AngioDynamics 1Q profit falls on CEO costs

The Associated Press

Medical device maker AngioDynamics Inc. said Thursday its profit declined in the fiscal first quarter because of costs related to its search for a new CEO and the closing of a facility in the U.K.

The company said its profit decreased to $1.4 million, or 5 cents per share, from $1.9 million, or 8 cents per share. Excluding one-time costs, AngioDynamics said it earned 8 cents per share. Revenue rose 6 percent, to $54.4 million from $51.5 million

Analysts expected a profit of 11 cents per share and revenue of $55.9 million, according to FactSet. The company's first quarter ended Aug. 31.

Joseph DeVivo became the company's new president and CEO on Sept. 7. DeVivo, 44, was previously the president of Smith & Nephew Inc.'s orthopedics business. Former CEO Jan Keltjens resigned in mid-June, after the company issued a disappointing fourth-quarter forecast.

AngioDynamics said revenue from its cancer and surgery business grew 15 percent to $17.9 million. That includes $2.3 million in revenue from its NanoKnife device, more than twice last year. The company said more than 800 patients have been treated with NanoKnife surgical ablation device, including about 400 liver patients and 100 pancreas patients. The company said revenue from its vascular division edged up 2 percent to $36.6 million

AngioDynamics' board approved the repurchase of up to $20 million in stock by May 31. The company had about 25.2 million shares on the market during the fiscal first quarter.

The company maintained its fiscal 2012 outlook for a profit of 41 cents to 49 cents per share, excluding one-time items. Revenue is estimated at(backslash) $217 million to $225 million. Those per share estimates include a loss of 16 cents per share from the NanoKnife program and increased research spending, along with the CEO transition and U.K. facility costs.

Analysts expect the company to report a profit of 43 cents per share and $218.8 million in revenue.

Shares rose 46 cents, or 3.3 percent, to $14.26 in premarket trading.

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