

SURMODICS INC  
Form 10-Q  
May 04, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2018

or

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

Commission File Number: 0-23837

Surmodics, Inc.

(Exact name of registrant as specified in its charter)

MINNESOTA 41-1356149  
(State of incorporation) (I.R.S. Employer

Identification No.)

9924 West 74th Street

Eden Prairie, Minnesota 55344

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (952) 500-7000

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Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	Accelerated filer
Non-accelerated filer	(Do not check if a smaller reporting company)
	Smaller reporting company
	Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of shares of the registrant’s Common Stock, \$.05 par value per share, outstanding as of May 2, 2018 was 13,257,956.

TABLE OF CONTENTS

PART I. FINANCIAL INFORMATION

Item 1. <u>Unaudited Condensed Financial Statements</u>	3
Item 2. <u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	21
Item 3. <u>Quantitative and Qualitative Disclosures About Market Risk</u>	30
Item 4. <u>Controls and Procedures</u>	30

PART II. OTHER INFORMATION

Item 1. <u>Legal Proceedings</u>	31
Item 1A. <u>Risk Factors</u>	31
Item 2. <u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	31
Item 3. <u>Defaults Upon Senior Securities</u>	31
Item 4. <u>Mine Safety Disclosures</u>	31
Item 5. <u>Other Information</u>	31
Item 6. <u>Exhibits</u>	32

SIGNATURES 33

## PART I. FINANCIAL INFORMATION

## Item 1. Unaudited Condensed Financial Statements

## Surmodics, Inc. and Subsidiaries

## Condensed Consolidated Balance Sheets

	March 31, 2018	September 30, 2017
(in thousands, except share and per share data)		
	(Unaudited)	
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$27,712	\$ 16,534
Restricted cash	350	—
Available-for-sale securities	38,330	31,802
Accounts receivable, net of allowance for doubtful accounts of \$160 and \$230		
as of March 31, 2018 and September 30, 2017, respectively	7,216	7,211
Inventories, net	4,046	3,516
Income tax receivable	1,345	599
Prepays and other	2,342	1,221
Total Current Assets	81,341	60,883
Available-for-sale securities	3,953	—
Deferred tax assets	3,326	4,027
Property and equipment, net	25,844	22,942
Intangible assets, net	19,725	20,562
Goodwill	27,933	27,282
Other assets	1,197	897
Total Assets	\$163,319	\$ 136,593
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current Liabilities:		
Accounts payable	\$2,012	\$ 2,396
Accrued liabilities:		
Compensation	3,859	3,822
Accrued other	4,022	1,773
Deferred revenue	12,097	62
Contingent consideration		