Measure for Funding the Development of BioFoam(TM) was Passed by the U.S. House of Representatives

July 1, 2004

Innovative Therapy From CryoLife is Designed to Control Bleeding of Severe Wounds

ATLANTA, July 1 /PRNewswire-FirstCall/ -- CryoLife, Inc. (NYSE: CRY), a bio-surgical device and human tissue processing company, announced today that a recommendation to provide $1 million to fund the development of BioFoam(TM) was recently passed by the U.S. House of Representatives. U.S. Rep. Phil Gingrey, a member of the House Armed Services Committee, introduced the measure, which was included in the Department of Defense Appropriations Act (H.R. 4613) for Fiscal 2005. This funding will now go before a Conference Committee between the U.S. House of Representatives and the U.S. Senate.

BioFoam, a protein hydrogel adhesive in the pre-clinical stage of development, contains an expansion agent that sets quickly and rapidly arrests bleeding of large vessel injuries. BioFoam is based on the same technology as BioGlue,(R) approved by the U.S. Food and Drug Administration to control bleeding as an adjunct to sutures and staples for use in open surgical repair of large vessels. BioGlue is also CE marked in the European Community and approved in Canada for use in soft tissue repair.

"The development and potential use of BioFoam on the battlefield holds great promise for members of our armed forces who suffer serious wounds in combat," said Rep. Phil Gingrey. "Making available the most advanced medical technologies for saving the lives of the men and women who serve our country under hostile conditions is a high priority."

"Without the support of the Georgia delegation, especially Congressman Gingrey, this funding, which was passed by the U.S. House of Representatives to develop BioFoam would not have been possible," stated Steven G. Anderson, President and Chief Executive Officer of CryoLife, Inc.

About CryoLife, Inc.

Founded in 1984, CryoLife, Inc. is a leader in the processing and distribution of implantable living human tissues for use in cardiovascular and vascular surgeries throughout the United States and Canada. The Company's BioGlue 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 for use in soft tissue repair and approved in Australia for use in vascular and pulmonary sealing and repair. The Company also manufactures the SG Model #100 vascular graft, which is CE marked for distribution within the European Community.

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's business, are subject to various risks and uncertainties. These risks and uncertainties include that BioFoam may prove ineffective or may not be commercially feasible, that the funding recommendation passed by the House of Representatives does not receive final approval, that the Company's aggregate 2004 revenues and expenses may not meet its expectations, that demand for CryoLife preserved tissues may not return to prior levels, the possibility that the FDA could impose additional restrictions on the Company's operations, require a recall, or prevent the Company from processing and distributing tissues or manufacturing and distributing other products, that the Company may not have sufficient borrowing or other capital availability to fund its business, that present and future litigation may be resolved only by substantial payments by the Company in excess of available insurance coverage and amounts set aside for products liability cases, the possibility of severe decreases in the Company's revenues and working capital, that to the extent the Company does not have sufficient resources to pay the claims against it, it may be forced to cease operations or seek protection under applicable bankruptcy laws, changes in laws and 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, 2003, and the Company's other SEC filings. The Company does not undertake to update its forward-looking statements.

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

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