**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): February 19, 2009**

# Sucampo Pharmaceuticals, Inc.

(Exact Name of Registrant as Specified in Charter)

| Delaware | 001-33609 | 30-0520478 |
|---|---|---|
| (State or Other Jurisdiction of Incorporation) | (Commission File Number) | (IRS Employer Identification No.) |
| 4520 East-West Highway, Suite 300<br>Bethesda, Maryland | | 20814 |
| (Address of Principal Executive Offices) | | (Zip Code) |

Registrant's telephone number, including area code: (301) 961-3400

(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 (*see* General Instruction A.2. below):

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 2.02 Results of Operations and Financial Condition**

On February 19, 2009, Sucampo Pharmaceuticals, Inc. announced its consolidated financial results for the fourth quarter and year ended December 31, 2008. The full text of the press release issued in connection with the announcement is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information in this Form 8-K (including Exhibit 99.1) shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by specific reference in such a filing.

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits

The following exhibit relating to Item 2.02 shall be deemed to be furnished, and not filed:

99.1 Press Release issued by the registrant on February 19, 2009.

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.

SUCAMPO PHARMACEUTICALS, INC.

Date: February 19, 2009

By: /s/ JAN SMILEK
Name: Jan Smilek
Title: Chief Financial Officer

EXHIBIT INDEX

| Exhibit No. | Description |
| --- | --- |
| 99.1 | Press release issued by the registrant on February 19, 2009 |

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**Sucampo Pharmaceuticals Reports Its Third Consecutive Year of Profitability with Record Full Year 2008 Results**

*Earnings per Share of $0.59 for 2008, Up 68.6 Percent over 2007*

*Full Year Product Royalty Revenue of $34.4 Million, Up 25.1 Percent over 2007*

*Cash, Cash Equivalents and Investments of $121.5 Million and No Debt at December 31, 2008*

Bethesda, Maryland, February 19, 2009 — Sucampo Pharmaceuticals, Inc. (NASDAQ: SCMP) today reported its consolidated financial results for the fourth quarter and year ended December 31, 2008.

Financial Highlights:

- Sucampo's full year net income increased by $11.8 million, or 89.2%, to $25.0 million, or $0.59 per diluted share, for 2008, from $13.2 million, or $0.35 per diluted share, for 2007.
- Sucampo reported full year revenue of $112.1 million for 2008 as compared to $91.9 million for 2007, an increase of $20.2 million, or 22.0%.
- Product royalty revenue from sales of Amitiza® (lubiprostone) in the U.S. increased by $6.9 million, or 25.1%, to $34.4 million for 2008 from $27.5 million for 2007 and by $1.0 million, or 12.4%, to $9.7 million for the fourth quarter of 2008 from $8.7 million for the fourth quarter of 2007.
- Sucampo ended 2008 with cash, cash equivalents and short and long-term investments of $121.5 million as compared with $86.5 million at the end of 2007. Sucampo had no debt at the end of 2008 or 2007.

Operational Highlights and Pipeline Update:

- On February 19, 2009, Sucampo entered into a license and commercialization agreement with Abbott Laboratories for Amitiza in Japan. Sucampo receives an upfront payment of $10.0 million

and will receive additional milestone payments based on achieving specified development and commercialization goals. Following marketing authorization and pricing approval, Abbott will purchase lubiprostone from Sucampo for distribution in Japan.

- In April 2008, the Food and Drug Administration (FDA) approved Amitiza (lubiprostone) 8 mcg for the treatment of irritable bowel syndrome with constipation (IBS-C) in adult women triggering a development milestone payment of $50.0 million from Takeda Pharmaceuticals.
- Growth in the sales of Amitiza (lubiprostone) 8 mcg, following the FDA approval, accounted for the majority of the increase in product royalty revenue for 2008.
- Sucampo completed enrollment in its two pivotal phase 3 trials of lubiprostone for the treatment of opioid-induced bowel dysfunction (OBD), as well as its follow-on safety extension study. Results are expected in the third quarter of 2009 for the two pivotal studies, and additional data from the follow-on extension safety study by the end of 2009.
- In December 2008, Sucampo completed enrollment in its phase 2 trial of cobiprostone for non-steroidal anti-inflammatory drug (NSAID)-induced ulcers. Management expects to report efficacy data from this trial in mid-2009.
- Sucampo held an end-of-phase 2 meeting with the Japanese regulatory agency in November 2008. Based on the results of its phase 2b trial and input from this meeting, Sucampo plans to initiate a phase 3 study for chronic idiopathic constipation (CIC) during the second quarter of 2009.
- Also in December 2008, Sucampo initiated dosing in its phase 1 trial of SPL-017 in Japan for the treatment of peripheral arterial disease.
- Sucampo submitted Marketing Authorization Applications (MAAs) for lubiprostone, 24 mcg, for the indication of CIC in adults in ten European countries in early 2008 and expects the responses about these MAAs in late 2009.

“This past year was quite successful for Sucampo in all aspects,” said Ryuji Ueno, M.D., Ph.D., Ph.D., Co-Founder, Chairman and Chief Executive Officer. “We accomplished several significant development milestones, we continued to expand our international presence and we further strengthened our financial position. Based on the continuing success of our long-term care sales force, added momentum gained from the recently announced Abbott agreement and several important clinical and regulatory milestones, we expect 2009 to be another positive year for Sucampo, despite the current difficult economic environment. “

Financial Results

Total revenues for the fourth quarter of 2008 decreased 4.5% to $16.4 million from $17.1 million for the fourth quarter of 2007. Total revenues for the full year increased 22.0% to $112.1 million from $91.9 million for 2007. The key components of these changes in total revenues were:

Product royalty revenue during the fourth quarter of 2008 increased to $9.7 million as compared to $8.7 million for the fourth quarter of 2007. For the full year, product royalty revenue increased to $34.4 million from $27.5 million for the prior year, an increase of $6.9 million.

The increases primarily reflect the introduction of Amitiza 8 mcg which became available in the second quarter of 2008. Product royalty revenue during the fourth quarter of 2008 continued to reflect the drawdown of inventory from the initial stocking of Amitiza 8 mcg and increased sales of Amitiza during the quarter. As of December 31, 2008, the entire inventory from the initial stocking had been utilized.

Research and development (R&D) revenue for the fourth quarter of 2008 declined to $5.3 million from $7.3 million for the fourth quarter of 2007. The decrease reflects lower revenue recognized for the on-going OBD phase 3 trials funded by Takeda that were initiated in August 2007. For 2008, R&D revenue increased to $72.3 million from $59.4 million in 2007, primarily the result of the $50.0 million R&D milestone payment earned from Takeda upon the approval of the supplemental new drug application (sNDA) of Amitiza for IBS-C as compared to the $30.0 million R&D milestone payment earned in 2007 when the sNDA was filed with the FDA. This increase was partially offset by the difference in the R&D revenue of $29.4 million recognized in 2007 primarily with respect to development of Amitiza for CIC, IBS-C and OBD indications as compared to the R&D revenue of $22.3 million recognized in 2008 primarily in respect to Amitiza's development for OBD.

Total operating expenses during the fourth quarter of 2008 decreased to $18.6 million from $19.3 million for the fourth quarter of 2007. For the full year 2008, total operating expenses increased by 10.3% to $81.1 million compared with $73.5 million in 2007. The key components of the operating expense were:

R&D expenses during the fourth quarter of 2008 increased by 13.0% to $10.6 million from $9.4 million for the fourth quarter of 2007. For the full year 2008 the R&D expenses increased by 45.7% to $46.2 million from $31.7 million in 2007. These increases were primarily due to the ongoing clinical development programs of Amitiza, cobiprostone and SPI-017.

General and administrative (G&A) expenses during the fourth quarter of 2008 decreased to $3.8 million from $4.1 million for the fourth quarter of 2007. For the full year of 2008, G&A expenses decreased to $14.4 million from $21.4 million in 2007. The decrease in the fourth quarter of 2008 G&A expenses was primarily due to lower legal and professional fees and stock option expenses. The decrease in the G&A expenses for 2008 was primarily the result of an expense of $9.2 million recorded in 2007 for a one-time cash and stock-based award granted to Sucampo's founders for stock options previously granted and terminated, offset by an increase in expenses associated with Sucampo's new office space in the United States and an increase in overall cost associated with the compliance and regulatory requirements of being a publicly traded company with international operations.

Selling and marketing expenses during the fourth quarter of 2008 decreased to $2.5 million from $3.7 million for the fourth quarter of 2007. For the full year of 2008 the selling and marketing expenses decreased to $10.9 million from $13.5 million in 2007. This decrease resulted from reduced marketing expenses in the long-term care market and the completion of the initial build-out of Sucampo's internal dedicated sales force for sale of Amitiza in the long-term care facilities.

Total non-operating income during the fourth quarter of 2008 decreased to $0.2 million from $1.2 million for the fourth quarter of 2007. The decrease is attributable primarily to reduced interest income due to lower prevailing interest rates earned by Sucampo's investments and the net unrealized loss of $0.4 million resulting from investments in auction rate securities and related settlements rights.

Income tax for the year 2008, Sucampo's consolidated effective tax rate was 24.7% and for 2007 was 37.3%. The reduction in the effective tax rate in 2008 primarily reflects the reversal of U.S. deferred tax asset valuation allowances as a result of the April 2008 FDA approval of Amitiza for IBS-C and the related impact on projected income in 2008 and future years from the $50.0 million milestone payment received in the second quarter of 2008 from Takeda and from expected product royalties.

In the fourth quarter of 2008, Sucampo recorded $1.0 million in net tax provision as compared to $0.1 million in net tax benefits for the fourth quarter of 2007. The net tax provision in the fourth quarter of 2008 resulted from the updated estimates of the sourcing of revenue for state income tax purposes, lower research and development credits and deferred tax assets in respect to stock option expense.

Net Income/Loss for the fourth quarter of 2008 Sucampo reported a net loss of $3.0 million, or $0.07 per diluted share, compared with a net loss of $0.7 million, or $0.02 per diluted share, for the fourth quarter of 2007. The loss for the fourth quarter of 2008 resulted primarily from Sucampo's increased expenses for the development of its clinical stage prostone compounds, cobiprostone and SPI-017, which are funded solely by Sucampo and a decrease in R&D revenue partially offset by an increase in product royalty revenue.

For 2008, Sucampo reported net income of $25.0 million, or $0.59 per diluted share, compared with net income of $13.2 million, or $0.35 per diluted share, for 2007.

**Company to Host Conference Call Today**

In conjunction with its fourth quarter and full year financial results, Sucampo will host a conference call at 4:30 pm Eastern today. To participate on the live call, please dial 866-700-7441 (domestic) or 617-213-8839 (international), and provide the participant passcode 19518394, five to ten minutes ahead of the start of the call. A replay of the call will be available within a few hours after the call ends. Investors may listen to the replay by dialing 888-286-8010 (domestic) or 617-801-6888 (international), with the passcode 99595043.

A live and archived audio webcast of the call will be available via the "For Investors" page of the Sucampo Pharmaceuticals website, www.sucampo.com. Please dial in or log on through Sucampo Pharmaceuticals' website approximately 10 minutes prior to the scheduled start time.

**About Sucampo Pharmaceuticals**

Sucampo Pharmaceuticals, Inc., an international biopharmaceutical company based in Bethesda, Maryland, focuses on the development and commercialization of medicines based on prostones. The therapeutic potential of prostones, which are bio-lipids that occur naturally in the human body, was first identified by Ryuji Ueno, M.D., Ph.D., Ph.D., Sucampo Pharmaceuticals' Chairman and Chief Executive Officer. Dr. Ueno founded Sucampo Pharmaceuticals in 1996 with Sachiko Kuno, Ph.D., founding Chief Executive Officer and currently Director and Advisor, International Business Development.

Sucampo is marketing Amitiza (lubiprostone) 24 mcg in the U.S. for Chronic Idiopathic Constipation in adults and Amitiza 8 mcg in the U.S. to treat Irritable Bowel Syndrome with Constipation in adult women. Sucampo is also developing the drug for additional gastrointestinal disorders with large potential markets. In addition, Sucampo has a robust pipeline of compounds with the potential to target underserved diseases affecting millions of patients worldwide. Sucampo Pharmaceuticals, Inc. conducts its operations through three wholly owned subsidiaries: Sucampo Pharma Americas, Inc., based in Bethesda, Maryland, Sucampo Pharma Europe, Ltd., located in Oxford, UK, and Basel, Switzerland, and Sucampo Pharma, Ltd., located in Tokyo and Osaka, Japan. To learn more about Sucampo and its products, visit www.sucampo.com.

Amitiza® is a registered trademark of Sucampo Pharmaceuticals, Inc.

**Forward-Looking Statements**

Any statements in this press release about future expectations, plans and prospects for Sucampo Pharmaceuticals are forward-looking statements made under the provisions of The Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the words “project,” “believe,” “anticipate,” “plan,” “expect,” “estimate,” “intend,” “should,” “would,” “could,” “will,” ”may” or other similar expressions. Forward-looking statements include statements about potential trial results, the potential utility of AMITIZA to treat particular indications and expected data availability and regulatory filing dates. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors, including those described in Sucampo Pharmaceuticals’ filings with the Securities and Exchange Commission (SEC), including the annual report on Form 10-K for the year ended December 31, 2007 and other periodic reports filed with the SEC. Any forward-looking statements in this press release represent Sucampo Pharmaceuticals’ views only as of the date of this release and should not be relied upon as representing its views as of any subsequent date. Sucampo Pharmaceuticals anticipates that subsequent events and developments will cause its views to change. However, while Sucampo Pharmaceuticals may elect to update these forward-looking statements publicly at some point in the future, Sucampo Pharmaceuticals specifically disclaims any obligation to do so, whether as a result of new information, future events or otherwise.

(Financial Schedules Follow)

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**Sucampo Pharmaceuticals, Inc.**
**Consolidated Statements of Operations (Unaudited)**
*(in thousands, except per share data)*

| | Three Months Ended December 31, | | Year Ended December 31, | |
|---|---|---|---|---|
| | 2008 | 2007 | 2008 | 2007 |
| Revenues: | | | | |
| Research and development revenue | $ 5,311 | $ 7,273 | $ 72,293 | $ 59,379 |
| Product royalty revenue | 9,739 | 8,667 | 34,438 | 27,536 |
| Co-promotion revenue | 1,183 | 1,093 | 4,826 | 4,411 |
| Contract and collaboration revenue | 141 | 111 | 566 | 565 |
| Total revenues | 16,374 | 17,144 | 112,123 | 91,891 |
| Operating expenses: | | | | |
| Research and development | 10,644 | 9,420 | 46,181 | 31,697 |
| General and administrative | 3,809 | 4,136 | 14,400 | 21,423 |
| Selling and marketing | 2,497 | 3,668 | 10,895 | 13,474 |
| Milestone royalties — related parties | — | 500 | 3,531 | 2,000 |
| Product royalties — related parties | 1,654 | 1,536 | 6,045 | 4,890 |
| Total operating expenses | 18,604 | 19,260 | 81,052 | 73,484 |
| (Loss) income from operations | (2,230) | (2,116) | 31,071 | 18,407 |
| Interest income | 580 | 890 | 2,442 | 2,465 |
| Other (expense) income, net | (383) | 343 | (399) | 151 |
| Total non-operating income, net | 197 | 1,233 | 2,043 | 2,616 |
| (Loss) income before income taxes | (2,033) | (883) | 33,114 | 21,023 |
| Income tax (provision) benefit | (971) | 147 | (8,163) | (7,833) |
| Net (loss) income | $ (3,004) | $ (736) | $ 24,951 | $ 13,190 |
| Net (loss) income per share: | | | | |
| Basic net (loss) income per share | $ (0.07) | $ (0.02) | $ 0.60 | $ 0.35 |
| Diluted net (loss) income per share | $ (0.07) | $ (0.02) | $ 0.59 | $ 0.35 |
| Weighted average common shares outstanding — basic | 41,843 | 41,730 | 41,787 | 37,778 |
| Weighted average common shares outstanding — diluted | 41,843 | 41,730 | 41,973 | 38,226 |

**Sucampo Pharmaceuticals, Inc.**
**Consolidated Balance Sheets (Unaudited)**
*(in thousands, except share data)*

| | December 31, 2008 | December 31, 2007 |
|---|---|---|
| **ASSETS:** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 11,536 | $ 25,559 |
| Investments, current | 93,776 | 51,552 |
| Product royalties receivable | 9,725 | 8,667 |
| Unbilled accounts receivable | 4,373 | 5,883 |
| Accounts receivable | 878 | 1,525 |
| Prepaid and income taxes receivable | 133 | 1,922 |
| Deferred tax assets, net | 963 | 88 |
| Prepaid expenses and other current assets | 3,641 | 2,222 |
| Total current assets | 125,025 | 97,418 |
| Investments, non-current | 16,222 | 9,400 |
| Property and equipment, net | 2,275 | 2,265 |
| Deferred tax assets, non-current, net | 4,026 | 551 |
| Other assets | 3,246 | 393 |
| Total assets | $ 150,794 | $ 110,027 |
| **LIABILITIES AND STOCKHOLDERS' EQUITY:** | | |
| Current liabilities: | | |
| Accounts payable | $ 1,433 | $ 3,313 |
| Accrued expenses | 9,764 | 8,730 |
| Deferred revenue, current | 15,599 | 1,062 |
| Total current liabilities | 26,796 | 13,105 |
| Deferred revenue, net of current portion | 8,061 | 8,626 |
| Other liabilities | 2,147 | 1,768 |
| Total liabilities | 37,004 | 23,499 |
| Stockholders' equity: | | |
| Class A common stock, $0.01 par value; 270,000,000 shares authorized at December 31, 2008 and December 31, 2007; 15,651,849 and 15,538,518 shares issued and outstanding at December 31, 2008 and December 31, 2007, respectively | 156 | 155 |
| Class B common stock, $0.01 par value; 75,000,000 shares authorized at December 31, 2008 and December 31, 2007; 26,191,050 shares issued and outstanding at December 31, 2008 and December 31, 2007, respectively | 262 | 262 |
| Additional paid-in capital | 98,243 | 96,680 |
| Accumulated other comprehensive income (loss) | 354 | (393) |
| Retained earnings (accumulated deficit) | 14,775 | (10,176) |
| Total stockholders' equity | 113,790 | 86,528 |
| Total liabilities and stockholders' equity | $ 150,794 | $ 110,027 |