Aeterna Zentaris Inc.
Form 6-K
August 16, 2007

FORM 6-K
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

REPORT OF FOREIGN ISSUER

Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

For the month of August 2007

AETERNA ZENTARIS INC.

1405, Parc-Technologique Boulevard
Quebec, Quebec
Canada, G1P 4P5
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F ____ Form 40-F X

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934

Yes ____ No X

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82- _____

DOCUMENTS INDEX

Documents Description

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1. Press release dated August 14, 2007: AEterna Zentaris Reports Second Quarter 2007 Financial and Operating Results

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[AETERNA ZENTARIS LOGO]

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PRESS RELEASE
For immediate release

AETERNA ZENTARIS REPORTS SECOND QUARTER 2007 FINANCIAL AND OPERATING RESULTS

ALL AMOUNTS ARE IN U.S. DOLLARS

QUEBEC CITY, CANADA, AUGUST 14, 2007 – AEterna Zentaris Inc. (TSX: AEZ; NASDAQ: AEZS), a global biopharmaceutical company focused on endocrine therapy and oncology, today reported financial and operating results for the second quarter ended June 30, 2007.

"I am pleased with our progress during the second quarter. Most importantly, we commenced patient dosing for the first trial of the Phase 3 program for cetrorelix in BPH. With recruitment underway, our other clinical programs progressing very well and the addition of key executives to our team, we are able to focus on a rigorous strategic review of our product portfolio and business opportunities, and I am confident we will have a coherent plan, optimized for success to communicate to you in September," said David J. Mazzo, Ph.D., AEterna Zentaris' President and Chief Executive Officer.

KEY DEVELOPMENTS FOR THE SECOND QUARTER ENDED JUNE 30, 2007

CORPORATE:

- The Company bolstered its executive management team with the appointments of Ellen McDonald, MBA, Senior Vice President, Business Operations and Chief Business Officer, as well as Nicholas J. Pelliccione, Ph.D., Senior Vice President, Regulatory Affairs and Quality Assurance.

ADVANCING THE PIPELINE:

CETRORELIX

- Patient dosing commenced with cetrorelix, the Company's lead luteinizing hormone-releasing hormone (LHRH) antagonist compound, in the first study of its extensive Phase 3 program in benign prostatic hyperplasia (BPH).

- AEterna Zentaris regained exclusive worldwide (ex-Japan) rights for cetrorelix from Solvay Pharmaceuticals (Euronext: SOLB) in all indications, including endometriosis, without any financial compensation payable to Solvay.

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OZARELIX

- Positive, detailed Phase 2 BPH results for ozarelix, a fourth-generation LHRH/GnRH antagonist, were presented at the American Urological Association (AUA) Annual Meeting.

- Enrollment was completed for the Phase 2b trial in BPH being conducted in the U.S. and Canada by Spectrum Pharmaceuticals (NASDAQ: SPPI).

PERIFOSINE

- Positive Phase 1 and Phase 2 results for perifosine, an oral anti-cancer signal transduction inhibitor compound for the treatment of patients with advanced sarcoma were presented at the American Society of Clinical Oncology's (ASCO) Annual Meeting.

AEZS-108

- Positive, detailed Phase 1 results for AEZS-108, a targeted cytotoxic LHRH analog, were reported in female patients with cancers expressing LHRH receptors at the ASCO Annual Meeting.

RESULTS FOR THE SECOND QUARTER ENDED JUNE 30, 2007

Consolidated cash and short-term investments were $51.5 million as of June 30, 2007 compared to $61 million as of December 31, 2006.

Consolidated revenues for the second quarter ended June 30, 2007 were $12.2 million, an increase of 29.8% compared to revenues of $9.4 million for the same period in 2006. The increase in consolidated revenues is mainly attributed to increased sales of both Cetrotide(R) and Impavido(R).

Consolidated R&D costs, net of tax credits and grants (R&D), were $8 million for the quarter ended June 30, 2007 compared to $7.3 million for the same period in 2006. The increase in R&D expense was related to the additional expenses incurred with respect to the Phase 3 program with cetrorelix in BPH, as well as further advancement of targeted, earlier clinical-stage development programs.

Consolidated selling, general and administrative (SG&A) expenses were $4.7 million for the quarter ended June 30, 2007 compared to $4.5 million for the same period in 2006.

Consolidated loss from operations decreased to $5.1 million for the quarter ended June 30, 2007 compared to $5.5 million for the same period in 2006. The decrease in loss from operations is attributable to increased sales of Cetrotide(R) and Impavido(R) partly offset by additional expenses in R&D.

Net loss from continuing operations for the quarter ended June 30, 2007 was $4.8 million compared to $4.4 million for the same period in 2006. This increase is attributable to a combination of higher R&D expenses and to the foreign exchange loss recorded during the quarter ended June 30, 2007, partly offset by increased revenues.

Net earnings from discontinued operations for the second quarter ended June 30, 2006 were nearly $2.9 million and were completely attributable to the Company's former subsidiary Atrium Innovations which operations were excluded from consolidation effective on October 18, 2006.

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Consolidated net loss for the quarter ended June 30, 2007 was $4.8 million or $0.09 per basic and diluted share, compared to $1.6 million or $0.03 per basic and diluted share for the same period in 2006. The net loss increase for the quarter is attributable to the completion of the distribution of AEterna Zentaris remaining interest in Atrium to the Company's shareholders on January 2, 2007.

CONFERENCE CALL

Management will be hosting a conference call for the investment community beginning at 10:30 a.m. Eastern Time today, Tuesday, August 14, to discuss results for the quarter ended June 30, 2007.

To participate in the live conference call by telephone, please dial 416-644-3420, 514-807-8791 or 800-731-5774. Individuals interested in listening to the conference call on the Internet may do so by visiting WWW.AETERNAZENTARIS.COM. A replay will be available on the Company's Web site for 30 days.

ABOUT AETERNA ZENTARIS INC.

AEterna Zentaris Inc. is global biopharmaceutical company focused on endocrine therapy and oncology with proven expertise in drug discovery, development and commercialization. News releases and additional information are available at WWW.AETERNAZENTARIS.COM.

FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements made pursuant to the safe harbor provisions of the U.S. Securities Litigation Reform Act of 1995. Forward-looking statements involve known and unknown risks and uncertainties, which could cause the Company's actual results to differ materially from those in the forward-looking statements. Such risks and uncertainties include, among others, the availability of funds and resources to pursue R&D projects, the successful and timely completion of clinical studies, the ability of the Company to take advantage of business opportunities in the pharmaceutical industry, uncertainties related to the regulatory process and general changes in economic

conditions. Investors should consult the Company's quarterly and annual filings with the Canadian and U.S. securities commissions for additional information on risks and uncertainties relating to the forward-looking statements. Investors are cautioned not to rely on these forward-looking statements. The Company does not undertake to update these forward-looking statements.

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ATTACHMENT: Financial summary

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(IN THOUSANDS OF US DOLLARS, EXCEPT SHARE AND PER SHARE DATA)

CONSOLIDATED RESULTS UNAUDITED	THREE MONTHS ENDED JUNE 30, 2007	2006
	$	$
REVENUES		
Sales and royalties	8,376	5,227
License fees	3,852	4,156
	12,228	9,383

OPERATING EXPENSES			
Cost of sales	3,196	1,404	
R&D costs, net of tax credits and grants	8,015	7,262	
Selling, general and administrative	4,672	4,515	
Depreciation and amortization	1,491	1,653	
	17,374	14,834	
LOSS FROM OPERATIONS	(5,146)	(5,451)	(
Interest income	305	282	
Interest expense	(53)	(19)	
Foreign exchange loss	(693)	(126)	
LOSS BEFORE INCOME TAXES	(5,587)	(5,314)	(
INCOME TAX RECOVERY	741	884	
Net loss from continuing operations	(4,846)	(4,430)	
Net earnings from discontinued operations	-	2,868	
NET LOSS FOR THE PERIOD	(4,846)	(1,562)	
NET LOSS PER SHARE FROM CONTINUING OPERATIONS			
Basic and diluted	(0.09)	(0.08)	
NET LOSS PER SHARE			
Basic and diluted	(0.09)	(0.03)	
Weighted average number of shares			
Basic and diluted	53,179,470	52,682,969	53,1
Issued and outstanding shares			53,1

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(IN THOUSANDS OF US DOLLARS)
CONSOLIDATED BALANCE SHEETS

UNAUDITED	JUNE 30, 2007
	$
Cash and short-term investments	51,500
Other current assets	20,186
	71,686
Long-term assets	63,809

Total assets	135,495
Current liabilities	17,642
Deferred revenues	4,781
Long-term debt	-
Other long-term liabilities	10,608
	33,031
Shareholders' equity	102,464
Total liabilities and shareholders' equity	135,495

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, thereunto duly authorized.

AETERNA ZENTARIS INC.

DATE: AUGUST 15, 2007

By: /s/Mario Paradis

Mario Paradis
Senior Vice President, Administration and Affairs and Corporate Secretary