

# **THERAGENICS CORPORATION®**

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## **THERAGENICS AGREES TO ACQUIRE NEEDLETECH PRODUCTS FOR \$47.8 MILLION**

### ***MARKS THIRD ACQUISITION SINCE 2005; CONTINUES COMPANY'S DIVERSIFICATION AND GROWTH STRATEGY***

Buford, GA, July 17, 2008– Theragenics Corporation® (NYSE: TGX), a medical device company serving the surgical products and prostate cancer treatment markets, announced today that it has signed an agreement to acquire NeedleTech Products, Inc., Attleboro, MA, a privately held manufacturer of specialty needles and related medical devices, for \$47.8 million in cash, subject to adjustment. The acquisition is expected to close in the third quarter of 2008.

With revenue of \$16.9 million in 2007, NeedleTech's current products include coaxial needles, biopsy needles, access trocars, brachytherapy needles, guidewire introducer needles, spinal needles, disposable veress needles, and other needle based products. End markets served include the cardiology, orthopedic, pain management, endoscopy, spine, urology, and veterinary markets.

"We are delighted to welcome NeedleTech to the Theragenics family. This acquisition will forward our stated strategy of becoming a diversified medical device manufacturer, will increase our breadth of offerings to our existing customers and will expand our customer base of large leading-edge OEMs," stated M. Christine Jacobs, Chairman and CEO of Theragenics. "NeedleTech is a good fit, offering products that complement our existing product lines in both our surgical products and brachytherapy businesses. This acquisition will also advance our strategy to provide an ever growing array of high quality, 'Made in the USA' products and systems to large players in the medical device field."

Under the terms of the agreement, Theragenics will pay \$47.8 million in cash, plus transaction costs, for NeedleTech, subject to the terms and conditions of the agreement. Theragenics will retain the cash and investments held by NeedleTech, which totaled approximately \$5 million as of June 30, 2008. The purchase price is also subject to a working capital adjustment at closing. Theragenics expects to finance \$24.5 million of the purchase price with borrowings on its existing \$40.0 million credit facility and pay the remainder from current cash and investment balances. Theragenics expects the acquisition to be dilutive to earnings per share in 2008 and accretive in 2009.

***press release***

NeedleTech's President, Ron Routhier commented, "We are excited about becoming part of the Theragenics team. We are impressed with how they have integrated their previous acquisitions, and we are looking forward to the benefit of the resources and expertise they bring to the table. Theragenics' assets and resources should help us better serve our customers and accelerate our growth. NeedleTech's capabilities should also greatly enhance Theragenics' overall strategy of providing an array of high quality products to the large medical devices manufacturers."

Ms. Jacobs said, "We have always managed our balance sheet in a fiscally sound way. This discipline has provided us an opportunity to close on the NeedleTech transaction in a very difficult credit and economic environment. In fact, with this transaction we will have invested over \$100 million for three acquisitions since May 2005. This bucks the current trend, especially for smaller companies like ours."

Concluded Ms. Jacobs, "These investments have transformed our company. We remain focused on maintaining our leadership in the brachytherapy business and continued growth and diversification in our surgical products business. With the addition of NeedleTech, we expect to accelerate this growth by leveraging our assets and capabilities and accelerating product development across our surgical products segment."

Genesis Capital was the Company's financial advisor and Powell Goldstein LLP was the Company's legal advisor on this transaction.

Theragenics will host a conference call today, July 17, at 11:00 a.m. Eastern Time. To access the call, dial 800-538-9844 or 706-634-7274 and provide the conference ID code 55959229. This call is also being broadcast live over the Internet, and a recording will be available for one month on the Company's website. To access the webcast, log on to [www.theragenics.com](http://www.theragenics.com) and select Investor Relations followed by selecting Company Presentations. You also can access a phone replay of the call until Midnight, July 23, 2008, by dialing 800-642-1687 or 706-645-9291 and providing the conference ID code: 55959229.

Theragenics Corporation (NYSE: TGX) operates two business segments: its surgical products business and its brachytherapy seed business. Its surgical products business ([www.cpmedical.com](http://www.cpmedical.com) and [www.galtmedical.com](http://www.galtmedical.com)) manufactures and distributes wound closure and vascular access products. Wound closure products include sutures, needles and other surgical products with applications in, among other areas, urology, veterinary, cardiology, orthopedics, plastic surgery and dental. Vascular access includes introducers and guidewires used in the interventional radiology, interventional cardiology and vascular surgery markets. The brachytherapy business manufactures and markets its premier product, the palladium-103 TheraSeed® device ([www.theraseed.com](http://www.theraseed.com)) and I-Seed, an iodine-125 based device, which are used primarily in the minimally invasive treatment of localized prostate cancer. For additional information, call Theragenics' Investor Relations Department at (800) 998-8479 or visit [www.theragenics.com](http://www.theragenics.com).

*This press release contains forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, the accuracy of which is necessarily subject to risks and uncertainties, including, without limitation, statements regarding the contribution of NeedleTech Products, Inc. to Theragenics sales, impact on net income, future growth and anticipated positive results in general. Actual results may differ materially due to a variety of factors, risks and uncertainties including, without limitation, risks and uncertainties related to the satisfaction of certain conditions to closing of the proposed acquisition, the ability to successfully integrate NeedleTech into the Theragenics organization, capitalization on opportunities for growth within the NeedleTech business plan, ability to recognize value from areas of shared expertise, risks and uncertainties related to competition within the medical device industry, development and growth of new applications within the markets for needles, vascular access, wound closure, brachytherapy and more broadly, medical devices, competition from other companies within the needle, vascular access, wound closure and medical device markets, competition from other methods of treatment, new product and process development cycles, potential costs and delays associated with expansion and executing growth strategies, potential costs and delays in production optimization, effectiveness and execution of marketing and sales programs, changes in pricing of raw materials or changes in relationships with key suppliers, third-party (including CMS) reimbursement, Congressional action affecting Medicare reimbursement, physician training, third-party distribution agreements, and other factors set forth from time to time in the Company's Securities and Exchange Commission filings.*

*All forward looking statements and cautionary statements included in this document are made as of the date hereof based on information available to the Company as of the date hereof, and the Company assumes no obligation to update any forward looking statement or cautionary statement.*