

Angiotech Pharmaceuticals, Inc.
2005 Estimated EBITDA Reconciliation from Operating Income Under GAAP
(dollars in millions)
(Unaudited)

EBITDA for the twelve months ended December 31, 2005

Operating income under GAAP	\$31,328
Depreciation & amortization	9,540
Acquired in-process research and development	54,957
Stock base compensation	6,072
Litigation expense (1)	11,500
EBITDA	<hr/> \$113,397

The above results are preliminary for the year ended 2005 and unaudited.

Certain financial results presented in this presentation include non-GAAP measures that exclude certain items. EBITDA figures shown above exclude stock based compensation expense, acquisition related amortization charges, acquired in-process research and development relating to license agreements and acquisitions and other non-recurring items. EBITDA does not have any standardized meaning prescribed by GAAP and therefore may not be comparable to similar measures presented by other issuers. Management uses non-GAAP or adjusted operating measures to establish operational goals, and believes that these measures may assist investors in analyzing the underlying trends in our business over time. Investors should consider these non-GAAP measures in addition to, not as a substitute for, or as superior to, financial reporting measures prepared in accordance with GAAP.