AngioDynamics CEO resigns, outlook disappoints

The Associated Press

Shares of AngioDynamics Inc. fell in after-hours trading after the medical device maker announced the immediate resignation of CEO and President Jan Keltjens, and issued a fiscal fourth-quarter profit projection that's short of Wall Street expectations.

Scott Solano, a senior vice president and the company's chief technology officer, will serve as interim CEO until a permanent replacement is found for Keltjens.

AngioDynamics Chairman Vincent Bucci said in a statement that the company's board and Keltjens agreed that "now is an opportune time for a change in the leadership."

"The board believes that while AngioDynamics can and will become one of the faster growing companies in the medical device industry, we have underperformed in the recently completed fiscal year," Bucci said.

The Albany, N.Y., company announced the resignation and preliminary fiscal fourth-quarter results after its shares fell 14 cents, or about 1 percent, to close at $14.57. After hours, the stock fell a further $1.32, or 9.1 percent, to $13.25. That's below the 52-week low of $13.61 that the stock reached in September. The stock hit a 52-week high of $17.73 in January.

AngioDynamics expects to report an approximately break-even result in the fourth quarter, including a charge of $4.2 million, or 11 cents per share. The charge reflects the company's decision to halt development of a product using technology licensed in 2006 from Medron.

Excluding that charge, the company expects to earn 10 to 11 cents per share in the quarter.

Analysts surveyed by FactSet expect the company to post a profit of 14 cents per share, on average. Analysts' estimates typically exclude one-time items.

AngioDynamics said it expects to post fourth-quarter revenue of about $56.4 million, down from $60.3 million in the year-ago quarter. The company had previously projected fourth-quarter revenue of $57.5 million to $60.5 million. Analysts expect revenue of $59 million.

Final results for the quarter and full fiscal year are expected to be announced July 14.

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