	For the three months ended September		For the nine months ended September	
	1998	1999	1998	1999
Shares outstanding at beginning of period	15,077	15,275	15,037	15,158
Weighted average shares issued and repurchased	25	1	28	70
Shares used in the calculation of basic EPS (weighted average shares outstanding)	15,102	15,276	15,065	15,228
Effect of dilutive securities	259	333	235	363
Shares used in the calculation of diluted EPS	15,361	15,609	15,300	15,591

<ARTICLE> 5

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<CURRENT-ASSETS>		172,549
<PP&E>		88,920
<DEPRECIATION>		(31,984)
<TOTAL-ASSETS>		662,142
<CURRENT-LIABILITIES>		67,045
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<COMMON>		153
<OTHER-SE>		202,002
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<SALES>		91,712
<TOTAL-REVENUES>		91,712
<CGS>		45,036
<TOTAL-COSTS>		45,036
<OTHER-EXPENSES>		0
<LOSS-PROVISION>		0
<INTEREST-EXPENSE>		8,212
<INCOME-PRETAX>		8,770
<INCOME-TAX>		3,157
<INCOME-CONTINUING>		5,613
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<NET-INCOME>		5,613
<EPS-BASIC>		.37
<EPS-DILUTED>		.36