CryoLife Comments on Filing of Form 10-Q

August 19, 2002
ATLANTA, Aug 19, 2002 /PRNewswire-FirstCall via COMTEX/ -- CryoLife, Inc. (NYSE: CRY), a life-science company involved in the development and commercialization of cryopreserved and manufactured implantable tissues and surgical adhesives, reported that it will be delayed in filing its Form 10-Q. Company management is in the process of resolving the accounting issues raised by the U.S. Food and Drug Administration Order it received on August 13, 2002 (the "FDA Order"), which ordered certain tissue processed by CryoLife to be retained "until it is recalled, destroyed, the safety of the tissues is confirmed, or an agreement is reached with the FDA for its proper disposition..." Due to the timing of the receipt of the FDA Order in relation to the Company's deadline for filing its Form 10-Q, and due to the complexity of the issues involved, management, along with its independent auditors Deloitte & Touche LLP, have not had adequate time to resolve the accounting impact of the FDA Order on its previously released financial results for the second quarter. Management and its independent auditors are working to ensure that these issues are resolved as quickly as possible so that the Company may file its 10-Q for the quarter ended June 30, 2002, certified by both its CEO and CFO.

Founded in 1984, CryoLife, Inc. is the leader in the development and commercialization of implantable living human tissues for use in surgeries throughout the United States and Canada. The Company's BioGlue(R) surgical adhesive is FDA approved as an adjunct to sutures and staples for use in adult patients in open surgical repair of large vessels 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 and the SynerGraft vascular graft, the world's first tissue-engineered heart valve and vascular replacement, respectively, 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 processed by CryoLife using the SynerGraft technology are distributed in the U.S. under the trade name of CryoValve(R)SG.

Forward-Looking Statements. Statements made in this press release that look forward in time or that express management's beliefs, expectations or hopes are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These future events may not occur as and when expected, if at all, and, together with the Company business, are subject to various risks and uncertainties. Such risks and uncertainties include CryoLife's dependence on cryopreservation of human tissue, the possibility that anticipated decreases in the Company's revenues and working capital may be severe, the possibility that SynerGraft-treated heart valves will not have the expected long-term functionality, repopulate with human recipient cells or reduce immune response, that future clinical SynerGraft or BioGlue test results will prove less encouraging than current results, the possibility that the SEC investigation could be concluded in a manner adverse to the Company, that SynerGraft, BioGlue, or other regulatory submissions will not be ready when planned or that anticipated regulatory approvals will not be obtained when expected, if at all, that surgeons will not continue to accept and use tissues preserved by the Company or its other products such as BioGlue, competition from other wound closure products, that CryoLife will be unable to find an investor in its proprietary light activated drug delivery systems or that such systems will prove ineffective in oncology applications, that pending government and legal proceedings against CryoLife will not be resolved in its favor, that the FDA may require the recall of heart valve tissue processed by CryoLife, that CryoLife may be forced to discontinue its tissue processing business due to the FDA Order or subsequent FDA actions, the possibility of rapid technological change, uncertainties regarding products in development, uncertainties related to patents and protection of proprietary technology, changes in economic cycles, competition from other companies, changes in laws and governmental regulations applicable to CryoLife and other risk factors detailed in CryoLife's Securities and Exchange Commission filings, including CryoLife's Form 10-K Filing for the year ended December 31, 2001, and the Company's other SEC filings.

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

Contact:
D. Ashley Lee
Vice President, Chief Financial Officer
(800) 438-8285

SOURCE CryoLife, Inc.

CONTACT: D. Ashley Lee, Vice President, Chief Financial Officer of CryoLife, Inc., +1-800-438-8285

URL: http://www.cryolife.com
http://www.prnewswire.com