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**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM 8-K**

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

**Date of Report (Date of earliest event reported): January 26, 2005**

**SurModics, Inc.**

(Exact name of Registrant as Specified in its Charter)

Minnesota

(State or Other Jurisdiction of Incorporation)

0-23837

(Commission File Number)

41-1356149

(IRS Employer  
Identification No.)

9924 West 74th Street  
Eden Prairie, Minnesota 55344

(Address of Principal Executive Offices and Zip Code)

(952) 829-2700

(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 January 26, 2005, SurModics, Inc. issued a press release announcing the results for the quarter ended December 31, 2004. The full text of the press release is set forth in Exhibit 99.1 attached hereto and is incorporated in this Current Report as if fully set forth herein.

**Item 9.01 Financial Statements and Exhibits.**

(a) Financial Statements: None.

(b) Pro forma financial information: None

(c) Exhibits:

99.1 Press Release dated January 26, 2005.

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 hereunto duly authorized.

SURMODICS, INC.

By /s/ Philip D. Ankeny

Name: Philip D. Ankeny

Title: Chief Financial Officer

Date: January 26, 2005

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**SECURITIES AND EXCHANGE COMMISSION**

**Washington, DC 20549**

**EXHIBIT INDEX**

**to**

**FORM 8-K**

**SURMODICS, INC.**

Date of Report:  
**January 26, 2005**

Commission File No.:  
**0-23837**

<u>Exhibit No.</u>	<u>ITEM</u>
99.1	Press Release dated January 26, 2005.

## SurModics Reports First Quarter Results

### Record Revenue and Earnings

EDEN PRAIRIE, Minnesota — January 26, 2005 — SurModics, Inc. (Nasdaq: SRDX), a leading provider of surface modification and drug delivery technologies to the medical device industry, today reported financial results for the first quarter ended December 31, 2004.

#### First Quarter Highlights:

- Record Revenue of \$14.1 million
- R&D Revenue Growth for Fourth Consecutive Quarter
- Operating Income of \$8.6 million; Operating Margin of 61%
- Record Net Income of \$5.7 million
- Record Diluted EPS of \$.32

“SurModics is pleased to report record revenue and earnings for the first quarter,” said Dale Olseth, Chairman and CEO. “Particularly gratifying is the broad-based contribution to this growth coming from a number of our customers.”

Revenue for the first quarter of fiscal 2005 was a record \$14.1 million, an increase of 16% from \$12.1 million in fiscal 2004. Operating income grew 37% to a record \$8.6 million, from \$6.3 million in the prior-year period. Net income increased 38% to a record \$5.7 million, from \$4.1 million in the same period last year. Diluted earnings per share was a record \$.32, compared with \$.23 in fiscal 2004.

“We continue to execute on our revenue growth plan and are encouraged by the level of customer interest in SurModics’ growing portfolio of surface modification and drug delivery technologies,” said Bruce Barclay, President and COO. “We believe the continued growth in research and development revenue this quarter — the fourth consecutive quarter of sequential growth — speaks to the relevance of our technologies for our customers.”

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“We are also pleased with the growth Cordis has achieved with its CYPHER stent,” Barclay continued. “Their reported sales of CYPHER of \$561 million for the December quarter reflects a 28% growth sequentially from the September quarter. We are particularly delighted with their results in Japan, where we expect Cordis to have the only drug eluting stent available until the second half of 2006.”

SurModics’ pipeline continues to expand. The Company signed four new licenses in the first quarter, making good progress toward our goal of 12 new licenses for fiscal 2005. At December 31, SurModics’ customers had 80 coated products generating royalty revenue, compared with 70 in the prior-year period; the total number of licensed products not yet launched was 63, unchanged from a year ago; and major non-licensed opportunities increased to 68, from 33 a year ago. In total, the Company now has 131 potential commercial products in development with opportunities in each of the company’s four focus markets - ophthalmology, cardiovascular, neurology and orthopedics.

“We are in excellent financial condition,” said Phil Ankeny, CFO and Vice President of Business Development. “Our balance sheet remains strong, with a cash and investment balance of \$61.8 million and no debt as of December 31. We are pleased with our continued progress putting the balance sheet to work. The two transactions we announced last week — our investment in OctoPlus and our acquisition of InnoRx — position us well strategically.”

**Live Webcast**

SurModics will host a Webcast at 5:00 p.m. ET (4:00 p.m. CT) today to discuss the quarterly results. To access the Webcast, go to the investor relations portion of the company’s web site, [www.surmodics.com](http://www.surmodics.com), and click on the first quarter webcast icon. If you do not have access to the Internet and want to listen to the audio, dial 800-366-7449. A replay of the first quarter conference call, will be available by dialing 800-405-2236 and entering conference call ID 11022149. The audio replay will be available beginning at 6:00 p.m. CT on Wednesday, January 26, until 5:00 p.m. CT on Wednesday, February 2.

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**About SurModics, Inc.**

SurModics, Inc., a leading provider of surface modification and drug delivery solutions, licenses its proprietary technologies to medical device, diagnostics, and biotechnology companies around the world. A significant portion of SurModics' revenue is generated through royalties on the sale of coated products. SurModics' Internet address is [www.surmodics.com](http://www.surmodics.com).

**Safe Harbor for Forward Looking Statements**

Certain statements contained in this press release may be deemed to be forward-looking statements under federal securities laws, and SurModics intends that such forward looking statements be subject to the safe harbor created thereby. SurModics does not undertake an obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

**Contact**

Phil Ankeny, Chief Financial Officer and Vice President, Business Development (952) 829-2700

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**SurModics, Inc.**  
**Statements of Income**  
**(In thousands, except per share data)**

	Three Months Ended December 31,	
	2004	2003
	(Unaudited)	
<b>Revenue:</b>		
Royalties and license fees	\$ 10,091	\$ 8,629
Product sales	2,000	2,600
Research & development	1,978	858
<b>Total revenue</b>	<b>14,069</b>	<b>12,087</b>
<b>Operating expenses:</b>		
Product	620	736
Research & development	3,355	3,271
Sales & marketing	262	418
General & administrative	1,194	1,375
<b>Total operating expenses</b>	<b>5,431</b>	<b>5,800</b>
Income from operations	8,638	6,287
Investment income	417	295
Income before income taxes	9,055	6,582
Income tax provision	(3,373)	(2,471)
Net income	\$ 5,682	\$ 4,111
Basic net income per share	\$ 0.32	\$ 0.24
Diluted net income per share	\$ 0.32	\$ 0.23
<b>Weighted average shares outstanding</b>		
Basic	17,574	17,454
Diluted	17,950	17,766

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**SurModics, Inc.**  
**Condensed Balance Sheets**  
(In thousands)

	<u>December 31,</u> 2004 (Unaudited)	<u>September 30,</u> 2004
<b>Assets</b>		
<b>Current assets:</b>		
Cash & investments	\$ 13,484	\$ 19,215
Accounts receivable	9,497	8,130
Inventories	1,105	1,040
Other current assets	1,184	1,184
<b>Total current assets</b>	<b>25,270</b>	<b>29,569</b>
Property & equipment, net	15,299	15,738
Long-term investments	48,349	44,088
Other assets	21,781	20,386
<b>Total assets</b>	<b>\$ 110,699</b>	<b>\$ 109,781</b>
<b>Liabilities &amp; Stockholders' Equity</b>		
Total current liabilities	\$ 6,764	\$ 11,789
Other liabilities	3,573	3,488
<b>Total stockholders' equity</b>	<b>100,362</b>	<b>94,504</b>
<b>Total liabilities &amp; stockholders' equity</b>	<b>\$ 110,699</b>	<b>\$ 109,781</b>

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