

ENDOCARE INC
Form 425
June 09, 2009

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Company Update
&
Important Announcement

June 9, 2009

Filed by HealthTronics, Inc. pursuant to
Rule
425 under the Securities Act of 1933 and
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14d-2(b)
under
the Securities Exchange Act of 1934
Subject Company: Endocare, Inc.
Commission File No.: 001-15063

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HealthTronics
Leadership with us Today

James Whittenburg, President & CEO

Scott Herz, VP, Business Development

Jeff Quade, VP, Human Resources and Administration

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Background of Transaction

Endocare and HealthTronics have always had a close working relationship

HealthTronics is Endocare's largest customer; Endocare's

cryosurgeons are HealthTronics partners!

April 9, 2009

Endocare receives letter from HealthTronics with offer to purchase Endocare

June 7, 2009 -

Endocare and HealthTronics enter into merger agreement.

HealthTronics greatly values Endocare's achievements in the Cryo Field.

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HealthTronics is acquiring all of the outstanding shares of Endocare common stock.

After the merger, Endocare will become a wholly-owned subsidiary of HealthTronics.

Under the merger agreement, Endocare stockholders have the ability to elect to receive either cash or HealthTronics shares in the transaction (subject to certain limitations).

HealthTronics and Endocare Blending:

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Who is HealthTronics?

HealthTronics, Inc. provides healthcare services and manufactures medical devices primarily for the urology community

The company was founded in 1972 and is headquartered in Austin, Texas

Public company listed on NASDAQ: HTRN

Annual revenues of \$166 million in 2008

500 plus employees

More information on www.healthtronics.com

Acquisitive, growing company

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The Mission of HealthTronics, Inc.
is to bring to our Partners
new technologies and services
that improve patient care and
practice economics through
the efforts of our expert

and caring employees.
HealthTronics
Mission Statement

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About HealthTronics, Inc.

For over 20 years
HealthTronics, Inc. has
been the leading
provider of urological

services and products
in the United States.

HealthTronics provides
the most advanced
technology and premier
support systems to
hospitals, surgery
centers and clinics
worldwide.

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Building Urology Partnerships -
TotalCare
TotalCare
is the
comprehensive suite of
HealthTronics, Inc. unique

products and service solutions
that are offered as a part of a
HealthTronics, Inc.
Partnership.
TM

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Acquisition Rationale
HealthTronics

has well-established relationships with approximately one-third of the practicing urologists in the United States

has demonstrated successful co-promotion of the Endocare technology

has strong, positive cash flow and greater assurance of long-term solvency

believes there is value in the development, manufacture and growth of cryoablation technologies and intends to maximize that value through Endocare's technology

has and will continue to take advantage of opportunities to develop and expand technologies, both in and outside of the urology services specialty

intends to maximize services and products to joint customers/partners

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Tender Offer Process

Estimated Close of Q3, 2009

Must continue to operate as separate, independent

companies until closing

Our Senior Team at Endocare will be working with James Whittenburg and his team and will be available to answer questions
Process and Timing

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When Will My Department/Position Be
Transitioned to Austin?

No reductions as a result of the proposed acquisition
between now and the actual close of the transaction.
Following closing, HealthTronics

headquarters to be based
in Austin, TX.

HealthTronics places a high value on employees and all will
be treated with the utmost respect and consideration.

Integration team will determine specifics regarding if/when
corporate functions will be transitioned to Austin. Leads:
Suzanne Douglass and Jeff Quade.

Retention and severance packages will be determined as
quickly as possible and communicated to all employees.

We are committed to full and timely communication when
specific decisions are made.

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We understand and empathize that this is a challenging time of change.

We are very much committed to assisting you through this transition and will do our best to answer any/all of your questions/concerns.

Please do not hesitate to talk to any member of

Senior Management if you have questions.
What if I have Questions?

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Disclaimer

Forward-Looking Statements

This presentation contains forward-looking statements, including those regarding Endocare, Inc. and HealthTronics, Inc., their respective subsidiaries, the products and services they provide, and their proposed business combination.

You are cautioned that

all such statements involve risks and uncertainties. Factors that could cause actual results to differ materially from those expressed or implied in the forward-looking statements include, among others, the risk that the exchange offer and the merger will not close; the risk that HealthTronics business and/or Endocare's business will be adversely impacted during the pendency of the exchange offer and the merger; the risk that the operations of the two companies will not be integrated successfully; the risk that HealthTronics expected cost savings and other synergies from the transaction may not be fully realized, realized at all or take longer to realize than anticipated; the risk that demand for and acceptance of HealthTronics or Endocare's products or services may be reduced; the risk of changes in governmental regulations; the impact of economic conditions; the impact of competition and pricing; and other factors described from time to time in HealthTronics or Endocare's periodic and current reports filed with the Securities and Exchange Commission. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. Endocare and HealthTronics undertake no obligation to publicly revise these forward-looking statements. Please refer to the joint press release by Endocare and HealthTronics announcing this transaction and our SEC filings for a discussion of risks related to forward-looking statements.

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Important Additional Information

The tender offer described herein has not commenced. In connection with the tender offer, HealthTronics intends to file a registration statement on

Form S-4 and a Tender

Offer Statement on Schedule TO with the Securities and Exchange Commission (the

SEC) and Endocare intends to file a solicitation / recommendation statement on Schedule 14D-9. Such documents, however, are not currently available.

INVESTORS

ARE URGED TO READ THESE MATERIALS WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT HEALTHTRONICS, ENDOCARE AND THE TRANSACTION.

Investors and security holders will be able to

obtain free copies of the registration statement on Form S-4, Schedule TO and Schedule 14D-9 as well as other filings containing information about HealthTronics and Endocare without charge at the SEC's web site (<http://www.sec.gov>) once such documents are filed with the SEC.

A free copy of the tender offer materials, when they become available, will also be available on HealthTronics

website at www.healthtronics.com and a copy of the

Schedule 14D-9 will be available on Endocare's website at www.endocare.com.