



CryoLife, Inc. Reports Record Revenues and Record Net Income For Both Third Quarter and Nine Months Of 2001

October 16, 2001

ATLANTA, Oct. 16 /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 third quarter and nine-month period ended September 30, 2001.

Revenues for the third quarter of 2001 were \$22,567,000, up 16 percent over the previous record of \$19,524,000 set in the third quarter of 2000. Net income for the third quarter of 2001 was \$2,692,000, an increase of 17 percent over the previous record of \$2,308,000 reported in the third quarter ended September 30, 2000. On a fully diluted basis, earnings per common share for the third quarter ended September 30, 2001 were \$0.14, as compared to \$0.12 for the same period in 2000.

Revenues for the nine-month period ended September 30, 2001 were a record \$65,696,000, up 12 percent over the previous record of \$58,601,000 set in the same nine-month period in 2000. Net income for the nine-month period of 2001 was a record \$7,710,000, an increase of 31 percent over the record of \$5,890,000 set in 2000. On a fully diluted basis, earnings per common share for the nine-months ended September 30, 2001 rose to \$0.39 from \$0.31 recorded for the same period in 2000. Earnings per common share for the third quarter and nine 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 performance in the third quarter of 2001 reflects growth in our core businesses. Cardiovascular cryopreservation revenues in the third quarter were up 4 percent over the same period in 2000 and up 14 percent over the second quarter of this year. The sequential improvement in revenue is directly related to the improving procurement trends we have been experiencing throughout 2001. We experienced exceptional growth in revenues derived from cryopreservation of vascular and orthopaedic tissues, which registered gains of 19 percent and 34 percent, respectively, as compared to the same three-month period in 2000. Financial performance was also favorably affected by the continuing rollout of BioGlue(R) surgical adhesive, registering a revenue gain of 46 percent over the same three-month period in 2000. BioGlue now accounts for 11 percent of total Company revenues for the three-month period."

CryoLife will conduct a live teleconference later this morning (October 16, 2001). Individuals interested in listening to the live teleconference may do so by calling 973-633-1010 a few minutes prior to 11:15 a.m. No identification number is required. Those interested in listening to a replay of the teleconference may do so by calling (toll free) 877-519-4471 or 973-341-3080. The identification number for the replay is 2852573. The replay will be available October 16 through October 19, 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 use in 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 SynerGraft vascular graft, the world's first tissue-engineered heart valve and vascular replacements, 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 share data)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2001	2000	2001	2000
Revenues	\$22,567	\$19,524	\$65,696	\$58,601
Costs and Expenses:				
Cryopreservation and products	9,384	8,288	27,609	25,751
General, administrative and marketing	8,290	7,000	24,569	21,499
Research and development	1,232	1,211	3,604	3,705
Interest expense	37	75	53	236
Interest income	(449)	(526)	(1,587)	(1,313)
Other expense/(income), net	114	33	109	(73)
Total Costs and Expenses	18,608	16,081	54,357	49,805

Earnings before income taxes	3,959	3,443	11,339	8,796
Income tax expense	1,267	1,135	3,629	2,906
Net Income	\$2,692	\$2,308	\$7,710	\$5,890
Earnings per share:				
Basic	\$0.14	\$0.12	\$0.41	\$0.32
Diluted	\$0.14	\$0.12	\$0.39	\$0.31
Weighted average shares outstanding:				
Basic	18,832	18,606	18,785	18,492
Diluted	19,771	19,253	19,635	19,031
Revenues from:				
Cardiovascular	\$8,209	\$7,891	\$22,307	\$23,068
Vascular	6,192	5,184	18,617	16,233
Orthopaedic	5,336	3,977	16,145	11,804
Total Cryopreservation	19,737	17,052	57,069	51,105
BioGlue	2,431	1,670	7,505	4,291
Bioprosthetic Valves	169	188	524	611
IFM	---	519	---	2,208
Other	230	95	598	386
Total Revenues	\$22,567	\$19,524	\$65,696	\$58,601

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