

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934**

**Date of Report: March 02, 2010**  
(Date of earliest event reported)

**InfuSystem Holdings, Inc.**  
(Exact name of registrant as specified in its charter)

**DE**  
(State or other jurisdiction  
of incorporation)

**000-51902**  
(Commission File  
Number)

**20-3341405**  
(IRS Employer  
Identification Number)

**31700 Research Park Drive,  
Madison Heights, MI**  
(Address of principal executive offices)

**48071**  
(Zip Code)

**(800) 962-9656**  
(Registrant's telephone number, including area code)

**Not Applicable**  
(Former Name or Former Address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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**Item 2.02. Results of Operations and Financial Condition**

On March 2, 2010, InfuSystem Holdings, Inc. issued a press release reporting its financial

results for the fiscal quarter and full year ended December 31, 2009. A copy of the press release is furnished as an exhibit to this Form 8-K.

**Item 9.01. Financial Statements and Exhibits**

**(a) Financial statements:**

None

**(b) Pro forma financial information:**

None

**(c) Shell company transactions:**

None

**(d) Exhibits**

99.1 [Press Release of InfuSystem Holdings, Inc. dated March 02, 2010](#)

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**SIGNATURE**

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 hereunto duly authorized.

Dated: March 02, 2010

**INFUSYSTEM HOLDINGS, INC.**

By: /s/ Sean Whelan

Sean Whelan

*Chief Financial Officer*

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**Exhibit Index**

**Exhibit No.**

**Description**

99.1

Press Release of InfuSystem Holdings, Inc.  
dated March 02, 2010

## **InfuSystem Holdings Reports \$10.7 Million of Revenue and \$3.2 Million of Adjusted EBITDA for the Fourth Quarter of 2009**

MADISON HEIGHTS, MI -- (Marketwire - March 02, 2010) - InfuSystem Holdings, Inc. (OTCBB: INHI) (OTCBB: INHIW) (OTCBB: INHIU), the leading provider of ambulatory infusion pumps and associated clinical services, today announced financial results and provided a business update for the fourth quarter and full year ended December 31, 2009.

Revenue for the fourth quarter ended December 31, 2009 was \$10.7 million, a 17% improvement compared to \$9.1 million for the same period in 2008. For the full year 2009, the Company reported revenue of \$39.0 million, a 10% increase compared to 2008 revenues of \$35.4 million.

Mr. Sean McDevitt, Chief Executive Officer, commented, "InfuSystem continues to build sales momentum with the addition of new oncology clinic customers as demonstrated by our solid financial results. We continue to realize benefits from the refocusing of our sales force and the back-office efficiency tools that we implemented this past summer. With the continued steady growth of our core business, strategic initiatives to broaden our product and service offering and the announcement of the warrant exchange offer, we are more confident than ever in the long-term outlook for the company and industry."

### **Financial Results for the Fourth Quarter 2009**

Revenue for the fourth quarter ended December 31, 2009 was \$10.7 million, a 17% improvement compared to \$9.1 million for the same period in 2008. The increase in revenues is primarily due to obtaining business at new customer facilities, timing of documentation collection and related billings, improved operational efficiency tools, as well as increased reimbursement. Operating income for the fourth quarter of 2009 was \$1.4 million versus operating income of \$1.5 million for the same period in 2008. The decrease in operating income was due, primarily, to an increase in the provision for doubtful accounts and pump maintenance costs, partially offset by higher revenues and lower stock-based compensation expense. The increase in the provision for doubtful accounts is directly related to a slight increase in the mix of billings directly to patients, as compared to billings to third-party payors. The net income for the fourth quarter of 2009 was \$966,000, or \$0.05 per diluted share, compared to net income of \$1.3 million or \$0.07 per diluted share, for the same period in 2008.

Adjusted EBITDA for the fourth quarter ended December 31, 2009 was \$3.2 million, compared to \$3.3 million for the same period in 2008. The decrease in adjusted EBITDA for the fourth quarter of 2009 was primarily the result of an increase in the provision for doubtful accounts and pump maintenance costs, partially offset by higher revenues. The Company defines Adjusted EBITDA as earnings before interest, taxes, depreciation and amortization, and excludes gain (loss) on derivative financial instruments and stock-based compensation, and other non-recurring charges. Adjusted EBITDA is not a measure of performance calculated in accordance with generally accepted accounting principles in the United States ("GAAP"). The Company believes the presentation of Adjusted EBITDA is a relevant and useful measure to assist a reader's ability to understand the Company's operating performance. The Company's management likewise utilizes Adjusted EBITDA as a means to measure its operating performance. Reconciliation from Adjusted EBITDA, a non-GAAP measure, to net income can be found in the appendix.

### **Financial Results for the Full Year Ended December 31, 2009**

Revenue for the full year ended December 31, 2009 was \$39.0 million, a 10% improvement compared to \$35.4 million for the same period in 2008. Operating income for the full year ended

December 31, 2009 was \$5.3 million versus operating income of \$4.8 million for the same period in 2008. The increase in operating income for the full year ended December 31, 2009 was a result of an increase in revenue, lower freight costs, partially offset by management transition expenses and provision for doubtful accounts.

The net income for the full year ended December 31, 2009 was \$774,000, or \$0.04 per diluted share, compared to net income of \$10.0 million or \$0.53 per diluted share, for the same period in 2008. The net income for the full year ended December 31, 2009 included a (\$78,000) loss on derivative financial instruments, which was predominantly attributable to the increase in the publicly traded value of the Company's warrants during 2009, compared to a \$9.8 million gain on derivative financial instruments in the comparable period in 2008.

Adjusted EBITDA for the full year ended December 31, 2009 was \$12.9 million, compared to \$12.1 million for the same period in 2008.

Total cash and cash equivalents were \$7.8 million at the year end 2009, compared to \$11.5 million at the end of 2008. As of December 31, 2009, InfuSystem had \$24.1 million of debt outstanding, compared to \$30.7 million at year end 2008.

## Conference Call

The company will host an investor conference call today at 5:00 p.m. ET to discuss its financial results for the fourth quarter and year end 2009. The investor conference call will be available via live webcast on InfuSystem's website at [www.infusystem.com](http://www.infusystem.com) in the Investors section. To participate by telephone, the dial-in number is (888) 677-8769. The access code is 3740095. Investors are advised to dial into the call at least ten minutes prior to the call to register. A replay of the call can be accessed by dialing (888) 203-1112, confirmation number 3740095. An online archive of the conference call will remain on the Company's website for at least 90 days after the call.

## About InfuSystem Holdings, Inc.

InfuSystem is the leading supplier of infusion services to oncologists and other outpatient treatment settings. The Company provides pole mounted and ambulatory pumps, supplies and related clinical, biomedical and billing services to practices and patients, nationwide. The Company's unique suite of services appeals to practices, patients and payors by improving access to clinically necessary medical equipment, while driving down costs and maximizing clinical outcomes.

## Forward-Looking Statements

Except for the historical information contained herein, the matters discussed in this press release are forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those predicted by such forward-looking statements. These risks and uncertainties include general economic conditions, as well as other risks detailed from time to time in InfuSystem's publicly filed documents.

INFUSYSTEM HOLDINGS, INC.  
CONSOLIDATED BALANCE SHEETS

(in thousands, except share data)	December 31, 2009	December 31, 2008
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ASSETS

Current Assets:

Cash and cash equivalents	\$	7,750	\$	11,513
Accounts receivable, less allowance for doubtful accounts of \$1,842 and \$1,552 at December 31, 2009 and December 31, 2008, respectively; December 31, 2009 and December 31, 2008 include \$0 and \$72 due from Kimberly-Clark (I-Flow), respectively		5,517		4,168
Inventory		925		391
Prepaid expenses and other current assets		395		676
Deferred income taxes		125		-
		-----		-----
Total Current Assets		14,712		16,748
Property & equipment, net		13,499		10,878
Deferred debt issuance costs, net		781		1,276
Goodwill		56,580		56,580
Intangible assets, net		28,911		30,738
Other assets		207		-
		-----		-----
Total Assets	\$	114,690	\$	116,220
		=====		=====

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities:

Accounts payable	\$	1,306	\$	1,012
Deferred income taxes		-		55
Other current liabilities		1,573		939
Derivative liabilities		2,670		2,592
Current portion of long-term debt; December 31, 2009 and December 31, 2008 include \$4,928 and \$8,565 payable to Kimberly-Clark (I-Flow), respectively		5,501		8,644
		-----		-----
Total Current Liabilities		11,050		13,242
Long-term debt, net of current portion; December 31, 2009 and December 31, 2008 include \$16,757 and \$21,685 payable to Kimberly-Clark (I-Flow), respectively		18,640		22,025
Deferred income taxes		3,314		880
Other liabilities		221		-
		-----		-----
Total Liabilities	\$	33,225	\$	36,147
		=====		=====

Stockholders' Equity

Preferred stock, \$.0001 par value; authorized 1,000,000 shares; none issued		-		-
Common stock, \$.0001 par value; authorized 200,000,000 shares; issued 18,734,144 and 18,512,671, respectively; outstanding 18,734,144 and 17,278,626, respectively		2		2
Additional paid-in capital		81,410		80,792
Retained earnings (deficit)		53		(721)
		-----		-----
Total Stockholders' Equity		81,465		80,073
		-----		-----
Total Liabilities and Stockholders' Equity	\$	114,690	\$	116,220
		=====		=====

INFUSYSTEM HOLDINGS, INC.  
CONSOLIDATED STATEMENTS OF OPERATIONS

Three Months Ended

Year Ended

(in thousands, except per share data)	December 31,		December 31,	
	2009	2008	2009	2008
Net revenues	10,662	9,092	38,964	35,415
Operating expenses:				
Cost of Revenues -- Product and supply costs	1,753	1,240	6,200	5,422
Cost of Revenues -- Pump depreciation and disposals	1,121	861	4,127	3,769
Provision for doubtful accounts	1,272	710	4,006	3,187
Amortization of intangibles	457	457	1,827	1,827
Selling and marketing	1,509	1,258	5,258	4,659
General and administrative	3,190	3,028	12,218	11,765
Total Operating Expenses	9,302	7,554	33,636	30,629
Operating income	1,360	1,538	5,328	4,786
Other income (loss):				
Gain (loss) on derivatives	1,122	1,150	(78)	9,815
Interest income	-	22	4	36
Interest expense	(831)	(943)	(3,503)	(3,771)
Total other income (loss)	291	229	(3,577)	6,080
Income before income taxes	1,651	1,767	1,751	10,866
Income tax expense	(685)	(508)	(977)	(907)
Net income	966	1,259	774	9,959
Net income per share:				
Basic	0.05	0.07	0.04	0.56
Diluted	0.05	0.07	0.04	0.53
Weighted average shares outstanding:				
Basic	18,697,729	18,476,445	18,609,797	17,940,952
Diluted	18,956,690	18,794,943	18,931,356	18,672,321

INFUSYSTEM HOLDINGS, INC.  
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)	Three Months Ended December 31		Year Ended December 31	
	2009	2008	2009	2008
OPERATING ACTIVITIES				
Net Income	\$ 966	\$ 1,259	\$ 774	\$ 9,959
Adjustments to reconcile net income to net cash provided by operating activities:				
(Gain) loss on				

derivative liabilities	(1,122)	(1,150)	78	(9,815)
Provision for doubtful accounts	1,272	710	4,006	3,187
Depreciation	1,151	894	4,122	3,935
Amortization of intangible assets	457	457	1,827	1,827
Amortization of deferred debt issuance costs	113	148	495	642
Loss on disposal of assets	63	168	342	553
Stock-based compensation	224	384	753	1,550
Deferred income taxes	1,467	536	2,254	935
Changes in assets and liabilities, net of effects of acquisitions:				
Increase in current accounts receivable, net of provision	(1,198)	(1,530)	(5,355)	(1,835)
Decrease (increase) in other current assets	379	(276)	(253)	560
(Increase) decrease in other assets	(189)		(207)	
(Decrease) increase in accounts payable and other liabilities	(931)	27	872	(601)
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NET CASH PROVIDED BY OPERATING ACTIVITIES	2,652	1,627	9,708	10,897
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INVESTING ACTIVITIES				
Capital expenditures	(573)	(782)	(4,612)	(1,733)
Proceeds from sale of property		10	1	10
Payment of deferred acquisition costs	-		-	(105)
Cash received for acquisition from I-Flow, net of cash acquired	-	784	-	784
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NET CASH (USED IN) PROVIDED BY INVESTING ACTIVITIES	(573)	12	(4,611)	(1,044)
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FINANCING ACTIVITIES				
Principal payments on term loan	(818)	(818)	(8,565)	(2,044)
Common stock repurchased to satisfy minimum statutory withholding on stock-based compensation	(135)	(82)	(135)	(195)
Principal payments on capital lease obligation	(92)	(21)	(160)	(61)
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NET CASH USED IN FINANCING ACTIVITIES	(1,045)	(921)	(8,860)	(2,300)
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Net change in cash and cash equivalents	1,034	718	(3,763)	7,553
Cash and cash equivalents, beginning of period	6,716	10,795	11,513	3,960
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Cash and cash equivalents, end of period	7,750	11,513	7,750	11,513
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INFUSYSTEM HOLDINGS, INC.  
GAAP RECONCILIATION

Reconciliation from Net Income to Adjusted EBITDA:

	Three Months Ended December 31,		Year Ended December 31,	
	2009	2008	2009	2008
	-----	-----	-----	-----
Net Income	\$ 966	\$ 1,259	\$ 774	\$ 9,959
Adjustments:				
Interest expense	831	943	3,503	3,771
Interest income	-	(22)	(4)	(36)
Income tax expense	685	508	977	907
Depreciation -- Pumps	1,058	861	3,785	3,769
Depreciation -- Other	93	33	337	166
Amortization	457	457	1,827	1,827
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EBITDA	\$ 4,090	\$ 4,039	\$ 11,199	\$ 20,363
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Adjustments:				
Loss (gain) on derivatives	(1,122)	(1,150)	78	(9,815)
Stock-based compensation	224	384	753	1,550
Termination Benefits			877	
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Adj. EBITDA	\$ 3,192	\$ 3,273	\$ 12,907	\$ 12,098
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