CryoLife Announces First Implant of Cryopreserved Osteoarticular Allograft

February 23, 2005

ATLANTA, Feb 23, 2005 /PRNewswire-FirstCall via COMTEX/ -- CryoLife, Inc. (NYSE: CRY), a biomaterials and biosurgical device company, announced today that a patient received the first Cryopreserved osteoarticular (OA) allograft transplant for resurfacing articular cartilage in the knee. The OA allograft is a section of bone with overlying cartilage derived from the end of the femur, in this case from the femoral condyle.

Patients suffering from a damaged articular surface of the femoral bone usually experience pain and limited mobility that can hinder normal activities. During surgery, the patient's damaged articular surface is removed and replaced with CryoLife's OA allograft, restoring the articular surface.

Dr. Philip A. Davidson, of Tampa Bay Orthopaedic Specialists in St. Petersburg, Florida, performed the surgery. "Prior to this new cryopreservation technology, OA grafts had limited shelf-life and were generally made available for implant with less than two weeks before expiration (45 days). More patients can benefit from these precious grafts as cryopreservation allows for enhanced logistics, improved availability and optimal size and shape matching of these grafts. By introducing these Cryopreserved OA grafts, I believe CryoLife can improve the lives of many of my patients."

"According to FDA donor eligibility guidelines that become effective on May 25, 2005, tissue processors must review all relevant medical records pertaining to tissue donors, which includes autopsy reports. In many cases, autopsy reports are not available within 45 days. Autopsy reports must be received and reviewed prior to the release of donor tissues," said Dr. Gregory Ray, Associate Medical Director of CryoLife, Inc.

"As a pioneer and leader in tissue cryopreservation, CryoLife optimized its platform cryopreservation technology specifically to maximize chondrocyte (cartilage cell) viability. The Cryopreserved OA allografts can be stored and used for up to two years, which permits CryoLife to perform a complete review of the donor's medical history including an autopsy report and the results of exhaustive testing on the donor's tissues prior to making these tissues available for implantation," stated Steven G. Anderson, President and CEO of CryoLife, Inc.

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 the Company's cryopreserved osteoarticular grafts may not allow for enhanced logistics, improved availability and size and shape matching of these grafts, that cryopreservation may not allow for the grafts to be stored for up to two years before implant, and that the additional time available may not permit additional time for completion of patient history and exhaustive testing of donor tissue, that 2005 revenues and expenses may not meet CryoLife's expectations, that the orthopaedic business will not grow as expected in 2005, that processed osteoarticular grafts may not be available when or in the quantities expected and may not be accepted by the marketplace, that the gross margins in the tissue processing business may not improve, that the Company's general administrative and marketing expenses may not meet expectations due to higher than expected costs of resolving existing and future litigation, 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 FDA regulation of the Company's CryoValve SG and CryoVein SG may require significant time and expense, that the protein hydrogel products under development, such as BioFoam, BioDisc and the bioresorbable stent, may not be commercially feasible, that the Company may not have sufficient borrowing or other capital availability to fund its business, that pending litigation cannot be settled on terms acceptable to the Company, that the Company may not have sufficient resources to pay punitive damages (which are not covered by insurance) or other liabilities in excess of available insurance, 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, its registration statement on Form S-3 (Reg. No. 333-121406) filed on December 17, 2004, and the Company's other SEC filings. The Company does not undertake to update its forward-looking statements.

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

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