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

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**FORM 8-K**

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**CURRENT REPORT**

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

**Date of Report: August 7, 2012  
(Date of earliest event reported)**

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**ENTEROMEDICS INC.**

**(Exact name of registrant as specified in its charter)**

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**Commission File Number: 1-33818**

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

**48-1293684**  
**(IRS Employer  
Identification No.)**

**2800 Patton Road, St. Paul, Minnesota 55113**  
**(Address of principal executive offices, including zip code)**

**(651) 634-3003**  
**(Registrant's telephone number, including area code)**

**Not Applicable**  
**(Former name or former address, if changed since last report)**

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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 August 7, 2012, EnteroMedics Inc. (the "Company") issued a press release announcing its financial results for the three months and six months ended June 30, 2012. The Company also announced that it will be hosting a conference call to discuss corporate updates and its financial results for the three months and six months ended June 30, 2012 at 11:00 a.m. Eastern Time on August 7, 2012. The information needed to access the conference call is provided in the press release. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

The information furnished herewith pursuant to Item 2.02 of this Current Report and in Exhibit 99.1 hereto is being "furnished" in accordance with General Instruction B.2 of Form 8-K and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed to be incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated August 7, 2012.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ENTEROMEDICS INC.

By: /s/ Greg S. Lea

Greg S. Lea

Senior Vice President and Chief Financial Officer

Date: August 7, 2012

**EXHIBIT INDEX**

**Exhibit  
Number**

**Description**

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99.1

Press Release dated August 7, 2012.



Contact:  
EnteroMedics Inc.  
Greg S. Lea  
(651) 789-2860  
ir@enteromedics.com

**EnteroMedics Reports Second Quarter 2012 Financial Results**  
***Company to Host Conference Call Today, August 7, 2012, at 11:00 AM ET***

**ST. PAUL, Minnesota, August 7, 2012** – EnteroMedics Inc. (NASDAQ: ETRM), the developer of medical devices using neuroblocking technology to treat obesity, metabolic diseases and other gastrointestinal disorders, today announced financial results for the three and six months ended June 30, 2012.

For the three months ended June 30, 2012, the Company reported a net loss of \$4.9 million, or \$0.13 per share, including research and development expenses of \$2.2 million and general and administrative expenses of \$2.5 million. For the six months ended June 30, 2012, the Company reported a net loss of \$10.6 million, or \$0.28 per share. Operating expenses were primarily associated with the cost of supporting the Company's multiple ongoing clinical trials, including the ReCharge Study, international commercialization efforts, and the continued development of VBLOC® vagal blocking therapy delivered through the Company's Maestro® Rechargeable System. On June 30, 2012, the Company's cash, cash equivalents, restricted cash and short-term investments totaled \$27.8 million.

"Taking the initial tranche of \$10.0 million from the \$20.0 million growth capital loan combined with the \$5.0 million equity offering and the \$3.6 million added to the balance sheet from warrant exercises through mid-July of this year significantly strengthens our long range capital plan," said Greg S. Lea, Senior Vice President and Chief Financial Officer. "Our cash and investments of \$27.8 million at the end of June puts us in a comfortable position to reach beyond key clinical and regulatory milestones for the US market, including a Premarket Approval application with the Food and Drug Administration, which we anticipate submitting in the first half of 2013 with the data from the ReCharge Study pivotal trial."

## **Conference Call Details**

The conference call may be accessed by dialing (877) 280-7473 (U.S. and Canada) or (707) 287-9370 (international), and entering passcode 11943595. A replay of the call will be available from August 7, 2012 at 2:00 PM Eastern Time through December 7, 2012 at 11:59 PM Eastern Time by dialing (855) 859-2056 (U.S. and Canada) or (404) 537-3406 (international) and entering passcode 11943595.

To access the live webcast, visit the events page of the investor relations section of EnteroMedics' website at [www.enteromedics.com](http://www.enteromedics.com). A replay of the webcast will be available immediately after the conference call.

## **About Maestro® Rechargeable (RC) System**

The Maestro RC System delivers VBLOC® vagal blocking therapy via two small electrodes that are laparoscopically implanted and placed in contact with the trunks of the vagus nerve just above the junction between the esophagus and the stomach. The Maestro RC System is powered by an internal, rechargeable battery. The battery is recharged via an external mobile charger and transmit coil that the patient uses for a short time each week. The Maestro RC System has received CE Mark and has been listed on the Australian Register of Therapeutic Goods.

## **About VBLOC® Therapy**

EnteroMedics developed VBLOC® vagal blocking therapy to offer bariatric surgeons and their patients a less invasive alternative to existing surgical weight loss procedures that may present significant risks and alter digestive system anatomy, lifestyle and food choices. VBLOC® Therapy is delivered via the Maestro® System through laparoscopically implanted leads to intermittently block the vagus nerves using high-frequency, low-energy electrical impulses. VBLOC® Therapy is designed to target the multiple digestive functions under control of the vagus nerves and to affect the perception of hunger and fullness.

## **About EnteroMedics Inc.**

EnteroMedics is a medical device company focused on the development and commercialization of its neuroscience based technology to treat obesity and metabolic diseases. EnteroMedics' proprietary technology, VBLOC® vagal blocking therapy, delivered by a pacemaker-like device called the Maestro® Rechargeable System, is designed to intermittently block the vagus nerves using high-frequency, low-energy, electrical impulses. VBLOC allows people with obesity to take a positive path towards weight loss, addressing the lifelong challenge of obesity and its comorbidities without sacrificing wellbeing or comfort. EnteroMedics has received CE Mark and is listed on the Australian Register of Therapeutic Goods.

## **Forward-Looking Safe Harbor Statement:**

This press release contains forward-looking statements about EnteroMedics Inc. Our actual results could differ materially from those discussed due to known and unknown risks, uncertainties and other factors including our limited history of operations; our losses since inception and for the foreseeable future; our lack of commercial regulatory approval for our Maestro® System for the treatment of

obesity in the United States or in any foreign market other than Australia and the European Community; our preliminary findings from our EMPOWER™ pivotal trial; our ability to comply with the Nasdaq continued listing requirements; our ability to commercialize our Maestro System; our dependence on third parties to initiate and perform our clinical trials; the need to obtain regulatory approval for any modifications to our Maestro System; physician adoption of our Maestro System and VBLOC® vagal blocking therapy; our ability to obtain third party coding, coverage or payment levels; ongoing regulatory compliance; our dependence on third party manufacturers and suppliers; the successful development of our sales and marketing capabilities; our ability to raise additional capital when needed; international commercialization and operation; our ability to attract and retain management and other personnel and to manage our growth effectively; potential product liability claims; potential healthcare fraud and abuse claims; healthcare legislative reform; and our ability to obtain and maintain intellectual property protection for our technology and products. These and additional risks and uncertainties are described more fully in the Company's filings with the Securities and Exchange Commission, particularly those factors identified as "risk factors" in the annual report on Form 10-K filed March 15, 2012. We are providing this information as of the date of this press release and do not undertake any obligation to update any forward-looking statements contained in this document as a result of new information, future events or otherwise.

Caution—Investigational device. Limited by Federal (United States) law to investigational use.

The implantation procedure and usage of the Maestro® System carry some risks, such as the risks generally associated with laparoscopic procedures and those related to treatment as described in the ReCharge clinical trial informed consent.

(See attached tables)

**ENTEROMEDICS INC.**  
(A Development Stage Company)

Condensed Consolidated Statements of Operations (unaudited)  
(in thousands, except per share data)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2012	2011	2012	2011
Sales	\$ 188	\$ —	\$ 312	\$ —
Cost of goods sold	146	—	232	—
Gross profit	42	—	80	—
Operating expenses:				
Research and development	2,230	3,315	4,940	6,104
Selling, general and administrative	2,542	2,066	5,356	4,134
Total operating expenses	4,772	5,381	10,296	10,238
Operating loss	(4,730)	(5,381)	(10,216)	(10,238)
Other income (expense), net	(224)	(176)	(371)	(405)
Net loss	\$ (4,954)	\$ (5,557)	\$ (10,587)	\$ (10,643)
Net loss per share—basic and diluted	\$ (0.13)	\$ (0.20)	\$ (0.28)	\$ (0.38)
Shares used to compute basic and diluted net loss per share	38,668	27,893	37,712	27,893



**ENTEROMEDICS INC.**  
(A Development Stage Company)  
Condensed Consolidated Balance Sheets (unaudited)  
(in thousands)

	June 30, 2012	December 31, 2011
<b>ASSETS</b>		
Cash, cash equivalents and short-term investments	\$27,552	\$ 29,493
Restricted cash	200	200
Inventory	1,088	1,069
Prepaid expenses and other current assets	652	805
Property and equipment, net	650	630
Other assets	382	289
Total assets	<u>\$30,524</u>	<u>\$ 32,486</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Liabilities:		
Accounts payable	\$ 99	\$ 434
Debt	9,584	5,188
Other liabilities	3,649	6,823
Total liabilities	13,332	12,445
Stockholders' equity	<u>17,192</u>	<u>20,041</u>
Total liabilities and stockholders' equity	<u>\$30,524</u>	<u>\$ 32,486</u>

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