

**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): **April 2, 2019**

AngioDynamics, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction of Incorporation)

000-50761
(Commission File
Number)

11-3146460
(IRS Employer
Identification No.)

14 Plaza Drive Latham, New York
(Address of Principal Executive Offices)

12110
(Zip Code)

(518) 795-1400
(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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01 – Regulation FD Disclosure.

Presentation slides discussing AngioDynamics, Inc. (“AngioDynamics”) and its fiscal third quarter ended February 28, 2019 are being furnished herewith as Exhibit 99.1. The slides are being furnished pursuant to Item 7.01 and the information contained therein shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities under that Section. Furthermore, the information in Exhibit 99.1 shall not be deemed to be incorporated by reference into the filings of AngioDynamics under the Securities Act of 1933, as amended.

Item 9.01 – Financial Statements and Exhibits.

(d) *Exhibits.*

<u>Exhibit No.</u>	<u>Description</u>
99.1	Presentation dated April 2, 2019.

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.

ANGIODYNAMICS, INC.
(Registrant)

Date: April 2, 2019

By: /s/ Stephen A. Trowbridge
Stephen A. Trowbridge
Senior Vice President and General Counsel

AngioDynamics

Third Quarter 2019 Earnings Presentation
April 2, 2019



Forward-Looking Statements

Notice Regarding Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements regarding AngioDynamics' expected future financial position, results of operations, cash flows, business strategy, budgets, projected costs, capital expenditures, products, competitive positions, growth opportunities, plans and objectives of management for future operations, as well as statements that include the words such as "expects," "reaffirms," "intends," "anticipates," "plans," "believes," "seeks," "estimates," "optimistic," or variations of such words and similar expressions, are forward-looking statements. These forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties. Investors are cautioned that actual events or results may differ from AngioDynamics' expectations. Factors that may affect the actual results achieved by AngioDynamics include, without limitation, the ability of AngioDynamics to develop its existing and new products, technological advances and patents attained by competitors, infringement of AngioDynamics' technology or assertions that AngioDynamics' technology infringes the technology of third parties, the ability of AngioDynamics to effectively compete against competitors that have substantially greater resources, future actions by the FDA or other regulatory agencies, domestic and foreign health care reforms and government regulations, results of pending or future clinical trials, overall economic conditions, the results of on-going litigation, challenges with respect to third-party distributors or joint venture partners or collaborators, the results of sales efforts, the effects of product recalls and product liability claims, changes in key personnel, the ability of AngioDynamics to execute on strategic initiatives, the effects of economic, credit and capital market conditions, general market conditions, market acceptance, foreign currency exchange rate fluctuations, the effects on pricing from group purchasing organizations and competition, the ability of AngioDynamics to integrate acquired businesses, as well as the risk factors listed from time to time in AngioDynamics' SEC filings, including but not limited to its Annual Report on Form 10-K for the year ended May 31, 2018. AngioDynamics does not assume any obligation to publicly update or revise any forward-looking statements for any reason.

In the United States, the NanoKnife System has received a 510(k) clearance by the Food and Drug Administration for use in the surgical ablation of soft tissue, and is similarly approved for commercialization in Canada, the European Union and Australia. The NanoKnife System has not been cleared for the treatment or therapy of a specific disease or condition.

Notice Regarding Non-GAAP Financial Measures

Management uses non-GAAP measures to establish operational goals, and believes that non-GAAP measures may assist investors in analyzing the underlying trends in AngioDynamics' business over time. Investors should consider these non-GAAP measures in addition to, not as a substitute for or as superior to, financial reporting measures prepared in accordance with GAAP. In this news release, AngioDynamics has reported adjusted EBITDAS (income before interest, taxes, depreciation and amortization and stock-based compensation); adjusted net income; adjusted earnings per share and free cash flow. Management uses these measures in its internal analysis and review of operational performance. Management believes that these measures provide investors with useful information in comparing AngioDynamics' performance over different periods. By using these non-GAAP measures, management believes that investors get a better picture of the performance of AngioDynamics' underlying business. Management encourages investors to review AngioDynamics' financial results prepared in accordance with GAAP to understand AngioDynamics' performance taking into account all relevant factors, including those that may only occur from time to time but have a material impact on AngioDynamics' financial results. Please see the tables that follow for a reconciliation of non-GAAP measures to measures prepared in accordance with GAAP.

Third Quarter 2019 Highlights

Financial Performance

- Revenue of \$86.3 million, compared to \$83.9 million a year ago. Organic revenue was \$83.2 million for the third quarter.
- Gross Margin of 54.1%, down 10 bps year over year. Expect full-year gross margin to be between 54% and 55%.
- Adjusted EPS of \$0.19, compared to \$0.23 a year ago.
- Adjusted EBITDAS of \$14.9 million, compared to \$16.8 million a year ago.
- Cash provided by operations of \$8.3 million.
- Reconfirming previous guidance on revenue, adjusted EPS, and free cash flow.

Select Product Family Year-over-Year Sales Growth

Vascular Interventions and Therapies

- Fluid Management: 4%
- AngioVac®: 28%
- Core Peripheral: 2%
- Venous Insufficiency: (4%)

Vascular Access

- Midlines: (1%)
- PICCs: (8%)
- Ports: (8%)
- Dialysis: 6%

Oncology

- NanoKnife®: (31%)
- RadioFrequency Ablation: (9%)
- Solero® Microwave: 15%

Corporate Developments

- RadiaDyne and BioSentry performed in line with our expectations for the quarter.
- Received FDA approval to begin our DIRECT NanoKnife study for Stage III pancreatic cancer with a Category B IDE.
- Received 510(k) clearance from the FDA for electron and cancer treatment related to our OarTrac real-time dosimetry device.
- Won patent infringement dispute with Bard.

Third Quarter and Year-to-Date FY 2019 Results (unaudited)

<i>\$ in thousands (except per share data)</i>	FY2019 Q3 Results	FY2018 Q3 Results	Change	FY2019 YTD Results	FY2018 YTD Results	Change
Revenue	\$86,341	\$83,851	3.0%	\$263,184	\$255,968	2.8%
- Vascular Interventions and Therapies	50,115	48,517	3.3%	152,603	149,751	1.9%
- Vascular Access	22,348	23,279	(4.0%)	69,861	69,091	1.1%
- Oncology	13,878	12,055	15.1%	40,720	37,126	9.7%
- United States	68,331	65,787	3.9%	207,898	203,020	2.4%
- International	18,010	18,064	(0.3%)	55,286	52,948	4.4%
Net Income	\$796	\$14,019		\$2,467	\$14,233	
Adjusted Net Income	\$7,377	\$8,652		\$21,979	\$19,927	
GAAP Earnings Per Share	\$0.02	\$0.37		\$0.06	\$0.38	
Non-GAAP Adjusted EPS	\$0.19	\$0.23		\$0.57	\$0.53	
Gross Margin	54.1%	54.2%		53.3%	50.6%	
Adjusted EBITDAS	\$14,925	\$16,834		\$43,864	\$41,451	
Free Cash Flow	\$7,455	\$3,890		\$10,125	\$15,869	
Cash	\$41,704	\$74,096*		\$41,704	\$74,096*	
Debt	\$133,750	\$92,500*		\$133,750	\$92,500*	

4 * Balances reflect amounts at 5/31/2018



GAAP to Non-GAAP Reconciliation

Reconciliation of GAAP to Non-GAAP Net Income and EPS

Amounts in thousands	Three months ended		Nine months ended	
	February 28, 2019	February 28, 2018	February 28, 2019	February 28, 2018
	(unaudited)		(unaudited)	
Net Income	\$ 796	\$ 14,019	\$ 2,467	\$ 14,233
Amortization of intangibles	5,342	4,191	14,646	12,433
Change in fair value of contingent consideration	609	31	865	218
Acquisition, restructuring and other items, net ⁽¹⁾	2,550	4,177	9,700	11,932
Tax effect of non-GAAP items ⁽²⁾	(1,920)	(13,766)	(5,699)	(18,889)
Adjusted net income	\$ 7,377	\$ 8,652	\$ 21,979	\$ 19,927

	Three months ended		Nine months ended	
	February 28, 2019	February 28, 2018	February 28, 2019	February 28, 2018
	(unaudited)		(unaudited)	
Diluted earnings per share	\$ 0.02	\$ 0.37	\$ 0.06	\$ 0.38
Amortization of intangibles	0.14	0.11	0.38	0.33
Change in fair value of contingent consideration	0.02	0.00	0.02	0.01
Acquisition, restructuring and other items, net ⁽¹⁾	0.07	0.11	0.25	0.32
Tax effect of non-GAAP items ⁽²⁾	(0.06)	(0.36)	(0.14)	(0.51)
Adjusted diluted earnings per share	\$ 0.19	\$ 0.23	\$ 0.57	\$ 0.53
Adjusted diluted sharecount	38,338	37,442	38,350	37,358

- (1) Includes costs related to merger and acquisition activities, restructurings, and unusual items, including asset impairments and write-offs, certain litigation, and other items.
- (2) Adjustment to reflect the income tax provision on a non-GAAP basis has been calculated assuming no valuation allowance on the Company's U.S. deferred tax assets and an effective tax rate of 23% for February 28, 2019. For February 28, 2018, the effective tax rate i) has been calculated using a blended rate of 30.62% for the year ended May 31, 2018 due to the enactment of the Tax Cuts and Jobs Act (the "Act") that reduced the federal corporate tax rate to 21%; ii) excludes the benefit recorded in Q3 fiscal 2018 resulting from remeasurement of the Company's deferred tax assets from the Act; iii) tax effects the non-GAAP adjustment shown above and iv) assumes the Company does not have a valuation allowance on its U.S. deferred tax assets.



Reconciliation of Net Income to EBITDAS to Adjusted EBITDAS

Amounts in thousands	Three months ended		Nine months ended	
	February 28, 2019	February 28, 2018	February 28, 2019	February 28, 2018
	(unaudited)		(unaudited)	
Net Income	\$ 796	\$ 14,019	\$ 2,467	\$ 14,233
Income tax expense (benefit)	283	(9,948)	866	(10,095)
Interest expense, net	1,442	740	3,689	2,223
Depreciation and amortization	6,867	5,718	19,158	17,395
Stock based compensation	2,378	2,058	7,119	5,821
EBITDAS	\$ 11,766	\$ 12,587	\$ 33,299	\$ 29,577
Change in fair value of contingent consideration	\$ 609	\$ 31	\$ 865	\$ 218
Acquisition, restructuring and other items, net ⁽¹⁾	2,550	4,216	9,700	11,656
Adjusted EBITDAS	\$ 14,925	\$ 16,834	\$ 43,864	\$ 41,451
Per diluted share:				
EBITDA	\$ 0.31	\$ 0.34	\$ 0.87	\$ 0.79
Adjusted EBITDAS	\$ 0.39	\$ 0.45	\$ 1.14	\$ 1.11

(1) Includes costs related to merger and acquisition activities, restructurings, and unusual items, including asset impairments and write-offs, certain litigation, and other items.

Growth *THROUGH*

Focus | Execution | Accountability