

ANGIODYNAMICS INC
Form 10-Q
September 29, 2017
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF
 1934

For the quarterly period ended August 31, 2017

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF
1934

For the transition period from _____ to _____

Commission file number 0-50761

AngioDynamics, Inc.
(Exact name of registrant as specified in its charter)

Delaware	11-3146460
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

14 Plaza Drive Latham, New York	12110
(Address of principal executive offices)	(Zip Code)

(518) 795-1400

Registrant's telephone number, including area code

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
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Common stock, par value \$.01	NASDAQ Global Select Market
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Preferred Stock Purchase Rights	NASDAQ Global Select Market
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Securities registered pursuant to Section 12(g) of the Act:

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None
(Title of Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes No

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer

Non-accelerated filer Smaller reporting company

Emerging growth company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate the number of shares outstanding of each of the Issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding as of September 26, 2017
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Common Stock, par value \$.01	36,715,736
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PART 1. FINANCIAL INFORMATION

Item 1. Financial Statements.

AngioDynamics, Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF INCOME (LOSS)

(unaudited)

(in thousands of dollars, except per share data)

	Three Months	
	Ended	
	Aug 31,	Aug 31,
	2017	2016
Net sales	\$85,411	\$88,098
Cost of sales (exclusive of intangible amortization)	44,182	43,066
Gross profit	41,229	45,032
Operating expenses:		
Research and development	6,441	6,709
Sales and marketing	19,402	19,455
General and administrative	8,056	8,201
Amortization of intangibles	4,096	4,235
Change in fair value of contingent consideration	105	443
Acquisition, restructuring and other items, net	2,989	2,417
Total operating expenses	41,089	41,460
Operating income	140	3,572
Other (expenses) income:		
Interest expense	(723)	(719)
Other income (expense)	567	50
Total other expenses, net	(156)	(669)
Income (loss) before income tax expense (benefit)	(16)	2,903
Income tax expense	19	1,603
Net income (loss)	\$(35)	\$1,300
Earnings (loss) per share		
Basic	\$0.00	\$0.04
Diluted	\$0.00	\$0.04
Weighted average shares outstanding		
Basic	36,919	36,319
Diluted	36,919	36,698

The accompanying notes are an integral part of these consolidated financial statements.

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AngioDynamics, Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(unaudited)

(in thousands of dollars)

	Three Months Ended	
	Aug 31,	Aug 31,
	2017	2016
Net income (loss)	\$ (35)	\$ 1,300
Other comprehensive income (loss), before tax:		
Unrealized gain (loss) on marketable securities	—	(6)
Foreign currency translation (loss)	283	(294)
Other comprehensive income (loss), before tax	283	(300)
Income tax expense related to items of other comprehensive income	—	2
Other comprehensive income (loss), net of tax	283	(298)
Total comprehensive income (loss), net of tax	\$ 248	\$ 1,002

The accompanying notes are an integral part of these consolidated financial statements.

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AngioDynamics, Inc. and Subsidiaries

CONSOLIDATED BALANCE SHEETS

(unaudited)

(in thousands of dollars, except share data)