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) **September 6, 2006**

Delcath Systems, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**001-16133**	**06-1245881**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

1100 Summer Street **Stamford, Connecticut** (Address of principal executive offices)	**06905** (Zip Code)

(203) 323-8668

(Registrant's telephone number, including area code.)

N/A

(Former name and 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 8.01 Other Events

On September 6, 2006, Delcath Systems, Inc. (the "Company") issued a press release announcing the issuance of a letter by the Company to its shareholders. A copy of this press release is attached hereto as Exhibit 99.1 and is incorporated by reference herein. A copy of the transcript excerpt from the U.S. Federal District Court proceeding referenced in the press release is also attached hereto as Exhibit 99.2 and is incorporated by reference herein.

Item 9.01 Financial Statements and Exhibits

(a) Financial Statements of Businesses Acquired.

Not applicable.

(b) Pro Forma Financial Information.

Not applicable.

(c) Exhibits.

The following materials are attached as exhibits to this Current Report on Form 8-K:

Exhibit Number	Description
99.1	Press Release of Delcath Systems, Inc., dated September 6, 2006.
99.2	Transcript excerpt from proceeding in United States Federal District Court.

SIGNATURES

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.

Date: September 6, 2006

DELCATH SYSTEMS, INC.

By: /s/ M. S. Koly

Name: M. S. Koly
Title: President and Chief Executive Officer

EXHIBIT INDEX

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FOR IMMEDIATE RELEASE

Delcath Systems Issues Letter to Shareholders

STAMFORD, Conn., September 6, 2006—Delcath Systems, Inc. (Nasdaq: DCTH) today issued the following letter to its shareholders:

Delcath Systems Calls On Laddcap Value Partners LP
To End Its Campaign Of Misinformation

Dear Fellow Shareholders,

We continue to be shocked by Laddcap's ongoing efforts to mislead Delcath's shareholders, while painting an ugly face on the Company's efforts to convey the complete story.

The Board and I are amazed that Laddcap has become so desperate that it has now put out a press release that deliberately misrepresents the Company's written public disclosure documents and transcribed court proceedings. Their statement contained in an August 31, 2006 press release that “Delcath's attorneys *confirmed* in Court that its Directors recently approved new change of control arrangements for themselves, which may allow Delcath's Directors to receive substantial payments” is totally false. First, Delcath's lawyers never confirmed this point. We will be disclosing in a filing on Form 8-K the relevant pages of the transcript of the U.S Federal District Court proceeding and invite shareholders to make their own judgments. The transcript makes clear that Laddcap has taken a *single word* spoken by Delcath's attorney completely out of context and that this single word is Laddcap's sole support for the false and inflammatory charge that Delcath's attorney confirmed Laddcap's assertions.

Second, and most importantly, Delcath's Board has not approved any new change of control arrangements “in the middle of a contest for corporate control.” The current change of control arrangement has been disclosed in each and every annual proxy statement that the Company has provided to shareholders since April 2004. Laddcap's assertions that there are new change of control arrangements for the Delcath board are simply false.

Sadly, this is not an isolated incident. For example, Laddcap and Mr. Jonathan Foltz stated in a separate press release also issued on August 31, 2006, that Mr. Foltz “affirms his letter of August 30th” to Delcath shareholders, which includes statements regarding a conversation with Dr. H. Richard Alexander, Professor of Surgery and Associate Chair for Clinical Research at the University of Maryland, the proposed Principal Investigator for Delcath's Phase III trial using melphalan. However, in this press release, Mr. Foltz does not actually affirm key statements of his August 30th letter but materially alters them. In his August 30th letter to Delcath shareholders, Mr. Foltz says that he has spoken with Dr. Alexander and that “[b]ased on these conversations, I am confident that [Dr. Alexander] will continue to work with Delcath going forward.” The next day, however, Mr. Foltz and Laddcap changed the substance of his earlier statement to remove any hint that Dr. Alexander had made any commitments to Mr. Foltz or Laddcap. Instead, Mr. Foltz now says that he “called Dr. Alexander . . . to assure him that he and his institution will have the full support of Delcath's Board should Laddcap be successful in its consent solicitation.” It seems quite clear to us that Mr. Foltz's subsequent “affirmation” of his August 30th letter is nothing more than a cynical attempt to rewrite history after Delcath published excerpts from a letter Dr. Alexander had written to me explicitly expressing confidence in Delcath's current management team and his deep concern regarding a change in Delcath's leadership.

These are but recent examples of what we believe is a pattern of misleading statements by Laddcap that have unfortunately compelled us to bring proceedings against Laddcap in U.S. Federal District Court in order to ensure that Delcath shareholders have full and honest disclosure from Laddcap. You should know that on August 29, 2006, The Honorable Loretta A. Preska of the U.S. District Court for the Southern District of New York granted Delcath's application for a temporary restraining order (TRO) preventing Laddcap from acting on any consents it receives until the judge rules on the application for a preliminary injunction. In doing so, Judge Preska explained that the extraordinary judicial relief of a TRO was justified because Delcath had “demonstrated irreparable injury in demonstrating that the shareholders are deprived of their statutory right to receive accurate information and to be free from deceptive information bearing on their investment and voting decisions.” The Judge further explained that Delcath had “carried its burden of demonstrating a likelihood of success on the merits of its 13d and 14a claims” under the Securities Exchange Act of 1934 against Robert Ladd, Laddcap and other related Laddcap entities. The hearing for the application for a preliminary injunction is currently scheduled to begin on September 18, 2006. Delcath may not act on any consent revocations it receives for the same period of time.

It is one thing for shareholders to legitimately and honestly debate the strategic direction of the Company, but Laddcap's desperate tactics to solicit your votes have proven to be anything but legitimate and honest. We hope you will view Laddcap's willingness to mislead shareholders as a harbinger of things to come should he ever be successful in seizing control of Delcath. The Board calls on Laddcap to stop making these false and misleading accusations while embarrassing itself and diverting significant management time and Company resources away from Delcath's core mission of fighting cancer. We further call on Laddcap to put an end to its campaign to remove Delcath's Board. However, if Laddcap does not cease its efforts, we are determined to make sure that Delcath shareholders have the benefit of full and honest disclosure from Laddcap.

If you have already returned a BLUE consent card, please revoke your consent by returning the GOLD card.

Thank you for your continued support.


M.S. Koly
President and Chief Executive Officer

If you have any questions, please call MacKenzie Partners, Inc., toll-free at (800) 322-2885 or collect at (212) 929-5500.

This letter contains forward-looking statements, which are subject to certain risks and uncertainties that can cause actual results to differ materially from those described. Factors that may cause such differences include, but are not limited to, uncertainties relating to our ability to successfully complete Phase III clinical trials and secure regulatory approval of our current or future drug-delivery system and uncertainties regarding our ability to obtain financial and other resources for any research, development and commercialization activities. These factors, and others, are discussed from time to time in our filings with the Securities and Exchange Commission. You should not place undue reliance on these forward-looking statements, which speak only as of the date they are made. We undertake no obligation to publicly update or revise these forward-looking statements to reflect events or circumstances after the date they are made.

On August 17, 2006, Laddcap filed a definitive consent solicitation statement with the SEC relating to Laddcap's proposal to, among other things, remove the current Board of Directors and replace them with Laddcap's nominees. In response, on August 21, 2006, Delcath filed a definitive consent revocation statement on Form DEFC14A (the "Definitive Consent Revocation Statement") with the SEC in opposition to Laddcap's consent solicitation. Delcath shareholders should read the Definitive Consent Revocation Statement (including any amendments or supplements thereto) because it contains additional information important to the shareholders' interests in Laddcap's consent solicitation.

The Definitive Consent Revocation Statement and other public filings made by Delcath with the SEC are available free of charge at the SEC's website at www.sec.gov. Delcath also will provide a copy of these materials free of charge upon request to Delcath Systems, Inc., Attention: M.S. Koly, Chief Executive Officer, (203) 323-8668.

# # #

to get 51 percent of the vote or else we lose. We aren't fairly restrained in that respect.

THE COURT: I didn't understand what you just said to me.

MR. HECHT: Here's the point: They don't need to gather 51 percent revocations. We need to gather 51 percent consents.

THE COURT: Right.

MR. HECHT: So you can't just say both sides are barred from taking action on the consents. They don't have to take action on the revocations. We're the ones who have to take action. We bear a greater burden in the consent solicitation process. So the very nature of the restraint, even if it purports to be bilateral, covering both sides, impacts us more profoundly.

THE COURT: So what? What's the harm? That's the point.

MR. HECHT: Here's the greater harm: They are the incumbent board of directors; they can make changes; they can do extraordinary things right now that we cannot. They've done one already, Judge. They've changed the change-in-control provision which runs the risk of giving a greater package to management if there's a change in control. That didn't used to exist.

THE COURT: When was that?

MR. HECHT: I'm sorry?

THE COURT: When?

MR. HECHT: We first learned of that in their first preliminary consent revocation materials on August 7th.

THE COURT: What about that?

MR. OFFENHARTZ: Your Honor, I don't know the exact timing of that, but --

THE COURT: Recently is the answer.

MR. OFFENHARTZ: Recently. Your Honor, if I may, two responses to that:

One, that really highlights the difference between what my adversary is talking about and what we are talking about. If they win, if at the PI hearing your Honor decides that our claims are not correct or we're wrong, and there was a change, something happened that was inappropriate, the new board can take steps to correct that. That's a normal run-of-the-mill process. That's something that can be addressed, addressed quickly, corrected.

Moreover, your Honor, we are not here trying to gain anything. We are here because we believe we have very serious issues to be dealt with. While I find it odd that they, in effect, are moving for a TRO without actually putting in any papers, without making any showing, without --

THE COURT: You mean as to you?

MR. OFFENHARTZ: As to us. I think that procedurally

that doesn't make sense, and it's faulty and it's flawed.

By the same token, we are not trying to game the system. And if the concern is that with a TRO in place we would change the rights plan, I will stipulate right now that during the pendency of the TRO leading up to the PI hearing Delcath will not alter the rights plan. I think that's a red herring, your Honor. It's not going to happen.

Moreover, your Honor, the adversary's position is that because they initiated a consent solicitation, and because Delcath is asserting its rights under the securities laws, and, frankly, to this date I'm not even sure why we're talking about balance of hardships, because with undisputed factual record before the Court, I think we went on likelihood of success of merits. So balance of the hardships is irrelevant for today's purposes.

But even with that in place, their whole view is that because they have initiated a consent, anything we do under the securities laws, by asserting the private right of actions under 13d and 14a that are Horn Book securities law, and by asserting or our rights under the list of cases that we've provided your Honor, they're saying that's irreparable harm.

As your Honor noted, all they are going to be hit with, if anything, is some additional expense. And as to resetting the clock in the Pabst case that we cite, it was clear that resetting the clock and having a new record date is

fine. That's the cost of doing business.

THE COURT: Okay.

MR. HECHT: If I may, Judge. The point is this: We're not necessarily here to seek a countervailing TRO that binds the management even more than they currently are. My point is it's a reductio ad absurdum.

If you just continue the restraints in their existing form, while ostensibly it may appear to be keeping the playing field neutral, it does not.

Two things happen: It leaves management pre -- to possible mischief. I just gave the poison pill as one example. The change of control is a real example, but they are still free to do that. That's why a mere continuation of the existing restraints is not as innocuous as it seems. It was when Judge Walton did it ten days ago, but we are farther along in the process now.

THE COURT: I don't get the difference.

MR. HECHT: Because then we didn't start the process yet. Now we have the process in place. Shareholders don't think their votes count. The footnote that Judge Keenan addressed, the Management Assistance, makes the point very well, too.

THE COURT: But there's no real record support for that at this point.

MR. HECHT: We proffer the affidavit of Mr. Ladd is

obviously --

THE COURT: Which is --

MR. HECHT: He's spoken to shareholders, and he understands people are withholding their vote.

But if I may move to two other quick points, Judge.

That's our point is, if I wore the black robe, I respect the idea that the first thing I want to do is keep the playing field level, preserve the status quo until we get to a hearing.

What I am urging your Honor to consider is it is not so innocent to purportedly preserve the status quo by continuing the restraints, because we submit the current status quo presents a cloud on our ability to get votes.

What I propose we do --

THE COURT: Wait a minute. Why shouldn't there be a cloud on your ability to get votes if I find that they are likely to prevail in demonstrating that the disclosures are inadequate?

MR. HECHT: Two reasons. I'll speak to the 13d point. I don't think they are likely to succeed on the merits. Let's assume, as your Honor just supposed, that you do find that, then it's still not too late. As Judge Weinfeld said, as Plant Industries said, as Management Assistance said, as Poughkeepsie said, to unscramble the transaction later, if, in fact, your Honor finds that the disclosures were inadequate. It is simply

Important Additional Information

On August 17, 2006, Laddcap filed a definitive consent solicitation statement with the SEC relating to Laddcap's proposal to, among other things, remove the current Board of Directors and replace them with Laddcap's nominees. In response, on August 21, 2006, Delcath filed a definitive consent revocation statement on Form DEFC14A (the "Definitive Consent Revocation Statement") with the SEC in opposition to Laddcap's consent solicitation. Delcath shareholders should read the Definitive Consent Revocation Statement (including any amendments or supplements thereto) because it contains additional information important to the shareholders' interests in Laddcap's consent solicitation.

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