
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
Date of Report (Date of earliest event reported): April 30, 2019**

CRYOLIFE, INC.
(Exact name of registrant as specified in its charter)

Florida
(State or Other Jurisdiction
of Incorporation)

1-13165
(Commission File Number)

59-2417093
(IRS Employer
Identification No.)

1655 Roberts Boulevard, N.W., Kennesaw, Georgia 30144
(Address of principal executive office) (zip code)
Registrant's telephone number, including area code: (770) 419-3355

(Former name or former address, if changed since last report)

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value	CRY	NYSE

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Section 2 Financial Information

Item 2.02 Results of Operations and Financial Condition.

On April 30, 2019, CryoLife, Inc. (“CryoLife” or the “Company”) issued a press release announcing its financial results for the quarter ended March 31, 2019. CryoLife hereby incorporates by reference herein the information set forth in its press release dated April 30, 2019, a copy of which is attached hereto as Exhibit 99.1. Except as otherwise provided in the press release, the press release speaks only as of the date of such press release and it shall not create any implication that the affairs of CryoLife have continued unchanged since such date.

The information provided pursuant to this Item 2.02 is to be considered “furnished” pursuant to Item 2.02 of Form 8-K and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section or Sections 11 and 12(a)(2) of the Securities Act of 1933, as amended, nor shall it be deemed incorporated by reference into any of CryoLife’s reports or filings with the Securities and Exchange Commission, whether made before or after the date hereof, except as expressly set forth by specific reference in such report or filing.

Except for the historical information contained in this report, the statements made by CryoLife are forward-looking statements that involve risks and uncertainties. All such statements are subject to the safe harbor created by the Private Securities Litigation Reform Act of 1995. CryoLife’s future financial performance could differ significantly from the expectations of management and from results expressed or implied in the press release. Please refer to the last paragraph of the text portion of the press release for further discussion about forward-looking statements. For further information on risk factors, please refer to “Risk Factors” contained in CryoLife’s most recently filed Form 10-K and its subsequent filings with the Securities and Exchange Commission, as well as in the press release attached as Exhibit 99.1 hereto. CryoLife disclaims any obligation or duty to update or modify these forward-looking statements.

Section 9 Financial Statements and Exhibits.

Item 9.01(d) Exhibits.

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
99.1*	Press Release dated April 30, 2019

*This exhibit is furnished, not filed.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, CryoLife, Inc. has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: April 30, 2019

CRYOLIFE, INC.

By: /s/ D. Ashley Lee
Name: D. Ashley Lee
Title: Executive Vice President, Chief
Operating Officer and Chief
Financial Officer

FOR IMMEDIATE RELEASE**Contacts:****CryoLife**

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 and Chief Operating Officer
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CryoLife Reports First Quarter 2019 Financial Results**First Quarter and Recent Business Highlights:**

- Total revenues were \$67.5 million in the first quarter of 2019, reflecting year over year growth of 9% and an 11% increase on a non-GAAP constant currency basis, both compared to the first quarter of 2018
 - On-X[®] revenues increased 14%, and 15% on a non-GAAP constant currency basis, both compared to the first quarter of 2018
 - JOTEC[®] revenues increased 10%, and 18% on a non-GAAP constant currency basis, both compared to the first quarter of 2018
- Net loss was (\$297,000), or (\$0.01) per fully diluted common share; non-GAAP net income was \$1.5 million, or \$0.04 per fully diluted common share

ATLANTA, GA – (April 30, 2019) – CryoLife, Inc. (NYSE: CRY), a leading cardiac and vascular surgery company focused on aortic disease, announced today its financial results for the first quarter ended March 31, 2019.

“We had a successful start to the year posting solid financial results and advancing our clinical and R&D programs. Our strategy of differentiated products focused on select markets, supported by a well-trained direct sales force, is allowing us to continue to take market share,” said Pat Mackin, Chairman, President, and Chief Executive Officer. “Given our strong performance in the first quarter and the expected launch of the initial phase of our next generation products, we remain on track to deliver high single-digit top line growth in 2019. Our pipeline programs have increased our addressable market opportunity to \$3.5 billion, positioning the Company for substantial growth in the coming years.”

First Quarter 2019 Financial Results

Total revenues for the first quarter of 2019 were \$67.5 million, reflecting growth of 9%, and 11% on a non-GAAP constant currency basis, both compared to the first quarter of 2018. The increase was driven by strong revenue growth from JOTEC, On-X, and BioGlue.

Net loss for the first quarter of 2019 was (\$297,000), or (\$0.01) per fully diluted common share, compared to a net loss of (\$3.9) million, or (\$0.11) per fully diluted common share for the first quarter of 2018. Non-GAAP net income for the first quarter of 2019 was \$1.5 million, or \$0.04 per fully diluted common share, compared to non-GAAP net income of \$793,000, or \$0.02 per fully diluted common share for the first quarter of 2018.

2019 Financial Outlook

CryoLife is reiterating its full-year financial guidance, with total revenues for 2019 expected to be in the range of \$280 million to \$284 million and non-GAAP earnings per share expected to be between \$0.28 and \$0.32.

All numbers are presented on a GAAP basis except where expressly referenced as non-GAAP. The Company does not provide GAAP income per common share on a forward-looking basis because the Company is unable to predict with reasonable certainty business development and acquisition-related expenses, purchase accounting fair value adjustments, and any unusual gains and losses without unreasonable effort. These items are uncertain, depend on various factors, and could be material to results computed in accordance with GAAP.

The Company's financial guidance for 2019 is subject to the risks identified below.

Non-GAAP Financial Measures

This press release contains non-GAAP financial measures. Investors should consider this non-GAAP information in addition to, and not as a substitute for, financial measures prepared in accordance with U.S. GAAP. In addition, this non-GAAP financial information may not be the same as similar measures presented by other companies. The Company's non-GAAP results exclude (as applicable) business development and integration expenses, amortization expense, and inventory basis step-up expense. The Company believes that these non-GAAP presentations provide useful information to investors regarding unusual non-operating transactions, and the operating expense structure of the Company's existing and recently acquired operations, without regard to its on-going efforts to acquire additional complementary products and businesses and the transaction and integration expenses incurred in connection with recently acquired and divested product lines. The Company believes it is useful to exclude certain expenses because such amounts in any specific period may not directly correlate to the underlying performance of its business operations or can vary significantly between periods as a result of factors such as acquisitions, or non-cash expense related to amortization of previously acquired tangible and intangible assets. The Company does, however, expect to incur similar types of expenses in the future, and this non-GAAP financial information should not be viewed as a statement or indication that these types of expenses will not recur.

Webcast and Conference Call Information

The Company will hold a teleconference call and live webcast later today, April 30, 2019 at 4:30 p.m. EDT to discuss the results followed by a question and answer session. To listen to the live teleconference, please dial 201-689-8261. A replay of the teleconference will be available through May 7, 2019 and can be accessed by calling (toll free) 877-660-6853 or 201-612-7415. The Conference ID for the replay is 13690095.

The live webcast and replay can be accessed by going to the Investor Relations section of the CryoLife website at www.cryolife.com and selecting the heading Webcasts & Presentations.

About CryoLife, Inc.

Headquartered in suburban Atlanta, Georgia, CryoLife is a leader in the manufacturing, processing, and distribution of medical devices and implantable tissues used in cardiac and vascular surgical procedures focused on aortic repair. CryoLife markets and sells products in

more than 100 countries worldwide. For additional information about CryoLife, visit our website, www.cryolife.com.

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. Such forward-looking statements reflect the views of management at the time such statements are made. These statements include our belief that our strategy of differentiated products focused on select markets, supported by a well-trained direct sales force, is allowing us to continue to take market share; the timing of our expected launch of the initial phase of our next generation products; our belief that we remain on track to deliver high single-digit top line growth in 2019; our belief that our addressable market opportunity is \$3.5 billion; and our belief that we are positioned for substantial growth in the coming years. These forward-looking statements are subject to a number of risks, uncertainties, estimates, and assumptions that may cause actual results to differ materially from current expectations. These risks and uncertainties include the risk factors detailed in our Securities and Exchange Commission filings, including our Form 10-K for year ended December 31, 2018. CryoLife does not undertake to update its forward-looking statements, whether as a result of new information, future events, or otherwise.

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

	(Unaudited)	
	Three Months Ended March 31,	
	2019	2018
Revenues:		
Products	\$ 48,401	\$ 43,598
Preservation services	19,104	18,350
Total revenues	67,505	61,948
Cost of products and preservation services:		
Products	13,826	14,157
Preservation services	9,406	8,563
Total cost of products and preservation services	23,232	22,720
Gross margin	44,273	39,228
Operating expenses:		
General, administrative, and marketing	36,520	37,348
Research and development	5,548	5,370
Total operating expenses	42,068	42,718
Operating income (loss)	2,205	(3,490)
Interest expense	3,894	3,656
Interest income	(116)	(59)
Other expense (income), net	77	(181)
Loss before income taxes	(1,650)	(6,906)
Income tax benefit	(1,353)	(3,051)
Net loss	\$ (297)	\$ (3,855)
Loss per common share:		
Basic	\$ (0.01)	\$ (0.11)
Diluted	\$ (0.01)	\$ (0.11)
Weighted-average common shares outstanding:		
Basic	36,778	36,146
Diluted	36,778	36,146

CRYOLIFE, INC. AND SUBSIDIARIES
Financial Highlights
(In thousands)

	(Unaudited)	
	Three Months Ended March 31,	
	2019	2018
Products:		
BioGlue	\$ 17,222	\$ 15,970
JOTEC	15,954	14,460
On-X	11,731	10,309
CardioGenesis cardiac laser therapy	1,714	1,346
PerClot	1,050	972
PhotoFix	730	541
Total Products	48,401	43,598
Preservation services:		
Cardiac tissue	8,930	8,103
Vascular tissue	10,174	10,247
Total preservation services	19,104	18,350
Total revenues	\$ 67,505	\$ 61,948
Revenues:		
U.S.	\$ 37,325	\$ 34,888
International	30,180	27,060
Total revenues	\$ 67,505	\$ 61,948

	(Unaudited)	
	March 31, 2019	December 31, 2018
Cash, cash equivalents, and restricted securities	\$ 41,075	\$ 42,236
Total current assets	178,652	179,168
Total assets	586,928	571,091
Total current liabilities	36,423	34,523
Total liabilities	314,306	296,024
Shareholders' equity	272,622	275,067

CRYOLIFE, INC. AND SUBSIDIARIES
Reconciliation of GAAP to Non-GAAP
Net (Loss) Income and Diluted (Loss) Income Per Common Share
(In thousands, except per share data)

	(Unaudited)	
	Three Months Ended	
	March 31,	
	2019	2018
GAAP:		
Loss before income taxes	\$ (1,650)	\$ (6,906)
Income tax benefit	(1,353)	(3,051)
Net loss	\$ (297)	\$ (3,855)
Diluted loss per common share:	\$ (0.01)	\$ (0.11)
Reconciliation of income before income taxes, GAAP to adjusted net income, non-GAAP:		
Loss before income taxes, GAAP	\$ (1,650)	\$ (6,906)
Adjustments:		
Business development and integration expenses	1,109	3,722
Amortization expense	2,579	2,735
Inventory basis step-up expense	--	1,506
Adjusted income before income taxes, non-GAAP	2,038	1,057
Income tax expense calculated at a pro forma tax rate of 25%	510	264
Adjusted net income, non-GAAP	\$ 1,528	\$ 793
Reconciliation of diluted (loss) income per common share, GAAP to adjusted diluted (loss) income per common share, non-GAAP:		
Diluted loss per common share – GAAP	\$ (0.01)	\$ (0.11)
Adjustments:		
Business development and integration expenses	0.03	0.10
Amortization expense	0.07	0.07
Inventory basis step-up expense	--	0.04
Tax effect of non-GAAP adjustments	(0.03)	(0.05)
Effect of 25% pro forma tax rate	(0.02)	(0.03)
Adjusted diluted income per common share, non-GAAP:	\$ 0.04	\$ 0.02
Diluted weighted-average common shares outstanding:	37,711	36,985

CRYOLIFE, INC. AND SUBSIDIARIES
Reconciliation of GAAP to Non-GAAP
Revenues; Gross Margin; General, Administrative, and Marketing
Adjusted EBITDA
(In thousands, except per share data)

	(Unaudited) Three Months Ended March 31,		
	2019	2018	Growth Rate
Reconciliation of total revenues, GAAP to total revenues, non-GAAP:			
Total revenues, GAAP	\$ 67,505	\$ 61,948	9%
Impact of changes in currency exchange	--	(1,337)	
Total constant currency revenues, non-GAAP	\$ 67,505	\$ 60,611	11%
Reconciliation of total JOTEC revenues, GAAP to total JOTEC revenues, non-GAAP:			
Total JOTEC revenues, GAAP	\$ 15,954	\$ 14,460	10%
Impact of changes in currency exchange	--	(986)	
Total constant currency JOTEC revenues, non-GAAP	\$ 15,954	\$ 13,474	18%
Reconciliation of total On-X revenues, GAAP to total On-X revenues, non-GAAP:			
Total On-X revenues, GAAP	\$ 11,731	\$ 10,309	14%
Impact of changes in currency exchange	--	(77)	
Total constant currency On-X revenues, non-GAAP	\$ 11,731	\$ 10,232	15%

	(Unaudited) Three Months Ended March 31,	
	2019	2018
Reconciliation of net (loss) income, GAAP to adjusted EBITDA, non-GAAP:		
Net (loss) income, GAAP	\$ (297)	\$ (3,855)
Adjustments:		
Depreciation and amortization expense	4,350	4,376
Income tax benefit	(1,353)	(3,051)
Interest income	(116)	(59)
Interest expense	3,894	3,656
Inventory basis step-up expense	-	1,506
Business development and integration expenses	1,109	3,722
Loss (gain) on foreign currency revaluation	74	(32)
Stock-based compensation expense	1,853	1,248
Adjusted EBITDA, non-GAAP	\$ 9,514	\$ 7,511