CryoLife, Inc. Reports Record Revenues for 1999 First Quarter; Product and Service Diversification on Track

April 22, 1999

ATLANTA, Ga.--(BW HealthWire)--April 22, 1999--CryoLife, Inc. (NYSE:CRY), the leader in the development and commercialization of living human tissue implantable devices and a manufacturer and distributor of stentless heart valves and surgical adhesives, announced revenues and earnings for the quarter ended March 31, 1999. In addition, the Company also confirmed that its diversification strategy was on track, strengthening product and service mix and helping to reduce the Company's dependence on any one line of business.

Revenues for the first quarter of 1999 were $16.3 million, a first quarter record and an increase of 12% as compared with $14.6 million in the same period in 1998. Net income for the quarter ended March 31, 1999 was $1.4 million compared with $1.2 million in the first quarter of 1998. Earnings per common share for first quarter 1999 were $0.11 basic and diluted on 12.5 and 12.7 million shares, respectively, versus $0.12 basic and diluted on 9.7 and 10 million shares, respectively, in the same period in 1998.

Steven G. Anderson, President and Chief Executive Officer of CryoLife, said, "Net income was affected by a decline in allograft heart valve preservation revenues, principally in pulmonary valves, when compared with the first quarter of last year. We were very pleased with the 39% increase in vascular tissue preservation revenues and the 33% increase in orthopaedic tissue preservation revenues compared with the first quarter a year ago, which we believe confirms the fact that our diversification strategy is working."

The Company stated that vascular tissue preservation accounted for 30% of the Company's revenues, orthopaedic tissue preservation generated 15% of revenues, and human heart valve preservation revenues accounted for 42%. Also, the Company indicated that it believes that the early success and acceptance of its BioGlue(R) surgical adhesive will enhance its diversification strategy.

On April 19th, the Company announced a lifetime limited warranty on allograft heart valves for freedom from valve-related endocarditis and thromboembolic events. In addition, on April 21st, the Company's BioGlue surgical adhesive was the subject of a paper presented by Dr. Steven R. Gundry of Loma Linda Medical Center at the 79th annual meeting of the American Association of Thoracic Surgeons in New Orleans. The paper highlighted the results of experimental cardiac bypass surgeries to reconnect saphenous vein grafts and internal mammary arteries to goat hearts using a sutureless technique and BioGlue surgical adhesive. Subsequent to this experimental surgery, the connected vessels are open and appear normal at 12 months.

Founded in 1984, CryoLife, Inc. is the leader in the development and commercialization of living human tissue implantable devices for use in cardiovascular, vascular and orthopaedic surgeries throughout the United States and Canada. The Company's BioGlue(R) surgical adhesive, CE marked in the European Union for use in vascular and pulmonary sealing and repair, is distributed throughout Europe. The Company also manufactures CryoLife-O'Brien(R) and CryoLife-Ross(TM) stentless porcine heart valves which are distributed within the European Community.

Statements made in this press release which look forward in time involve risks and uncertainties and are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such risks and uncertainties include the risk that the Company may not be able to continue to diversify its product and service mix, or even if successful, that the Company may continue to be dependent on one or more lines of business, that BioGlue surgical adhesive will not perform in humans as it has in animals or that unforeseen complications may arise subsequent to the application of BioGlue surgical adhesive, the possibility that the application of BioGlue surgical adhesive to coronary bypasses in humans could involve unanticipated costs and greater skill levels or more invasive procedures than currently anticipated, changes in economic cycles, competition from other companies, changes in laws and governmental regulations applicable to the Company and other risk factors detailed in the Company's Securities and Exchange Commission filings, including the Company's Prospectus dated March 30, 1998, contained in its Registration Statement on Form S-3 (No. 333-46545).

The Company web site is: http://www.cryolife.com

CRYOLIFE, INC.
Financial Highlights
(In thousands, except per share data)

	Three Months Ended March 31,	
	1999	1998
	(Unaudited)	
Revenues	$16,325	$14,561

Costs and expenses:		
Cryopreservation and products	7,371	5,481
General, administrative and marketing	6,170	5,827
Research and development	1,074	1,011
Interest expense	119	430
Interest income	(425)	--
Other	(44)	(64)
Total costs and expenses	14,265	12,685
Income before income taxes	2,060	1,876
Income tax expense (benefit)	680	704
Net income	$ 1,380	$ 1,172
Earnings per share:		
Basic	$ 0.11	$ 0.12
Diluted	$ 0.11	$ 0.12
Weighted average shares outstanding:		
Basic	12,497	9,739
Diluted	12,680	10,077

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