

AngioDynamics Signs Exclusive Agreement with Bioniche Pharma Group Limited for Distribution of Sotradecol(TM); Revises Guidance Upwards

QUEENSBURY, N.Y.--(BUSINESS WIRE)--Oct. 18, 2005--AngioDynamics, Inc., (Nasdaq: ANGO) today announced an agreement with Bioniche Pharma Group Limited for distribution of Sotradecol™ for the treatment of small, uncomplicated varicose veins.

The agreement gives AngioDynamics exclusive rights to market and distribute Sotradecol to interventional radiologists, vascular surgeons and general surgeons in the United States. Sotradecol is the only FDA-approved, sodium tetradecyl sulfate injection in the United States. The contract has an initial term of seven years and requires an initial payment of \$1.5 million in 30 days. A further payment of \$800,000 will be due following the first commercial sale of the product. The contract also contains provisions for minimum annual purchase requirements.

Sotradecol has been shown to be an effective treatment of small uncomplicated varicose veins of the lower extremities. It is used in sclerotherapy, a non-surgical procedure to remove veins. An estimated 1.7 million patients undergo sclerotherapy each year in the U.S.

According to Albert Beraldo, President and CEO of Bioniche Pharma Group Limited, "We are very excited to partner with AngioDynamics, a company we believe will be the leader in the treatment of varicose veins. AngioDynamics has excellent relationships with interventional radiologists and vascular surgeons, which we believe will help make sclerotherapy with Sotradecol an important FDA-approved treatment option for U.S. patients."

Commenting for AngioDynamics, President and CEO, Eamonn P. Hobbs said, "We are delighted that Bioniche has chosen us to market this important drug, which is now legally available in the U.S. for this indication. This agreement allows us to provide greater treatment options to our customers, helping them to better serve their patients with varicose veins. We can now offer our customers a product geared toward the treatment of smaller veins, in addition to our laser system for the treatment of the great saphenous vein."

The Company is revising its fiscal 2006 financial guidance. AngioDynamics expects net sales growth to exceed 26%, to at least \$76 million, compared with fiscal 2005. Year-over-year net income growth is expected to exceed 48%, to \$6.7 million which includes the anticipated one-time charge totaling \$366,000, net of income taxes to be incurred in conjunction with the Company's requirement to comply with Section 404 of the Sarbanes-Oxley Act by May 2006.

Without the effect of these one-time expenses, net income would be expected to reach \$7.1 million, or 56% net income growth from fiscal 2005. The Company expects its gross margin to be at least 57.8%. R&D and SG&A expenses for the fiscal year 2006 are expected to be approximately 8.5% and 35%, respectively. The Company expects its effective tax rate to be approximately 39% for fiscal year 2006. Earnings per diluted share are expected to be \$0.52 for fiscal 2006.

About AngioDynamics

AngioDynamics, Inc. (www.angiodynamics.com) is a leading provider of innovative medical devices used by interventional radiologists, vascular surgeons and other physicians for the minimally invasive diagnosis and treatment of peripheral vascular disease. AngioDynamics, Inc. designs, develops, manufactures and markets a broad line of therapeutic and diagnostic devices that enable interventional physicians, such as interventional radiologists, vascular surgeons and others, to treat peripheral vascular diseases and other non-coronary diseases. The Company's diverse product line includes angiographic catheters, hemodialysis catheters, endovascular laser venous system products, PTA dilation balloon catheters, image-guided vascular access products, thrombolytic products and drainage products.

About Bioniche Pharma Group

Bioniche Pharma Group is a specialty pharmaceutical company involved primarily in the development, manufacturing, and marketing of sterile injectable products. Bioniche Pharma sells a number of non-branded products in the U.S. market for which it has received approval. It also sells its branded product, Suplasyn, in 30 countries globally. Bioniche Pharma products are sold to both the primary care and hospital markets in the U.S., Canada, and Europe.

The statements made in this document contain certain forward-looking statements that involve a number of risks and uncertainties. Words such as "expects," "intends," "anticipates," "plans," "believes," "seeks," "estimates," or variations of such words and similar expressions, are intended to identify such forward-looking statements. Investors are cautioned that actual events or results may differ from the Company's expectations. In addition to the matters described above, the ability of the Company to develop its products, future actions by the FDA or other regulatory agencies, results of pending or future clinical trials, results of pending patent litigation, overall economic conditions, general market conditions, market acceptance, foreign currency exchange rate fluctuations, the effects on pricing from Group Purchasing Organizations, competition, as well as the risk factors listed from time to time in the SEC filings of AngioDynamics, Inc., including but not limited to its Annual Report on Form 10-K for the year ended May 28, 2005, may affect the actual results achieved by the Company.

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