SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549
FORM 10-Q

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

For the quarterly period ended March 31, 2003

OR

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

For the transition period from _____ to _____

Commission File Number 01-21617

THE QUIGLEY CORPORATION

(Exact name of registrant as specified in its charter)

Nevada	23-2577138
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

(MAILING ADDRESS: PO Box 1349, Doylestown, PA 18901.)

Kells Building, 621 Shady Retreat Road, Doylestown, PA	18901
(Address of principle executive offices)	(Zip Code)

Securities registered under Section 12(g) of the Exchange Act: COMMON STOCK ($.0005 Par Value)

COMMON SHARE PURCHASE RIGHTS

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. [X] Yes [ ] No

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Securities Exchange Act of 1934). [ ] Yes [X] No

Indicate the number of shares of each of the Registrant's classes of securities (all of one class of $.0005 par value Common Stock) outstanding on April 28, 2003: 11,456,617.

TABLE OF CONTENTS

THE QUIGLEY CORPORATION
CONSOLIDATED BALANCE SHEETS

ASSETS	March 31, 2003 (Unaudited)	December 31, 2002
CURRENT ASSETS:		
Cash and cash equivalents	$ 13,315,034	$ 12,897,080
Accounts receivable (less doubtful accounts of $779,318 and $737,782)	2,022,173	4,188,123
Inventory	4,408,917	4,526,761
Prepaid expenses and other current assets	580,868	490,117
Assets of discontinued operations	--	374,007
TOTAL CURRENT ASSETS	20,326,992	22,476,088
PROPERTY, PLANT AND EQUIPMENT - net	2,291,456	2,336,736
OTHER ASSETS:		
Goodwill, net	30,763	30,763
Other assets	80,365	1,000
Assets of discontinued operations	--	90,369
TOTAL OTHER ASSETS	111,128	122,132
TOTAL ASSETS	$ 22,729,576	$ 24,934,956
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 440,031	$ 394,675
Accrued royalties and sales commissions	781,740	1,146,495
Accrued advertising	793,580	1,559,575
Accrued consulting	1,673,000	1,673,000
Other current liabilities	1,564,969	1,353,383
Liabilities of discontinued operations	--	385,011
TOTAL CURRENT LIABILITIES	5,253,320	6,512,139
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY:		
Common stock, $.0005 par value; authorized 50,000,000; Issued: 16,102,670 and 16,102,670 shares	8,051	8,051
Additional paid-in-capital	32,592,222	32,592,222
Retained earnings	10,064,142	11,010,703
Less: Treasury stock, 4,646,053 and 4,646,053 shares, at cost	(25,188,159)	(25,188,159)
TOTAL STOCKHOLDERS' EQUITY	17,476,256	18,422,817
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 22,729,576	$ 24,934,956

See accompanying notes to financial statements

THE QUIGLEY CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended March 31, 2003	Three Months Ended March 31, 2002
SALES:		
Sales	$ 8,588,154	$ 5,249,171
Co-operative advertising promotions	397,062	264,639
NET SALES	8,191,092	4,984,532
LICENSING FEES	--	148,866
TOTAL REVENUE	8,191,092	5,133,398
COST OF SALES	4,496,982	2,695,362
GROSS PROFIT	3,694,110	2,438,036
OPERATING EXPENSES:		
Sales and marketing	1,527,530	1,086,429
Administration	2,441,720	2,514,847
Research and development	646,969	610,883
TOTAL OPERATING EXPENSES	4,616,219	4,212,159
LOSS FROM OPERATIONS	(922,109)	(1,774,123)
INTEREST AND OTHER INCOME	29,897	38,364
LOSS FROM CONTINUING OPERATIONS BEFORE TAXES	(892,212)	(1,735,759)
INCOME TAXES	--	--
LOSS FROM CONTINUING OPERATIONS	(892,212)	(1,735,759)
DISCONTINUED OPERATIONS:		
Income (Loss) from discontinued operations	(54,349)	34,991
NET LOSS	($ 946,561)	($ 1,700,768)
BASIC EARNINGS PER COMMON SHARE:		
Loss from continuing operations	($ 0.08)	($ 0.16)
Income (loss) from discontinued operations	--	--
Net Loss	($ 0.08)	($ 0.16)
DILUTED EARNINGS PER COMMON SHARE:		
Loss from continuing operations	($ 0.08)	($ 0.16)
Income (loss) from discontinued operations	--	--
Net Loss	($ 0.08)	($ 0.16)
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING:		
Basic	11,456,617	10,681,985
Diluted	11,456,617	10,681,985

See accompanying notes to financial statements

THE QUIGLEY CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Three Months Ended March 31, 2003	March 31, 2002
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 342,843	$ 1,378,148
INVESTING ACTIVITIES:		
Capital expenditures	(58,603)	(60,592)
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(58,603)	(60,592)
FINANCING ACTIVITIES:	--	--
NET CASH FLOWS PROVIDED BY (USED IN) FINANCING ACTIVITIES	--	--
NET CASH (USED IN) PROVIDED BY DISCONTINUED OPERATIONS	133,714	(351,401)
NET INCREASE IN CASH	417,954	966,155
CASH & CASH EQUIVALENTS, BEGINNING OF PERIOD	12,897,080	9,684,305
CASH & CASH EQUIVALENTS, END OF PERIOD	$ 13,315,034	$ 10,650,460

See accompanying notes to financial statements

THE QUIGLEY CORPORATION
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - ORGANIZATION AND BUSINESS

The Quigley Corporation (WWW.QUIGLEYCO.COM, the "Company"), organized under the laws of the state of Nevada, is engaged in the development, manufacturing, and marketing of health and homeopathic products that are being offered to the general public and the research and development of potential prescription products. The Company is organized into three business segments of Cold Remedy, Health and Wellness, and Ethical Pharmaceutical. For the fiscal periods presented, the Company's revenues have come from the Company's proprietary "Cold-Eeze(R)" products, which are classified in the Cold Remedy business segment, and the Health and Wellness business segment.

Darius International Inc., ("Darius") a wholly owned subsidiary of the Company, the Health and Wellness segment, was formed in January 2000 to introduce new products to the marketplace through a network of independent distributors. Darius is a direct selling organization specializing in proprietary health and wellness products, which commenced shipping product to customers in the third quarter of 2000. On January 2, 2001, the Company acquired certain assets and assumed certain liabilities of a privately held company involved in the direct marketing and distribution of health and wellness products.

The formation of Darius has provided diversification to the Company in both the method of product distribution and the broader range of products available to the marketplace serving as a balance to the seasonal revenue cycles of the Cold-Eeze(R) branded products.

In January 2001, the Company formed an Ethical Pharmaceutical Unit which is now

Quigley Pharma Inc., ("Pharma") a wholly-owned subsidiary of the Company, the Ethical Pharmaceutical segment, that is under the direction of its Executive Vice President and Chairman of its Medical Advisory Committee. The formation of Pharma follows the Patent Office of The United States Commerce Department confirming the assignment to the Company of a Patent Application for the "Method and Composition for the Topical Treatment of Diabetic Neuropathy." The establishment of a dedicated pharmaceutical subsidiary may enable the Company to diversify into the prescription drug market and to ensure safe and effective distribution of these important potential new products currently under development.

During 2000, the Company acquired a 60% ownership position in Caribbean Pacific Natural Products, Inc., ("CPNP") a leading developer and marketer of all-natural sun-care and skincare products for luxury resorts, theme parks and spas. In December 2002, the Board of Directors of the Company approved a plan to sell CPNP. On January 22, 2003, the Company completed the sale of the Company's 60% equity interest in CPNP to Suncoast Naturals, Inc. ("Suncoast"). See discussion in Notes to Financial Statements, Note 3 - Discontinued Operations.

COLD REMEDY

Cold-Eeze(R), a zinc gluconate glycine formulation (ZIGG(TM)) is an over-the-counter consumer product used to reduce the duration and severity of the common cold and is sold in lozenge, gum and sugar-free tablet forms. In addition, during 2003 the Company plans to launch a Cold-Eeze(R) nasal spray. This product, a moisturizing nasal spray that contains Aloe Vera gel and the active ingredient Zinc Gluconate.

In May 1992, the Company entered into an exclusive agreement for worldwide representation, manufacturing, marketing and distribution rights to a zinc gluconate glycine lozenge formulation which was patented in the United States, United Kingdom, Sweden, France, Italy, Canada, Germany, and is pending in Japan. This product is presently being marketed by the Company and also through independent brokers and marketers in the United States under the trade name Cold-Eeze(R). Under a Food and Drug Administration ("FDA") approved Investigational New Drug Application, filed by Dartmouth College, a randomized double-blind placebo-controlled study, conducted at Dartmouth College of Health Science, Hanover, New Hampshire, concluded that the lozenge formulation treatment, initiated within 48 hours of symptom onset, resulted in a significant reduction in the total duration of the common cold.

On May 22, 1992, "Zinc and the Common Cold, a Controlled Clinical Study," was published in England, in the "Journal of International Medical Research", Volume 20, Number 3, Pages 234-246. According to this publication, (a) flavorings used in other Zinc lozenge products (citrate, tartrate, separate, orotate, picolinate, mannitol or sorbitol) render the Zinc inactive and unavailable to the patient's nasal passages, mouth and throat, where cold symptoms have to be treated, (b) this patented formulation delivers approximately 93% of the active Zinc to the mucosal surfaces and (c) the patient has the same sequence of symptoms as in the absence of treatment, but goes through the phases at an accelerated rate and with reduced symptom severity.

On July 15, 1996, results of a new randomized double-blind placebo-controlled study on the common cold were published, which commenced at the Cleveland Clinic Foundation on October 3, 1994. The study called "ZINC GLUCONATE LOZENGES FOR TREATING THE COMMON COLD" was completed and published in the ANNALS OF INTERNAL MEDICINE - VOL. 125 No. 2. Using a 13.3mg lozenge (almost half the strength of the lozenge used in the Dartmouth Study), the result still showed a 42% reduction in the duration of the common cold symptoms.

In April 2002, the Company announced the statistical results of a retrospective clinical study that suggests that Cold-Eeze(R) is also an effective means of preventing the common cold. This adolescent study indicated that when taken daily, Cold-Eeze(R) statistically lessens the number of colds an individual suffers per year, reducing the median from 1.5 to zero. These findings are the result of analyzing three years of clinical data at the Heritage School facility in Provo, Utah. The study also found that the use of Cold-Eeze(R) to treat a cold statistically reduces the use of antibiotics for respiratory illnesses from 39.3% to 3.0% when Cold-Eeze(R) is administered as a first line treatment approach to the common cold. Additionally, the study reinforces the original clinical trials, concluding that Cold-Eeze(R) reduces the median duration of a cold by four days. In April 2002, the Company was assigned a Patent Application which was filed with the Patent Office of the United States Commerce Department for the use of Cold-Eeze(R) as a prophylactic for cold prevention. The new patent application follows the results of the adolescent study at the Heritage School facility.

In May 2003, the Company announced the study findings of a prospective study, conducted at the Heritage School facility in Provo, Utah, 178 children ages 12 to 18 years were given Cold-Eeze(R) lozenges both symptomatically and prophylactically from October 5, 2001 to May 30, 2002. The study found a 54% reduction in the most frequently observed cold duration. Those subjects not

receiving treatment most frequently experienced symptom duration at 11 days compared with 5 days when lozenges were administered, a reduction of 6 days.

The study also found that there was a 25% reduction in the number of colds experienced when Cold-Eeze(R) was administered once a day as a preventative. With prophylaxis, 61% of the subjects experienced one or fewer colds, far less than the national average of 6-10 colds a year in children, as reported by the National Institute of Allergy and Infectious Diseases.

In the second half of 1998, the Company launched Cold-Eeze(R) in a sugar free version of the product to benefit diabetics and other consumers concerned with their sugar intake.

The business of the Company is subject to federal and state laws and regulations adopted for the health and safety of users of the Company's products. Cold-Eeze(R) is a homeopathic remedy that is subject to regulations by various federal, state and local agencies, including the FDA and the Homeopathic Pharmacopoeia of the United States.

The Company competes with suppliers varying in range and size in the cold remedy products arena. Cold-Eeze(R), which has been clinically proven, offers a significant advantage over other suppliers in the over-the-counter cold remedy market. The management of the Company believes there should be no future impediment on the ability to compete in the marketplace now, or in the immediate future, since factors concerning the product, such as price, product quality, availability, reliability, credit terms, name recognition, delivery and support are all properly positioned. The Company has several Broker, Distributor and Representative Agreements, both nationally and internationally and the product is distributed through numerous independent and chain drug and discount stores throughout the United States.

The Company continues to use the resources of independent national and international brokers complementing its own personnel to represent the Company's over-the-counter products, thereby saving capital and other ongoing expenditures that would otherwise be incurred.

HEALTH AND WELLNESS

Darius was formed for the purpose of introducing new products to the marketplace through a network of independent distributors. Darius is a direct selling organization specializing in proprietary health and wellness products that are primarily sold in the United States. The products marketed and sold by Darius are herbal vitamins and dietary supplements for the human condition, in the areas of health, immunity, energy and pain.

Darius competes with other large companies in a very competitive marketplace by emphasizing the uniqueness, value and premium quality of its products. Many of its competitors have much greater name recognition, variance of products, longevity of business operations, channels of distribution and financial resources.

The business of Darius is subject to federal and state laws and regulations adopted for direct selling activities and the health and safety of users of the Darius' products. As in any business operation, variances, changes or challenges by regulators, specific to direct marketing, and the reliance on independent distributors for the sales of Darius' products could result in events that could have a material effect on the business and financial condition of the Company.

ETHICAL PHARMACEUTICAL

The establishment of Pharma may enable the Company to diversify into the development of naturally derived prescription drugs, cosmeceuticals, and dietary supplements. Research and development will focus on the identification, isolation and direct use of active medicinal substances. One aspect of Pharma's research will focus on the combination of isolated active constituents and whole plant components. The search for new natural sources of medicinal substances will focus not only on world plants, fungi, and other natural substances, but an intense investigation into traditional medicinals and historic therapeutics.

Pharma is currently undergoing research and development activity in compliance with regulatory requirements. During the course of its research and development, certain formulas have led to a patent and several patent applications, which the Patent Office of the United States Commerce Department has confirmed the assignment to the Company. The Company, through Pharma, is at the initial stages of what may be a lengthy process to develop these patent and patent applications into commercial products.

The areas of focus are:

- A Patent (No. 6,555,573, B2) entitled "Method and Composition for the Topical Treatment of Diabetic Neuropathy."

- A Patent Application entitled "Medicinal Composition and Method of Using It" (for Treatment of Sialorrhea and other Disorders) for a product to relieve sialorrhea (drooling) in patients suffering from Amyotrophic Lateral Sclerosis (ALS), otherwise known as Lou Gehrig's Disease.

- A Patent Application entitled "Composition and Method for Prevention, Reduction and Treatment of Radiation Dermatitis" with the Patent Office of The United States Commerce Department.

In September 2002, the Company filed a foreign patent application entitled "Method and Composition for the Topical Treatment of Diabetic Neuropathy" in Europe and other foreign markets.

The pre-clinical development, clinical trials, product manufacturing and marketing of Pharma's potential new products are subject to federal and state regulation in the United States and other countries. Obtaining FDA regulatory approval for these pharmaceutical products can require substantial resources and take several years. The length of this process depends on the type, complexity and novelty of the product and the nature of the disease or other indications to be treated. If the Company cannot obtain regulatory approval of these new products in a timely manner or if the patents are not granted or if the patents are subsequently challenged, these possible events could have a material effect on the business and financial condition of the Company. The strength of the Company's patent position may be important to its long-term success. There can be no assurance that these patents and patent applications will effectively protect the Company's products from duplication by others.

In April 2002, the Company initiated a Phase II proof of concept study in France for treatment of diabetic neuropathy, which was concluded in 2003. It indicated that subjects using this formulation had 67% of their symptoms improve, suggesting efficacy. Because the Company's formulation for relief of diabetes-related pain is a topical treatment and its ingredients are GRAS listed (Generally Regarded As Safe) as identified in the Code of Federal Regulations, FDA approval could potentially be obtained earlier than what is normally required in the FDA process.

In July 2002, the Company announced the commencement of a Phase II clinical trial on a new formulation being developed and tested by the Company to relieve Sialorrhea (excess secretions of the salivary glands, causing drooling) in patients suffering from diseases including Amyotrophic Lateral Sclerosis (ALS), otherwise known as Lou Gehrig's Disease, Cerebral Palsy, Parkinson's Disease, and Muscular Dystrophy.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

The Consolidated Financial Statements include the accounts of the Company and its wholly owned subsidiaries. All inter-company transactions and balances have been eliminated. These financial statements have been prepared by management without audit and should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2002. In the opinion of management, all adjustments necessary for a fair presentation of the consolidated financial position, consolidated results of operations and consolidated cash flows, for the periods indicated, have been made. Prior period amounts have been reclassified to conform with this presentation.

On January 2, 2001, the Company acquired certain assets and assumed certain liabilities of a privately held company, located in Utah, involved in the direct marketing and distribution of health and wellness products. This acquisition

required cash payments that approximated $110,000 and 50,000 shares of the Company's stock issued to the former owners of the net assets acquired. The net assets acquired include assets totaling $536,000 and liabilities assumed approximating $416,000. Also required were payments totaling $540,000 for the use of product formulations; consulting; confidentiality and a non-compete agreement. To maintain the continuous application of these arrangements, fees of 5% on net sales collected must be paid to the former owners. The operating results have been included in the Company's Consolidated Statements of Operations from the date of acquisition. Prior to January 1, 2002, the excess of cost over net assets acquired had been subject to amortization on a straight-line basis over a period of 15 years. Subsequent to 2001, the account will only be reduced if the value becomes impaired.

During 2000, the Company acquired a 60% ownership position in CPNP. In December 2002, the Board of Directors of the Company approved a plan to sell CPNP. On January 22, 2003, the Board of Directors of the Company completed the sale of

the Company's 60% equity interest in CPNP to Suncoast. Results of CPNP prior to January 22, 2003 are presented as discontinued operations in the Consolidated Statements of Operations and in the Consolidated Balance Sheets. See discussion in Notes to Financial Statements, Note 3 - Discontinued Operations.

GOODWILL AND INTANGIBLE ASSETS

Patent rights have been amortized on a straight-line basis over the period of the related licensing agreements, which approximated 67 months and were fully amortized as of March 2002. Amortization costs incurred for the three months ended March 31, 2003 and 2002, were zero and $21,940, respectively. Accumulated amortization at March 31, 2003 and December 31, 2002 was $490,000.

As of March 31, 2003 and December 31, 2002, intangible assets consist principally of goodwill. Goodwill is not amortized but reviewed for impairment when events and circumstances indicate the carrying amount may not be recoverable or on an annual basis if operations of a reporting unit have materially changed from the prior year. In the fourth quarter of 2002, the Company realized an impairment loss of $296,047 relating to goodwill in CPNP, which was reflected in discontinued operations. The effects of adopting FASB 142 was immaterial to net income and did not change basic or diluted earnings per share in 2002.

CONCENTRATION OF RISKS

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of cash investments and trade accounts receivable.

The Company maintains cash and cash equivalents with four major financial institutions. Since the Company maintains amounts in excess of guarantees provided by the Federal Depository Insurance Corporation, the Company performs periodic evaluations of the relative credit standing of these financial institutions and limits the amount of credit exposure with any one institution.

Trade accounts receivable potentially subjects the Company to credit risk. The Company extends credit to its customers based upon an evaluation of the customer's financial condition and credit history and generally does not require collateral. The Company has historically incurred minimal credit losses. The Company's broad range of customers includes many large wholesalers, mass merchandisers and multi-outlet pharmacy chains, five of which account for a significant percentage of sales volume, representing 23% for the three months ended March 31, 2003, and 32% for the three months ended March 31, 2002. Customers comprising the five largest accounts receivable balances represented 48% and 44% of total trade receivable balances at March 31, 2003 and December 31, 2002, respectively. During the three months ended March 31, 2003 all of the Company's revenues originated in the United States.

The Company currently uses three separate suppliers to produce Cold-Eeze(R) in lozenge, gum, and sugar-free tablet forms. The Company's revenues are currently generated from the sale of the Cold-Eeze(R) product, Cold Remedy, and from the Health and Wellness segment. The lozenge form is manufactured by a third party manufacturer whose majority of revenues are from the Company. The other forms are manufactured by third parties that produce a variety of other products for other customers. Should these relationships terminate or discontinue for any reason, the Company has formulated a contingency plan in order to prevent such discontinuance from materially affecting the Company's operations. Any such termination may, however, result in a temporary delay in production until the replacement facility is able to meet the Company's production requirements.

Raw material used in the production of the product is available from numerous sources. Currently, it is being procured from a single vendor in order to secure purchasing economies. In a situation where this one vendor is not able to supply the contract manufacturer with the ingredients, other sources have been identified.

Darius' product for resale is sourced from several suppliers. In the event that such sources were no longer in a position to supply Darius with product, other vendors have been identified as reliable alternatives with minimal adverse loss of business.

LONG-LIVED ASSETS

The Company reviews its long-lived assets for impairment on an exception basis whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable through future cash flows. If it is determined that an impairment loss has occurred based on the expected cash flows, a loss is recognized in the Statement of Operations. In the fourth quarter of 2002, in addition to its impairment loss in CPNP, the Company realized an additional impairment loss of $337,186 from its investment in CPNP, which was reflected in discontinued operations. The total impairment loss of $633,233 was reflected in

discontinued operations.

REVENUE RECOGNITION

Sales are recognized at the time ownership and risk of loss is transferred to the customer, which is primarily the time the shipment is received by the customer. Sales returns and allowances are provided for in the period that the related sales are recorded. Provisions for these reserves are based on historical experience. Total revenues for March 31, 2002 include an amount of $148,866 related to licensing fees, which was the final installment as a result of the settlement of the infringement suit, against Gel Tech, LLC, the developer of Zicam(TM), and Gum Tech International, Inc., its distributor.

SHIPPING AND HANDLING

Product sales relating to the Health and Wellness products carry an additional identifiable shipping and handling charge to the purchaser, which is classified as revenue. For cold remedy products, such costs are included as part of the invoiced price. In all cases, costs related to this revenue are recorded in cost of sales.

STOCK COMPENSATION

Stock options and warrants for purchase of the Company's common stock have been granted to both employees and non-employees since the date of the Company's public inception. Options and warrants are exercisable during a period determined by the Company, but in no event later than ten years from the date granted.

The Company applies Accounting Principles Board Opinion No. 25 ("APB 25") in accounting for its grants of options to employees. Under the intrinsic value method prescribed by APB 25, no compensation expense relating to grants to employees has been recorded by the Company in periods reported. Compensation expense for awards made during any periods presented would be determined under the fair value method of Statement of Financial Accounting Standards (SFAS) No. 123, "Accounting for Stock-Based Compensation."

Expense relating to warrants granted to non-employees have been appropriately recorded, which have been based on either fair values agreed upon with the grantees or fair values as determined by the Black-Scholes pricing model dependent upon the circumstances relating to the specific grants.

There were no grants of stock options to employees in the three months periods ended March 31, 2003 and 2002 and therefore no compensation expense under FAS 123.

ROYALTIES

The Company includes royalties and founders commissions incurred as cost of sales for the Cold Remedy segment and in administration expenses for the Health and Wellness segment based on agreement terms.

ADVERTISING

Advertising costs are expensed within the period in which they are utilized. Advertising expense is comprised of media advertising, presented as part of sales and marketing expense; co-operative advertising, which is accounted for as a deduction from sales; and free product, which is accounted for as part of cost of sales. Advertising costs incurred for the three months ended March 31, 2003 and 2002 were $1,116,019 and $742,820, respectively. Included in prepaid expenses and other current assets was $215,000 and $236,875 at March 31, 2003 and December 31, 2002 relating to prepaid advertising and promotion expenses.

RESEARCH AND DEVELOPMENT

Research and development costs are charged to operations in the period incurred. Expenditures for the three months ended March 31, 2003 and 2002 were $646,969 and $610,883, respectively. Principally, research and development costs are related to Pharma's areas of interest and study costs associated with Cold-Eeze(R).

INCOME TAXES

The Company utilizes an asset and liability approach which requires the recognition of deferred tax assets and liabilities for the future tax consequences of events that have been recognized in the Company's financial statements or tax returns. In estimating future tax consequences, the Company generally considers all expected future events other than enactments of changes in the tax law or rates.

NOTE 3 - DISCONTINUED OPERATIONS

Effective July 1, 2000, the Company acquired a 60% ownership position of CPNP which is accounted for by the purchase method of accounting and accordingly, the operating results have been included in the Company's consolidated financial Statements from the date of acquisition. This majority ownership position required a cash investment that approximated $812,000 and the provision for a $1 million line of credit, secured by inventory, accounts receivable and all other assets of CPNP. The net assets of CPNP at the acquisition date principally consisted of a product license and distribution rights with no recorded value, inventory and fixed assets of $312,915 and $510,000 of working capital with a contribution to minority interest of $329,166.

In December 2002, the Board of Directors of the Company approved a plan to sell CPNP. On January 22, 2003, the Board of Directors of the Company completed the sale of the Company's 60% equity interest in CPNP to Suncoast. In exchange for its 60% equity interest in CPNP, the Company received: (i) 750,000 shares of Suncoast's common stock, which Suncoast has agreed, at its cost and within 60 days from the closing, to register for public resale through an appropriate registration statement; and (ii) 100,000 shares of Suncoast's Series A Redeemable Preferred Stock, which bears interest at a rate of 4.25% per annum and which is redeemable from time to time after March 31, 2003 in such amounts as is equal to 50% of the free cash flow reported by Suncoast in the immediately preceding quarterly financial statements divided by the redemption price of $10.00 per share. The Company owns 19.5% of Suncoast's issued and outstanding capital stock. The disposal of CPNP was completed in order to allow the Company to focus resources on other activities and clinical research and development.

Sales of CPNP for all periods commencing on the date of acquisition on July 1, 2000 up to date of disposal on January 22, 2003, were $5,075,472, cumulative net losses during that period were $2,232,620. The loss includes an amount of $633,233 relating to the asset impairment, reported in the fourth quarter of 2002. Results of CPNP are presented as discontinued operations in the Consolidated Statements of Operations and in the Consolidated Balance Sheets. The major classes of balance sheet items of discontinued operations at December 31, 2002 were inventory, accounts receivable and accounts payable.

NOTE 4 - SEGMENT INFORMATION

The basis for presenting segment results is consistent with overall Company reporting. The Company reports information about its operating segments in accordance with Financial Accounting Standard Board Statement No. 131, "Disclosure About Segments of an Enterprise and Related Information," which establishes standards for reporting information about a company's operating segments. All consolidating items are included in Corporate & Other.

The Company has divided its operations into three reportable segments as follows: The Quigley Corporation (Cold Remedy), whose main product is Cold-Eeze(R), a proprietary zinc gluconate glycine lozenge for the common cold; Darius (Health and Wellness), whose business is the sale and direct marketing of a range of health and wellness products and Quigley Pharma (Ethical Pharmaceutical), currently involved in research and development activity to develop potential pharmaceutical products.

As discussed in Notes to Financial Statements, Note 3 - Discontinued Operations, the Company disposed of its Sun-care and Skincare segment in January 2003.

Financial information relating to 2003 and 2002 operations, by business segment, follows:

As of and for the three months ended March 31, 2003	Cold Remedy	Health and Wellness	Ethical Pharmaceutical	Corporate and Other	Total
Revenues					
Customers	$3,258,267	$4,932,825	--	--	$8,191,092
Segment operating profit (loss)	(1,019,085)	663,253	($566,277)	--	(922,109)
Total Assets	$21,228,877	$1,625,911	--	($125,212)	$22,729,576

As of and for the three months ended March 31, 2002	Cold Remedy	Health and Wellness	Ethical Pharmaceutical	Corporate and Other	Total
Revenues					
Customers	$2,778,790	$2,354,608	--	--	$5,133,398
Segment operating profit (loss)	(1,527,164)	52,059	($311,041)	$12,023	(1,774,123)

Total Assets	$24,087,541	$1,174,957	--	($2,893,227)	$22,369,271

NOTE 5 - TRANSACTIONS AFFECTING STOCKHOLDERS' EQUITY

On September 8, 1998, the Company's Board of Directors declared a dividend distribution of Common Stock Purchase Rights (the "Rights"), thereby creating a Stockholder Rights Plan (the "Plan"). The dividend was payable to the stockholders of record on September 25, 1998. Each Right entitles the stockholder of record to purchase from the Company that number of Common Shares having a combined market value equal to two times the Rights exercise price of $45. The Rights are not exercisable until the distribution date, which will be the earlier of a public announcement that a person or group of affiliated or associated persons has acquired 15% or more of the outstanding common shares, or the announcement of an intention to make a tender or exchange offer resulting in the ownership of 15% or more of the outstanding common shares by a similarly constituted party. The dividend has the effect of giving the stockholder a 50% discount on the share's current market value for exercising such right. In the event of a cashless exercise of the Right, and the acquirer has acquired less than a 50% beneficial ownership of the Company, a stockholder may exchange one Right for one common share of the Company. The Final Expiration of the Plan is September 25, 2008.

Since the inception of the stock buy-back program in January 1998, the Board has subsequently increased the authorization on five occasions, for a total authorized buy-back of 5,000,000 shares or approximately 38% of the previous shares outstanding. Such shares are reflected as treasury stock and will be available for general corporate purposes. From the initiation of the plan until March 31, 2003, 4,159,191 shares have been repurchased at a cost of $24,042,801 or an average cost of $5.78 per share. No shares were repurchased during 2002 or 2003 to date.

As a result of the litigation relating to the case against Nutritional Foods Corporation, in March of 1998, a subsequent order of the Court of Common Pleas of Bucks County modified the decree of January 23, 1997 to provide for a return to treasury of 604,928 shares to the Company. As payment for legal services, 118,066 of these shares were reissued with a market value of approximately $1,145,358. This value, the cost of reacquiring these shares, then became the value of the net treasury stock ($2.35 per share) represented by 486,862 shares returned to treasury.

On April 9, 2002, The Quigley Corporation entered into an agreement with Forrester Financial LLC, ("Forrester") providing for Forrester to act as a financial consultant to the Company. The consulting agreement commenced as of March 7, 2002 for a term of twelve months, but may be terminated by the Company in its sole discretion at any time. As compensation for services to be provided by Forrester to the Company, the Company granted to Forrester, or its designees, warrants to purchase up to a total of 1,000,000 shares of the Company's common stock. The warrants have three exercise prices, 500,000 warrants exercisable at $6.50 per share, which were exercised in May 2002 resulting in cash to the Company in the amount of $3,250,000, 250,000 warrants exercisable at $8.50 per share, and 250,000 warrants exercisable at $11.50 per share. The warrants were initially exercisable until the earlier to occur of (i) March 6, 2003 or (ii) the termination of the Consulting Agreement.

Pursuant to an agreement dated February 2, 2003, the Company entered into an Amended and Restated Warrant Agreement (the "Amended Agreement") with Forrester Financial, LLC ("Forrester"). As a result of this Amended Agreement the Company recorded a further expense of $1,400,000 in the fourth quarter of 2002, amounting to a total expense of $2,100,000, classified as administrative expense in the Consolidated Statement of Operations, relating to this warrant agreement in 2002. Additionally, $1,673,000 is reflected in the Consolidated Balance Sheet at March 31, 2003 and December 31, 2002, which represents the value of the unexercised warrants.

On December 7, 2002, Forrester Financial LLC commenced an action by a Writ of Summons filed in the Court of Common Pleas of Bucks County, PA against The Quigley Corporation. No Complaint was filed detailing the claim of Forrester Financial LLC against The Quigley Corporation. This action was terminated with prejudice by Forrester Financial LLC as part of its agreement with The Quigley Corporation on February 2, 2003 whereby certain warrants that were scheduled to expire on March 7, 2003 were extended to March 7, 2004 (warrants to purchase 250,000 shares at $8.50; warrants to purchase 250,000 shares at $11.50) are no longer cancelable by the Company. As an additional part of this agreement, Forrester Financial LLC was granted warrants to purchase 250,000 shares at any time until March 7, 2004 at the price of $9.50 a share.

At March 31, 2003, there were 4,512,500 unexercised and vested option and warrants of the Company's stock available for exercise

NOTE 6 - INCOME TAXES

Certain exercises of options and warrants, and restricted stock issued for services that became unrestricted resulted in reductions to taxes currently payable and a corresponding increase to additional-paid-in-capital for prior years. Certain tax benefits for option and warrant exercises totaling $1,756,383 are deferred because of a net operating loss carry-forward for tax purposes ("NOLs") that occurred during the fourth quarter of 1999, resulting from a cumulative effect of deducting $42,800,364 attributed to options, warrants and unrestricted stock deductions from taxable income. The net operating loss carry-forwards arising from the option, warrant and stock activities approximate $15.2 million for federal purposes, of which $3.5 million will expire in 2019, $4.0 million in 2020, $7.7 million in 2022 and $15.2 million for state purposes, of which $9.7 million will expire in 2009, $3.0 million in 2010, and $2.5 million in 2012. Until sufficient taxable income to offset the temporary timing differences attributable to operations and the tax deductions attributable to option, warrant and stock activities are assured, a valuation allowance equaling the total deferred tax asset is being provided.

NOTE 7 - EARNINGS PER SHARE

Basic earnings per share ("EPS") excludes dilution and is computed by dividing income available to common stockholders by the weighted - average number of common shares outstanding for the period. Diluted EPS reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock that shared in the earnings of the entity. Diluted EPS also utilizes the treasury stock method which prescribes a theoretical buy back of shares from the theoretical proceeds of all options and warrants outstanding during the period. Since there is a large number of options and warrants outstanding, fluctuations in the actual market price can have a variety of results for each period presented.

A reconciliation of the applicable numerators and denominators of the income statement periods presented is as follows (millions, except earnings per share amounts):

	Three Months Ended March 31, 2003			Three Months Ended March 31, 2002		
	Loss	Shares	EPS	Loss	Shares	EPS
Basic EPS	($ 0.9)	11.5	($ 0.08)	($ 1.7)	10.7	($ 0.16)
Dilutives:						
Options/Warrants	--	--	--	--	--	
Diluted EPS	($ 0.9)	11.5	($ 0.08)	($ 1.7)	10.7	($ 0.16)

Options and warrants outstanding at March 31, 2003 and 2002 were 4,512,500 and 4,959,000, respectively, but were not included in the computation of diluted earnings per share because the effect was antidilutive.

NOTE 8 - RELATED PARTY TRANSACTIONS

In the ordinary course of business, the Company has sales brokerage and other arrangements with entities whose major stockholders are also stockholders of The Quigley Corporation, or are related to major stockholders of the Company. Commissions and other items paid or payable under such arrangements for the three months ended March 31, 2003 and 2002 amounted to zero and $33,230, respectively. Amounts payable under such agreements at March 31, 2003 and December 31, 2002 were approximately zero and $36,525, respectively.

An agreement between the Company and the founders Mr. Guy J. Quigley and Mr. Charles A. Phillips, both officers and stockholders of the Company, was entered into on June 1, 1995. The founders, in consideration of the acquisition of the Cold-Eeze(R) cold therapy product, are to share a total commission of five percent (5%), on sales collected, less certain deductions until the termination of this agreement on May 31, 2005. For the three months ended March 31, 2003 and 2002 amounts of $152,764 and $149,469, respectively, were paid or payable under such founder's commission agreements. Amounts payable under such agreements at March 31, 2003 and December 31, 2002 were $136,257 and $301,695 respectively.

The Company is in the process of acquiring licenses in certain countries through related party entities whose stockholders include Mr. Gary Quigley, a relative of the Company's Chief Executive Officer. Fees amounting to $92,250 and $68,250, respectively have been paid to a related entity during the three months periods ended March 31, 2003 and 2002, respectively, to assist with the regulatory aspects of obtaining such licenses.

NOTE 9 - COMMITMENTS AND CONTINGENCIES

Certain operating leases for office and warehouse space maintained by the Company resulted in rent expense for the three months ended March 31, 2003 and 2002 of $59,419 and $44,561, respectively. The future minimum lease obligations under these operating leases are approximately $451,119. The Company is a guarantor of a lease for a former subsidiary. The lease extends for a period of approximately three years, the maximum amount of future payments the Company could be required to make under the guarantee is $250,000.

The Company has committed to advertising costs approximating $72,000 relating to 2003. Additional advertising cost is expected to be incurred for the remainder of 2003.

During 1996, the Company entered into a licensing agreement resulting in the utilization of the zinc gluconate patent. In return for the acquisition of this license, the Company issued a total of 240,000 shares of common stock to the patent holder and attorneys during 1996 and 1997. The related intangible asset, approximating $490,000 was amortized over the remaining life of the patent that expired in March 2002. The Company was required to pay a 3% royalty on sales collected, less certain deductions, to the patent holder throughout the term of this agreement, which also expired in 2002.

The Company also maintains a separate representation and distribution agreement relating to the development of the zinc gluconate glycine product formulation. In return for exclusive distribution rights, the Company must pay the developer a 3% royalty and a 2% consulting fee based on sales collected, less certain deductions, throughout the term of this agreement, expiring in 2007. Additionally, a founder's commission totaling 5%, on sales collected, less certain deductions, is paid to two of the officers, who are also stockholders of the Company, and whose agreements expire in 2005.

The expenses for the respective periods relating to such agreements amounted to $305,531 and $303,971 for the three months ended March 31, 2003 and 2002, respectively. Amounts accrued for these expenses at March 31, 2003 and December 31, 2002 were $272,514 and $553,698, respectively.

The Company has an agreement with the former owners of the Utah based direct marketing and selling company, whereby they receive payments, currently totaling 5% of net sales collected, for use of product formulations, consulting, confidentiality and non-compete agreements. Amounts paid or payable under such agreement during 2003 and 2002 were $212,086 and $138,991, respectively. Amounts payable under such agreement at March 31, 2003 and December 31, 2002 were $74,961 and $63,866, respectively.

NOTE 10 - RECENT ACCOUNTING PRONOUNCEMENTS

SFAS No. 148, "ACCOUNTING FOR STOCK-BASED COMPENSATION - TRANSITION AND DISCLOSURE AN AMENDMENT OF FASB STATEMENT NO. 123" (SFAS 148)

In December 2002, the FASB issued SFAS 148 which amends SFAS 123 to provide alternative methods of transition for an entity that voluntarily changes to the fair value based method of accounting for stock-based employee compensation. It also amends the disclosure provisions of SFAS 123 to require prominent disclosure about the effects on reported net income of an entity's accounting policy decisions with respect to stock-based employee compensation. It also amends APB Opinion No. 28, "Interim Financial Reporting", to require disclosure about those effects in interim financial information. The Company has adopted the disclosure requirements of SFAS 148. The required disclosures are included in Note 2, Summary of Significant Accounting Policies, to the Consolidated Financial Statements.

FASB INTERPRETATION NO. 45, "GUARANTOR'S ACCOUNTING AND DISCLOSURE REQUIREMENTS FOR GUARANTEES, INCLUDING INDIRECT GUARANTEES OF INDEBTEDNESS OF OTHERS" (FIN 45)

In November 2002, the FASB issued FIN 45 which elaborates on the disclosures to be made by a guarantor about its obligations under certain guarantees that it has issued. It also clarifies that a guarantor is required to recognize, at the inception of a guarantee, a liability for the fair value of the obligation undertaken in issuing the guarantee. The disclosure requirements of FIN 45 are effective for financial statements for periods ending after December 15, 2002. The initial recognition and initial measurement provisions of FIN 45 are applicable on a prospective basis to guarantees issued or modified after December 31, 2002. The Company has adopted the disclosure requirements of FIN 45 for this Form 10-K issued for the fiscal year ended December 31, 2002 and has adopted the initial recognition and measurement provisions for any guarantees issued or modified starting January 1, 2003. The adoption of this statement did not have a material impact on the Company's consolidated financial position or

results of operations.

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

FORWARD-LOOKING STATEMENTS
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In addition to historical information, this Report contains forward-looking statements. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those reflected in these forward-looking statements. Factors that might cause such a difference include, but are not limited to, management of growth, competition, pricing pressures on the Company's product, industry growth and general economic conditions. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management's opinions only as of the date hereof. The Company undertakes no obligation to revise or publicly release the results of any revision to these forward-looking statements. Readers should carefully review the risk factors described in other documents the Company files from time to time with the Securities and Exchange Commission. No claims are being made for the potential medicine discussed in this filing to be safe, effective, or approved by the Federal Food and Drug Administration (FDA).

OVERVIEW
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The Quigley Corporation, (the "Company"), headquartered in Doylestown, Pennsylvania, is a leading marketer and distributor of a diversified range of health and homeopathic products and is also involved in the research and development of potential prescription products. The Company is organized into three business segments of Cold Remedy, Health and Wellness, and Ethical Pharmaceutical.

The Company's primary Cold Remedy product continues to be Cold-Eeze(R), which is marketed in lozenge, gum and sugar-free tablet form. Cold-Eeze(R) is the only zinc gluconate glycine product clinically proven in two double blind studies to reduce the severity and duration of common cold symptoms. The efficacy of the product was established following the publication of the second double blind study in July 1996. A 2002 study also found that the use of Cold-Eeze(R) to treat a cold statistically reduced the use of antibiotics for respiratory illnesses by 92% when Cold-Eeze(R) is administered as a first line treatment approach to the common cold. This study also reinforces the original clinical trials, concluding that Cold-Eeze(R) reduces the median duration of a cold by four days along with suggesting that Cold-Eeze(R) is an effective means of preventing the common cold.

Cold-Eeze(R) is distributed through numerous independent, chain drug and discount stores throughout the United States. Sales of this product increased for the three months ended March 31, 2003 reflecting the changes made in the marketing of Cold-Eeze(R) by the Company, such as renewed and strategic advertising in the first quarter of 2003 and prior strategies of servicing the customer have started to produce favorable results. Additionally, the weak economy continues to be an influence on the level of buying activity within the industry for both 2003 and 2002.

During 2003, Darius International Inc. ("Darius"), the Health and Wellness segment, continues to make a significant contribution to the consolidated sales of the Company demonstrating the success of the Company's diversification strategy initiated in 2000, which started to reflect significant increases during 2002. These increases are the result of additional independent sales representative, thereby expanding the base individuals using these products. The range of health and wellness products sold by Darius serves as a balance to the seasonal revenue cycles of Cold-Eeze(R), whereas Darius' historical sales usually would approximate equal distribution during the fiscal year, unless growth is occurring.

The establishment of a pharmaceutical subsidiary, Quigley Pharma Inc., ("Pharma"), Ethical Pharmaceutical, may enable the Company to diversify into the prescription drug market and to ensure safe and effective distribution of these important potential new products currently under development. During 2003 Pharma continued clinical trials and study activities in various areas of interest.

The Company continues to use the resources of independent national and international brokers complementing its own personnel to represent the Company's over-the-counter products, thereby saving capital and other ongoing expenditures that would otherwise be incurred.

Manufacturing for all the Company's products is accomplished by outside sources. The lozenge form is manufactured by a third party manufacturer whose majority of revenues are from the Company, with the gum and the sugar-free products being produced by different manufacturers.

During the first quarter of 2003, the Company continued the process of the registration of the Cold-Eeze(R) products in the United Kingdom as a pharmacy drug and incurred approximately $92,000 in related expenses.

Future revenues, costs, margins, and profits will continue to be influenced by the Company's ability to maintain its manufacturing availability and capacity together with its marketing and distribution capabilities and requirements associated with the development of Pharma's potential prescription drugs in order to continue to compete on a national and international level.

During 2000, the Company acquired a 60% ownership position in CPNP. In December 2002, the Board of Directors of the Company approved a plan to sell CPNP. On January 22, 2003, the Company completed the sale of the Company's 60% equity interest in CPNP to Suncoast. Results of CPNP prior to January 22, 2003 are presented as discontinued operations in the Consolidated Statements of Operations and in the Consolidated Balance Sheets.

EFFECT OF RECENT ACCOUNTING PRONOUNCEMENTS
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SFAS No. 148, "Accounting for Stock-Based Compensation - Transition and Disclosure an amendment of FASB Statement No. 123" (SFAS 148)

In December 2002, the FASB issued SFAS 148 which amends SFAS 123 to provide alternative methods of transition for an entity that voluntarily changes to the fair value based method of accounting for stock-based employee compensation. It also amends the disclosure provisions of SFAS 123 to require prominent disclosure about the effects on reported net income of an entity's accounting policy decisions with respect to stock-based employee compensation. It also amends APB Opinion No. 28, "Interim Financial Reporting", to require disclosure about those effects in interim financial information. The Company has adopted the disclosure requirements of SFAS 148. The required disclosures are included in Note 2, Summary of Significant Accounting Policies, to the Consolidated Financial Statements.

FASB Interpretation No. 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others" (FIN 45)

In November 2002, the FASB issued FIN 45 which elaborates on the disclosures to be made by a guarantor about its obligations under certain guarantees that it has issued. It also clarifies that a guarantor is required to recognize, at the inception of a guarantee, a liability for the fair value of the obligation undertaken in issuing the guarantee. The disclosure requirements of FIN 45 are effective for financial statements for periods ending after December 15, 2002. The initial recognition and initial measurement provisions of FIN 45 are applicable on a prospective basis to guarantees issued or modified after December 31, 2002. The Company has adopted the disclosure requirements of FIN 45 for this Form 10-K issued for the fiscal year ended December 31, 2002 and has adopted the initial recognition and measurement provisions for any guarantees issued or modified starting January 1, 2003. The adoption of this statement did not have a material impact on the Company's consolidated financial position or results of operations.

CRITICAL ACCOUNTING POLICIES

As previously described, the Company is engaged in the development, manufacturing, and marketing of health and homeopathic products that are being offered to the general public and is also involved in the research and development of potential prescription products. Due to the nature of the business, it is unlikely that any accounting policies, that are subject to estimations, could have a material effect on the Company's results of operations. Certain key accounting policies that may affect the results of the Company are the timing of revenue recognition and sales incentives (including coupons, rebates and discounts); the classification of advertising expenses; and the fact that all research and development costs are expensed as incurred. Notes to Financial Statements, Note 1 Organization and Business describes the Company's other significant accounting policies.

REVENUE RECOGNITION

Sales are recognized at the time ownership and risk of loss is transferred to the customer, which is primarily the time the shipment is received by the customer. Sales returns and allowances are provided for in the period that the related sales are recorded. Provisions for these reserves are based on historical experience.

ADVERTISING

Advertising costs are expensed within the period to which they relate. Advertising expense is made up of media advertising, presented as part of sales and marketing expense; co-operative advertising, which is accounted for as a deduction from sales; and free product, which is accounted for as part of cost of sales. The level of advertising expense to be incurred is determined each period to coincide with management's sales and marketing strategies. Advertising costs incurred for the periods ended March 31, 2003 and 2002 were $1,116,019 and $742,820, respectively. The increased expenditure in 2003 to date is due to the additional costs of employing current strategies of outside advertising compared to that of 2002. Included in prepaid expenses and other current assets was $215,000 and $236,875 at March 31, 2003 and December 31, 2002, respectively, relating to prepaid advertising and promotion expenses.

RESEARCH AND DEVELOPMENT

Research and development costs are charged to operations in the year incurred. Expenditures for the periods ended March 31, 2003 and 2002 were $646,969 and $610,883, respectively. Principally, research and development is part of the product research costs related to Pharma and study costs associated with Cold-Eeze(R). Pharma is currently involved in research activity that is expected to increase significantly over time as product research and testing progresses. The Company is at the initial stages of what may be a lengthy process to develop potential commercial prescription products.

RESULTS OF OPERATIONS
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THREE MONTHS ENDED MARCH 31, 2003 COMPARED WITH SAME PERIOD 2002
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Revenues for 2003 were $8,191,092 compared to $5,133,398 for 2002, reflecting an increase of 60% in 2003. Revenues in 2003 comprised $3,258,267 relating to cold remedy and $4,932,825 from health and wellness, compared to 2002 revenues of $2,778,790 and $2,354,608, by respective segment. The 2002 cold remedy revenues included an amount of $148,866 as a result of the settlement of the infringement suit against Gel Tech, LLC, the developer of Zicam(TM), and Gum Tech International, Inc., its distributor as compared to zero in 2003. Cold remedy and health and wellness revenues increased in 2003 with cold remedy sales increased by $760,766 due to increased advertising, point of purchase and media, offset by the compression of the cold remedy category in general despite the increase in the incidences of the common cold. In addition, the weak economic conditions resulted in lower carrying amounts of inventory by customers and reduced order size and frequency. The health and wellness segment reported significantly increased revenues in 2003 primarily due to strong marketing and promotion programs commenced in 2002. The market activity for Cold-Eeze(R) is subject to seasonal variations consistent with the nature of the product whereas the revenues associated with the health and wellness segment are not subject to such seasonal factors.

Cost of sales for 2003 as a percentage of sales was 52.4%, compared to 51.3% for 2002. The 2003 increase is primarily due to the effects of the significantly increased revenues from the health and wellness segment whose cost of sales as a percentage of sales is notably higher when compared to that of Cold-Eeze(R), cold remedy segment.

Selling, general and administrative expenses for 2003 were $3,969,250 compared to $3,601,276 in 2002. The increase in 2003 was primarily due to increased advertising of $267,284 necessary to support the Cold-Eeze(R) product, decreased stock promotion costs in 2003 due to a $700,000 non-cash charge in 2002 resulting from the granting of warrants in consideration for consulting services, and increased expenses in 2003 related to increased sales activity of the health and wellness segment.

Research and Development costs in 2003 and 2002 were $646,969 and $610,883, respectively. Principally, research and development expenses are associated with the ongoing research and clinical activity of Pharma in the amount of $386,764 in the first quarter of 2003.

During 2003, the Company's major operating expenses of salaries, brokerage commissions, promotion, advertising, and legal costs accounted for approximately $2,890,087 (62.6%) of the total operating expenses of $4,616,219, an increase of 6.8% over the 2002 amount of $2,707,123 (64.3%) of total operating expenses of $4,212,159. The selling, general and administrative expenses related to health and wellness for 2003 and 2002 were $985,498 and $585,490, respectively, reflecting increased expenditure in 2003 necessary to support the significant

revenue growth of this segment.

Revenues of CPNP (discontinued operations) for the periods ended March 31, 2003 and 2002 were $59,824, and $524,874, respectively, net (losses)/income for the same periods were ($54,349) and $34,991. The results of CPNP are represented as discontinued operations in the Statements of Operations and Balance Sheets.

Total assets of the Company at March 31, 2003 and December 31, 2002 were $22,729,576 and $24,934,956, respectively. Working capital decreased by $890,277 to $15,073,672 at March 31, 2003. The primary influences on working capital during the first quarter of 2003 were: the increase in cash balances, which was assisted by effective account collections and reductions in inventory on hand; decreased advertising and royalties and commissions accruals due to the slow down in sales activity as a result of the conclusion of the cold season.

LIQUIDITY AND CAPITAL RESOURCES
- ------------------------------

The Company had working capital of $15,073,672 and $15,963,949 at March 31, 2003 and December 31,2002, respectively. Changes in working capital overall have been primarily due to the following items: cash balances have increased by $417,954 due partly to an effective accounts receivable collections process, inventory has decreased by $117,844 due to the management of inventory levels; accrued advertising has decreased by $765,995 as a result of the approaching slow-down in the cold season activity and related media advertising, royalties and sales commissions liabilities have reduced again related to the conclusion of the peak of the cold-season. Total cash balances at March 31, 2003 were $13,315,034 compared to $12,897,080 at December 31, 2002.

Management believes that its revised strategy to establish Cold-Eeze(R) as a recognized brand name, its broader range of products, its diversified distribution methods as it relates to the health and wellness business segment, adequate manufacturing capacity, growth in international sales together with its current working capital should provide an internal source of capital to fund the Company's business operations. In addition to anticipated funding from operations, the Company and its subsidiaries may in the short and long term raise capital through the issuance of equity securities to finance anticipated growth.

Management is not aware of any trends, events or uncertainties that have or are reasonably likely to have a material negative impact upon the Company's (a) short-term or long-term liquidity, or (b) net sales, revenues or income from operations. Any challenge to the Company's patent rights could have a material adverse effect on future liquidity of the Company; however, the Company is not aware of any condition that would make such an event probable.

Management believes that cash generated from operations along with its current cash balances will be sufficient to finance working capital and capital expenditure requirements for at least the next twelve months.

CAPITAL EXPENDITURES
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Since the Company's products are manufactured by outside sources, capital expenditures during the remainder of 2003 are not anticipated to be material.

IMPACT OF INFLATION
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The Company is subject to normal inflationary trends and anticipates that any increased costs should be passed on to its customers.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not Applicable

ITEM 4. CONTROLS AND PROCEDURES

Based on their evaluation, as of a date within 90 days of the filing of this Form 10-Q, the Company's Chief Executive Officer and Chief Financial Officer have concluded the Company's disclosure controls and procedures (as defined in Rules 13a-14 and 15d-14 under the Securities Exchange Act of 1934) are effective. There have been no significant changes in internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

TERMINATED PROCEEDINGS

FORRESTER FINANCIAL LLC

On December 7, 2002, Forrester Financial LLC commenced an action by a Writ of Summons filed in the Court of Common Pleas of Bucks County, PA against The Quigley Corporation. No Complaint was filed detailing the claim of Forrester Financial LLC against The Quigley Corporation. This action was terminated with prejudice by Forrester Financial LLC as part of its agreement with The Quigley Corporation on February 2, 2003 whereby certain warrants were scheduled to expire on March 7, 2003 were extended to March 7, 2004 (warrants to purchase 250,000 shares at $8.50; warrants to purchase 250,000 shares at $11.50). As an additional part of this agreement, Forrester Financial LLC was granted warrants to purchase 250,000 shares at any time until March 7, 2004 at the price of $9.50 a share.

HERBERT KRACKOW

On or about December 16, 2002, Herbert Krackow commenced an action in the First Circuit Court of the Ninth Judicial Circuit in and for Orange County, Florida against The Quigley Corporation, Caribbean Pacific International, and Caribbean Pacific Natural Products, Inc. asking that the Asset Sale Agreement between The Quigley Corporation and Caribbean Pacific International be set aside and that the plaintiff be made whole on an alleged Consulting Agreement for a four-year period ending on June 30, 2001. This action has been discontinued by the plaintiff with prejudice and the plaintiff has waived his right for any past or future claim against the Corporation in a Release executed by him in favor of The Quigley Corporation and Caribbean Pacific Natural Products. The Quigley Corporation entered into the Joint Mutual Release with the plaintiff without payment of any funds under the Uniform Consideration Act.

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

None

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

(1)	99.1	Certification by the Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(2)	99.2	Certification by the Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

(b) The Company reported under:

Item 2. Acquisition or Disposition of Assets

On January 22, 2003, the Board of Directors (the "Board") of The Quigley Corporation (the "Corporation") approved the sale of the Corporation's 60% equity interest in Caribbean Pacific Natural Products, Inc. ("CPNP") to Suncoast Naturals, Inc. ("Suncoast").

ITEM 5. OTHER EVENTS

On January 22, 2003, the Board appointed Stephen W. Wouch to fill a vacancy on the Board. Mr. Wouch is a certified public accountant with 19 years of public accounting experience as a partner and is the Managing Partner of Wouch, Maloney & Co., LLP, Certified Public Accountants.

Pursuant to an agreement dated February 2, 2003, The Quigley Corporation (the "Company") entered into an Amended and Restated Warrant Agreement (the "Amended Agreement") with Forrester Financial, LLC ("Forrester"). The Amended Agreement extended by one year, until March 7, 2004, the exercise period with respect to (a) warrants to purchase 250,000 shares of common stock at $8.50 per share and (b) warrants to purchase 250,000 shares of common stock at $11.50 per share. The Amended Agreement also granted to Forrester additional warrants to purchase, at any time prior to March 7, 2004, an additional 250,000 shares of common stock at $9.50 per share.

There were no other Current Reports on Form 8-K filed during the quarter ended March 31, 2003.

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.

THE QUIGLEY CORPORATION

By: /s/ George J. Longo

George J. Longo
Vice President, Chief Financial Officer

Date: May 14, 2003

THE QUIGLEY CORPORATION
a Nevada corporation
CERTIFICATION OF CHIEF EXECUTIVE OFFICER

Section 302 Certification

I, Guy J. Quigley, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Quigley Corporation, a Nevada corporation (the "registrant");

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 in order to make the statements made, in light of the circumstances 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 officers 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 in which 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 officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect 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: May 14, 2003

By: /s/ Guy J. Quigley

Guy J. Quigley
Chief Executive Officer

THE QUIGLEY CORPORATION
a Nevada corporation
CERTIFICATION OF CHIEF FINANCIAL OFFICER

Section 302 Certification

I, George J. Longo, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Quigley Corporation, a Nevada corporation (the "registrant");

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 in order to make the statements made, in light of the circumstances 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 officers 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 in which 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 officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect 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: May 14, 2003

By: /s/ George J. Longo

George J. Longo
Chief Financial Officer

Exhibit 99.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C.ss.1350)

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. ss.1350), the undersigned, Guy J. Quigley, the Chief Executive Officer of The Quigley Corporation, a Nevada corporation (the "Company"), does hereby certify, to his knowledge, that:

The Quarterly Report on Form 10-Q for the quarter ended March 31, 2003 of the Company (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 results of operations of the Company.

/s/ Guy J. Quigley

Guy J. Quigley
Chief Executive Officer
May 14, 2003

Exhibit 99.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C.ss.1350)

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. ss.1350), the undersigned, George J. Longo, the Chief Financial Officer of The Quigley Corporation, a Nevada corporation (the "Company"), does hereby certify, to his knowledge, that:

The Quarterly Report on Form 10-Q for the quarter ended March 31, 2003 of the Company (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 results of operations of the Company.

/s/ George J. Longo

George J. Longo
Chief Financial Officer
May 14, 2003