



CryoLife, Inc. Reports Record Revenues and Record Net Income for Both Second Quarter and First Half of 2001

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ATLANTA, July 17 /PRNewswire/ -- CryoLife, Inc. (NYSE: CRY), a life-science company involved in the development and commercialization of cryopreserved and tissue-engineered implantable heart valves, vascular and orthopaedic grafts, and surgical adhesives, today reported record revenues and record net income for the second quarter and six month period ended June 30, 2001.

Revenues for the second quarter of 2001 were \$21,697,000, an increase of 12% over the previous record of \$19,454,000, recorded in the second quarter of 2000. Net income for the second quarter of 2001 was \$2,539,000, an increase of 28% over the previous record net income of \$1,979,000 reported in the second quarter ended June 30, 2000. On a fully diluted basis, earnings per common share for the second quarter ended June 30, 2001, were \$0.13, as compared to \$0.10 for the same period in 2000.

Revenues for the six-month period ended June 30, 2001 were a record \$43,129,000, up 10% over the previous record of \$39,077,000 set in same period in 2000. Net income for the first six months of 2001 was a record \$5,018,000, an increase of 40% over the record \$3,583,000 set in 2000. On a fully diluted basis, earnings per common share for the first six months of 2001 were \$0.26, compared to \$0.19 recorded for the same period in 2000. Earnings per common share for the second quarter and first six months of 2000 have been adjusted to reflect a 3-for-2 stock split effected on December 27, 2000.

Steven G. Anderson, President and Chief Executive Officer, CryoLife, Inc., noted, "The Company's record financial performance in the first half of 2001 reflected strong growth in our vascular and orthopaedic cryopreservation revenues which registered gains of 12% and 38%, respectively, as compared to the same period in 2000. This contribution more than offset a decline of 7% in cardiovascular cryopreservation revenues in the first six months of 2001 resulting from a decline in heart tissue procurement. Financial results were also favorably affected by the continuing successful commercial roll-out of our BioGlue(R) surgical adhesive, in both domestic and foreign markets, which contributed \$5.1 million in revenue during the first six months of 2001, a 94% year-to-year increase. BioGlue represented 12% of total Company revenues in the first half of 2001. International revenues for the first half of 2001 amounted to \$3,084,000, an 18% increase over the same period in 2000. International revenues accounted for 7% of total corporate revenues in the first six months of 2001."

Founded in 1984, CryoLife, Inc., is the leader in the development and commercialization of implantable living human tissues for use in cardiovascular, vascular and orthopaedic surgeries throughout the United States and Canada. The Company's BioGlue surgical adhesive is approved as an adjunct for acute thoracic aortic dissections under HDE regulations in the United States and is CE marked in the European Community and approved in Canada and Australia for use in vascular and pulmonary sealing and repair. The Company also manufactures the SynerGraft(R) heart valve, the world's first tissue-engineered heart valve replacement and the CryoLife-O'Brien(R) and CryoLife-Ross(R) stentless porcine heart valves, which are CE marked for distribution within the European Community. The human heart valves and vascular grafts processed by CryoLife using the SynerGraft technology are distributed in the U.S. under the trade names of CryoValve(R)SG and CryoVein(R)SG, respectively.

Financial Highlights Follow:

For additional information about the company, visit CryoLife's web site: <http://www.cryolife.com>

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2001	2000	2001	2000
Revenues	\$21,697	\$19,454	\$43,129	\$39,077
Cost and expenses:				
Cryopreservation and products	9,120	8,313	18,225	17,462
General, administrative and marketing	8,121	7,422	16,279	14,500
Research and development	1,286	1,165	2,372	2,494
Interest expense	16	96	6	161
Interest income	(576)	(410)	(1,128)	(787)
Other	(5)	(91)	(5)	(106)

Total costs and expenses	17,962	16,495	35,749	33,724
Earnings before income taxes	3,735	2,959	7,380	5,353
Income tax expense	1,196	980	2,362	1,770
Net income	\$2,539	\$1,979	\$5,018	\$3,583
Earnings per share:				
Basic	\$0.14	\$0.11	\$0.27	\$0.19
Diluted	\$0.13	\$0.10	\$0.26	\$0.19
Weighted average shares outstanding:				
Basic	18,780	18,516	18,761	18,438
Diluted	19,622	19,011	19,575	18,918
Revenues From:				
Cardiovascular	\$7,182	\$7,596	\$14,093	\$15,178
Vascular	6,017	5,486	12,429	11,050
Orthopaedic	5,566	3,928	10,809	7,826
Total				
Cryopreservation	18,765	17,010	37,331	34,054
BioGlue	2,631	1,491	5,074	2,621
IFM	---	608	---	1,688
Bioprosthetic Valves	158	196	356	423
Other	143	149	368	291
Total Revenues	\$21,697	\$19,454	\$43,129	\$39,077

SOURCE CryoLife, Inc.

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