

MICRUS ENDOVASCULAR CORP

Form 8-K

July 13, 2006

**UNITED STATES  
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): July 12, 2006**

**Micrus Endovascular Corporation**  
(Exact name of registrant as specified in its charter)  
**000-51323**  
(Commission File Number)

**Delaware**  
(State or Other Jurisdiction of  
Incorporation)

**23-2853441**  
(I.R.S. Employer Identification No.)

**821 Fox Lane**  
**San Jose, California 95131**  
(Address of principal executive offices, including zip code)  
**(408) 433-1400**  
(Registrant's telephone number, including area code)

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 8.01. Other Events.**

On July 12, 2006, Micrus Endovascular Corporation ( Micrus ) reported the following:

**Withdrawal of certain selling stockholders from underwritten public offering of Micrus Endovascular Corporation common stock**

On June 29, 2006, Micrus Endovascular Corporation ( Micrus ) filed Amendment No. 1 to its Registration Statement on Form S-3 with respect to a proposed underwritten offering of up to 3,451,274 shares of its common stock, par value \$0.01 per share (the Registration Statement ). As described in the Registration Statement, 3,001,108 of the shares were to be offered by selling stockholders and the underwriters had an over-allotment option to purchase up to 450,166 shares of common stock from Micrus.

Certain selling stockholders have determined not to participate in the offering. As a result of the withdrawal of these selling stockholders from the offering, the number of shares to be offered by the selling stockholders in the offering has been reduced by 1,317,004 shares, from an aggregate of 3,001,108 shares to an aggregate of 1,684,104 shares. In addition, the over-allotment option granted by Micrus to the underwriters has also been reduced by 197,551 shares, from 450,166 shares to 252,615 shares.

**Certain changes to Principal and Selling Stockholders**

As a result of the withdrawal of certain selling stockholders from the offering, the number of shares of common stock offered by the selling stockholders in the offering previously identified in the prospectus under the heading Principal and Selling Stockholders has changed. The amended table appears below. Investors are urged to read all of the information contained in the Registration Statement and the other documents that Micrus has filed with the SEC for more complete information about Micrus and the public offering.

**PRINCIPAL AND SELLING STOCKHOLDERS**

The following table sets forth information regarding beneficial ownership of our common stock as of June 1, 2006 (except as noted), and as adjusted to reflect the sale of shares of our common stock offered by this prospectus, by:

each of our directors and named executive officers;

all of our directors and executive officers as a group; and

each person or group of affiliated persons known by us to be the beneficial owner of more than 5% of our common stock.

Beneficial ownership and percentage ownership are determined in accordance with the rules of the SEC and includes voting or investment power with respect to shares of stock. This information does not necessarily indicate beneficial ownership for any other purpose. Under these rules, shares of common stock issuable under stock options that are exercisable within 60 days of June 1, 2006 are deemed outstanding for the purpose of computing the percentage ownership of the person holding the options but are not deemed outstanding for the purpose of computing the percentage ownership of any other person. The table also provides information regarding the beneficial ownership of our common stock by the selling stockholders as adjusted to reflect the assumed sale of all of the shares offered under this prospectus, excluding shares that may be sold by us to the underwriters upon exercise of the Overallotment Option.

Unless otherwise indicated and subject to applicable community property laws, to our knowledge, each stockholder named in the following table possesses sole voting and investment power over their shares of common stock, except for those jointly owned with that person's spouse. Percentage of beneficial ownership before the offering is based on 14,220,891 shares of common stock outstanding as of June 1, 2006.

Unless otherwise noted below, the address of each person listed on the table is c/o Micrus Endovascular Corporation, Attn: CFO, 821 Fox Lane, San Jose, California 95131.

<b>Shares of Common Stock Beneficially Owned Prior</b>	<b>Shares of</b>	<b>Shares of Common Stock Beneficially Owned After</b>
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Name and Address	to the Offering(20)		Common Stock Offered	the Offering	
	Number	Percent		Number	Percent
<b>5% Stockholders</b>					
HBM Bioventures (Cayman) Ltd(1) Unit 10 Eucalyptus Building Grand Cayman AI 00000	1,927,561	13.55%		1,927,561	13.55%
PolyTechnos Medical Devices Ltd.(2) 13-15 Victoria Road St Peter Port Guernsey, CY5 70A	965,936	6.79%	965,936	0	*
William Harris Investors(3) 191 North Wacker Drive, Suite 1500 Chicago, IL 60606	908,068	6.39%	217,530	690,538	4.86%
Delaware Management Holdings(4) One Commerce Square 205 Market Street Philadelphia, PA 19103	826,500	5.81%		826,500	5.81%
Aureus Capital Partners, Ltd.(5) P.O. Box 641, No. 1 Seaton Place St Helier, Jersey Channel Islands XO JE4 8YJ	732,351	5.15%	183,088	549,263	3.86%
<b>Directors and Named Executive Officers</b>					
John T. Kilcoyne(6)	139,258	*		139,258	*
Robert A. Stern(7)	90,875	*		90,875	*
Robert C. Colloton(8)	39,351	*		39,351	*
Eckhard H. Reitz(9)	23,148	*		23,148	*

Name and Address	Shares of Common Stock Beneficially Owned Prior to the Offering(20)		Shares of Common Stock Offered	Shares of Common Stock Beneficially Owned After the Offering	
	Number	Percent		Number	Percent
Tom M. Holdych(10)	109,426	*		109,426	*
Edward F. Ruppel, Jr.(11)	45,290	*		45,290	*
Michael R. Henson(12)	481,404	3.39%	297,609	183,795	1.29%
Leo Nelson Hopkins(13)	108,836	*		108,836	*
Fred Holubow(14)	60,805	*	6,666	54,139	*
Beat R. Merz(15)	35,229	*		35,229	*
Francis J. Shammo(16)	19,999	*		19,999	*
Jeffrey H. Thiel(17)	61,364	*		61,364	*
Simon Waddington(18)	42,744	*		42,744	*
All directors and executive officers as a group(19)	1,298,691	9.13%	304,275	994,416	6.99%
<b>Other Selling Stockholders</b>					
Additional Selling Stockholders (2 persons)					

each holding less than one percent of  
the  
common stock prior to this offering.

13,275

\* Indicates  
beneficial  
ownership of less  
than one percent.

(1) See footnote 15  
for a description  
of the  
relationship of  
Dr. Merz, our  
director, with  
HBM  
BioVentures  
(Cayman) Ltd.  
The board of  
directors of  
HBM  
BioVentures  
(Cayman) Ltd.  
exercises voting  
and investment  
power over any  
of our shares  
held by such  
entity and acts by  
majority vote.  
The board of  
directors of  
HBM  
BioVentures  
(Cayman) Ltd. is  
comprised of  
John Arnold,  
Colin Shaw,  
Richard Coles,  
Dr. Andreas  
Wicki and John  
Urquhart, none  
of whom has  
individual voting  
or investment  
power with  
respect to the  
shares.

(2) See footnote 18  
for a description

of the relationship of Dr. Waddington, our director, with PolyTechnos Medical Devices Ltd. This information is based on Schedule 13G/A filed with the SEC by Simon Waddington on April 12, 2006. Includes 327,083 shares held by PolyTechnos Venture Fund II, LP, 81,472 shares held by PolyTechnos Venture Fund II GmbH & Co., 2,472 shares held by PolyTechnos Partners and Team GmbH and 554,909 shares held by PolyTechnos Medical Devices Ltd. the board of directors of PolyTechnos Medical Devices Ltd. exercise voting and investment power over the shares of our capital stock held by such entity. The board of directors of PolyTechnos Medical Devices Ltd. is comprised of Andrew Gill and Peter Touzeau.

- (3) This information is based on Schedule 13G filed with the SEC on February 14, 2006. According to the Schedule 13G Harris William Investors (William Harris Investors, Inc.) hold sole voting power over 172,627 shares and shared voting power of 675,603 shares and sole dispositive power over 848,230 shares and shared dispositive power over 59,838 shares.
- (4) This information is based on Schedule 13G filed with the SEC on February 9, 2006 by Delaware Management Holdings. According to the Schedule 13G, such entity has voting and dispositive power with respect to all such shares.
- (5) Includes 508,494 shares of record held by Mach II L.P. and 223,857 shares of record held by Mach Capital L.P. The

board of directors of Aureus Capital Partners Ltd. exercises voting and investment power over the shares of our capital stock held by Mach II L.P., as general partner of Mach Capital L.P., which is in turn the general partner of Mach II L.P. The board of directors of Aureus Capital Partners Ltd. is comprised of Frank Becker, Peter Donnelly, Keith Mackenzie and Andrew Wignall.

- (6) Includes 138,406 shares of common stock issuable upon exercise of stock options.
- (7) Includes 88,653 shares of common stock issuable upon exercise of stock options.
- (8) Includes 39,351 shares of common stock issuable upon exercise of stock options.
- (9) Includes 109,426 shares of common stock



issuable upon exercise of stock options.

Mr. Reitz ceased to serve as an executive officer of the Company in January 2006.

(10) Includes 44,552 shares of common stock issuable upon exercise of stock options.

(11) Includes 23,548 shares of common stock issuable upon exercise of stock options.

(12) Includes 140,895 shares of common stock issuable upon exercise of stock options. Includes shares of record held by the Henson Family Trust, 1/8/87 Michael Henson Annuity Trust No. 1, and Linda Henson Annuity Trust No. 1, of which Mr. Henson is the trustee, the Michael R. Henson UTA Charles Schwab & Co. Inc. IRA Rollover, the Linda A. Henson Charles Schwab & Co. Inc. IRA Rollover and shares of record held by

JAIC-Henson  
MedFocus LLC  
and  
JAIC-Henson  
MedFocus II,  
LLC of which  
Mr. Henson is a  
partner.  
Mr. Henson  
holds voting and  
investment power  
over the  
foregoing shares.

(13) Includes 108,836  
shares of  
common stock  
issuable upon  
exercise of stock  
options.

(14) Includes 30,861  
shares of  
common stock  
issuable upon  
exercise of stock  
options.  
Mr. Holubow,  
our director, is an  
employee of  
William Harris  
Investors, Inc.  
William Harris  
Investors, Inc. is  
affiliated with or  
provides  
investment  
advice to the  
following  
individuals and  
entities that hold  
shares of our  
common stock:  
Adjuvant  
Foundation,  
Courderay  
Partners, Harris  
Venture Partners  
LLC, Irving B.  
Harris Revocable  
Trust, Irving

Harris  
Foundation, Jack  
Polsky  
Investment Trust,  
Jerome Kahn, Jr.  
Revocable Trust,  
Margot Kahn,  
Peter Martin,  
James J. Pelts,  
Michael S.  
Resnick, Rotunda  
Foundation,  
Roxanne H.  
Frank Trust and  
Virginia H.  
Polsky Trust.  
Mr. Holubow  
does not have  
voting or  
dispositive power  
over any of our  
shares held by  
affiliates or  
clients of  
William Harris  
Investors, Inc.

- (15) Includes 26,804  
shares of  
common stock  
issuable upon  
exercise of stock  
options.  
Dr. Merz, our  
director, is an  
employee of  
HBM Partners  
AG. HBM  
Partners AG acts  
as an investment  
advisor to HBM  
Partners  
(Cayman) Ltd.  
HBM Partners  
(Cayman) Ltd.  
provides  
investment  
management  
services to HBM  
BioVentures  
(Cayman) Ltd. In

addition, HBM Partners (Cayman) Ltd. is the sole shareholder of HBM BioPartners Limited. HBM BioPartners Limited is the general partner of International Life Science Managers LP, and International Life Science Managers LP is the general partner of International Life Science Partners LP. Dr. Merz does not have voting or dispositive power over any of our shares held by HBM BioVentures (Cayman) Ltd. or International Life Science Partners LP.

(16) Includes 19,999 shares of common stock issuable upon exercise of stock options.

(17) Includes 52,162 shares of common stock issuable upon exercise of stock options. Also includes 9,202 shares held by the Thiel Family Trust dated

5/10/00, of which Mr. Thiel is the trustee. Mr. Thiel exercises voting and investment power over the foregoing shares.

- (18) Includes 41,972 shares of common stock issuable upon exercise of stock options. Also includes 772 shares of record held by Global Venture Advisors GmbH, of which Dr. Waddington is a Managing Director. Dr. Waddington, our director, is a Managing Director and Managing Partner of PolyTechnos Venture-Partners GmbH, or PTVP. PTVP acts as an investment advisor to PolyTechnos (GP) Ltd., the General Partner of the Enabling Technology Limited Partnership, which has invested in Micrus through PolyTechnos Medical Devices Ltd. PTVP acts as an investment advisor to PolyTechnos (GP) II Ltd., the

General Partner  
of the  
PolyTechnos  
Venture Fund II  
Limited  
Partnership.  
PTVP acts as an  
investment  
advisor to  
PolyTechnos  
Management  
GmbH, the  
General Partner  
of PolyTechnos  
Venture Fund II  
GmbH & Co.  
KG. PolyTechnos  
Partners & Team  
GmbH is a  
trustee vehicle  
for  
co-investments  
made into various  
companies.  
Dr. Waddington  
has a carried  
interest in the  
various general  
partnerships  
described above  
and has  
participated in  
co-investments  
made by  
PolyTechnos  
Partners & Team  
GmbH. Dr.  
Waddington does  
not have voting  
or dispositive  
power over any  
shares held by  
the various  
PolyTechnos  
funds and entities  
with the  
exception of  
those shares held  
by Global  
Venture Advisors  
GmbH.

Dr. Waddington disclaims beneficial ownership of the shares held by the various PolyTechnos funds entities except to the extent of his proportional interest in those entities.

(19) See footnotes (6) through (18). Includes an aggregate of 905,527 shares of common stock issuable upon the exercise of stock options.

(20) The information listed in this table with respect to shares beneficially owned by stockholders is based on Schedule 13Gs filed with the SEC or information provided to us by such stockholders.

**Change in number of record holders of our common stock**

As of June 15, 2006, we had 194 holders of record of our common stock.

**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.

MICRUS ENDOVASCULAR  
CORPORATION  
(Registrant)

Date: July 12, 2006

By: /s/ Robert A. Stern  
Robert A. Stern  
Executive Vice President, Chief  
Financial  
Officer, and Secretary

-2-