SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549
FORM 10-Q

(x) QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended June 30, 1997 Commission File Number 0-21104

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

Florida	59-2417093
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1655 Roberts Boulevard, NW
Kennesaw, Georgia 30144
(Address of principal executive offices)
(zip code)

(770) 419-3355
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year,
if changed since last report)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES X NO

The number of shares of common stock, par value $0.01 per share, outstanding on July 30, 1997 was 9,669,000.

Part I - FINANCIAL INFORMATION
Item 1. Financial statements

CRYOLIFE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended June 30,		Six Months Ended June 30,	
	1997	1996	1997	1996
	(Unaudited)		(Unaudited)	
Revenues:				
Cryopreservation and products	$12,641,000	$9,619,000	$23,024,000	17,879,000
Research grants, licenses, leases, interest income, and other	82,000	79,000	112,000	253,000
	12,723,000	9,698,000	23,136,000	18,132,000
Costs and expenses:				
Cost of preservation and products	4,550,000	3,289,000	7,976,000	6,168,000
General, administrative and marketing	5,165,000	4,181,000	9,644,000	7,807,000
Research and development	857,000	701,000	1,706,000	1,391,000
Interest expense	296,000	--	428,000	--
	10,868,000	8,171,000	19,754,000	15,366,000
Income before income taxes	1,855,000	1,527,000	3,382,000	2,766,000
Income taxes	695,000	539,000	1,270,000	995,000

Net income	$ 1,160,000	$ 988,000	$ 2,112,000	$ 1,771,000
Earnings per share of common stock	$ 0.12	$ 0.10	$ 0.21	$ 0.18
Weighted average common and common equivalent shares outstanding	9,888,000	9,933,000	9,881,000	9,876,000

See accompanying notes to condensed consolidated financial statements.

Item 1. Financial Statements

CRYOLIFE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	June 30, 1997	December 31, 1996
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 208,000	$ 1,370,000
Marketable securities	41,000	43,000
Trade receivables (net)	7,936,000	6,572,000
Other receivables	384,000	1,625,000
Deferred preservation costs	10,040,000	7,178,000
Inventories	1,257,000	260,000
Prepaid expenses	1,640,000	846,000
Deferred income taxes	286,000	287,000
Total current assets	21,792,000	18,181,000
Property and equipment (net)	12,792,000	11,567,000
Goodwill (net)	8,554,000	1,846,000
Other intangibles (net)	4,799,000	3,379,000
TOTAL ASSETS	$ 47,937,000	$ 34,973,000
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 1,012,000	$ 3,696,000
Accrued expenses	907,000	934,000
Accrued procurement fees	1,846,000	1,210,000
Accrued compensation	853,000	878,000
Current maturities of debt	478,000	527,000
Income taxes payable	69,000	--
Total current liabilities	5,165,000	7,245,000
Other long term liabilities	15,429,000	2,799,000
Total liabilities	20,594,000	10,044,000
Shareholders' equity:		
Preferred stock	--	--
Common stock (issued 10,195,000 shares in 1997 and 10,110,000 shares in 1996)	102,000	101,000
Additional paid-in capital	17,445,000	17,128,000
Retained earnings	10,014,000	7,902,000
Less: Unrealized gain on investments	(1,000)	(1,000)
Treasury stock (543,000 shares)	(180,000)	(180,000)
Notes receivable from shareholders	(37,000)	(21,000)
Total shareholders' equity	27,343,000	24,929,000

TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 47,937,000	$ 34,973,000

See accompanying notes to condensed consolidated financial statements.

Item 1. Financial Statements

CRYOLIFE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Six Months Ended June 30, 1997	1996
	(Unaudited)	
Net cash flows provided by (used in) operating activities:		
Net income	$ 2,112,000	$ 1,771,000
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation and amortization	1,593,000	638,000
Provision for doubtful accounts	15,000	28,000
Deferred income taxes	(1,000)	(97,000)
Receivables	822,000	(2,125,000)
Deferred preservation costs and inventories	(3,222,000)	(435,000)
Prepaid expenses and other assets	(737,000)	(343,000)
Accounts payable and accrued expenses	(2,922,000)	716,000
Net cash flows provided by (used in) operating activities	(2,338,000)	153,000
Net cash flows used in investing activities:		
Capital expenditures	(2,571,000)	(1,811,000)
Other assets	280,000	(1,045,000)
Cash paid for acquisition, net of cash acquired	(4,418,000)	--
Proceeds from other long term liabilities	--	644,000
Net sales of marketable securities	2,000	1,698,000
Net cash flows used in investing activities	(6,707,000)	(514,000)
Net cash flows provided by financing activities:		
Proceeds from borrowings on revolving term loan	7,581,000	--
Proceeds from issuance of common stock and notes receivable from shareholders, net	302,000	252,000
Net cash provided by financing activities	7,883,000	252,000
Decrease in cash	(1,162,000)	(109,000)
Cash and cash equivalents at beginning of period	1,370,000	167,000
Cash and cash equivalents at end of period	$ 208,000	$ 58,000

Supplemental cash flow information		
Non-cash investing and financing activities:		
Fair value of assets acquired	$ 1,768,000	--
Cost in excess of assets acquired	8,541,000	--
Liabilities assumed	(891,000)	--
Debt issued for assets acquired	(5,000,000)	--
Net cash paid for acquisition	$ 4,418,000	--

See accompanying notes to condensed consolidated financial statements.

NOTE 1 - BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with (i) generally accepted accounting principles for interim financial information and (ii) the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial presentations. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for fair presentation have been included. Operating results for the three and six months ended June 30, 1997 are not necessarily indicative of the results that may be expected for the year ending December 31, 1997. For further information, refer to the consolidated financial statements and footnotes thereto included in the Company's Form 10-K for the year ended December 31, 1996.

NOTE 2 - ACQUISITION OF IDEAS FOR MEDICINE

On March 5, 1997, the Company acquired the stock of Ideas for Medicine, Inc. (IFM) of Clearwater, Florida, a medical device company specializing in the manufacture and distribution of single use cardiovascular products, for consideration of approximately $4.5 million in cash and approximately $5 million in convertible debentures plus related expenses. The cash portion of the purchase price was financed by borrowings under the Company's Revolving Term Loan Agreement. The acquisition has been accounted for as a purchase. Based on the preliminary allocation of the purchase price, the Company's unaudited pro forma results of operations for the six months ended June 30, 1997 and June 30, 1996, assuming the consummation of the purchase and issuance of the convertible debentures as of January 1, 1997 and 1996, respectively, are as follows:

	Six Months Ended June 30	
	1997	1996
Net sales	$24,349,000	$21,477,000
Net income	$2,143,000	$1,601,000
Net income per common share	$0.22	$0.16

NOTE 3 - INVENTORY

Inventory consists of the following:

	June 30, 1997	December 31, 1996
Raw materials	$ 286,000	$ --
Work in process	102,000	--
Finished goods	869,000	260,000
	$1,257,000	$260,000

NOTE 4 - EARNINGS PER SHARE

In February 1997, the Financial Accounting Standards Board issued Statement No. 128, Earnings per Share, which is required to be adopted on December 31, 1997. At that time, the Company will be required to change the method currently used to compute earnings per share and to restate all prior periods. Under the new requirements for calculating primary earnings per share, the dilutive effect of stock options will be excluded. The impact of Statement 128 on the calculation of primary and fully diluted earnings per share for the quarters ended June 30, 1997 and 1996 is not material.

PART I - FINANCIAL INFORMATION

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Results of Operations

Revenues were $12.7 million and $23.1 million for the three and six months ended June 30, 1997, respectively, compared to $9.7 million and $18.1 million for the corresponding periods in 1996. Revenues increased 31% and 28% for the three and six months ended June 30, 1997, respectively, compared to the corresponding periods in 1996. Revenues for the three and six months ended June 30, 1997 included $1.6 million and $2.1 million attributable to the acquisition of IFM. The remaining revenue increases are due to greater allograft shipments resulting from increased demand, and a general cryopreservation fee increase in January 1997.

Revenues from human heart valve preservation increased 11% to $7.3 million for the three months ended June 30, 1997 from $6.6 million for the three months ended June 30, 1996, representing 57% and 68% of total revenues, respectively. For the six months ended June 30, revenues from human heart valve preservation increased 14% to $13.8 million for 1997 from $12.1 million for 1996, representing 60% and 67% of total revenue, respectively. Shipments of human heart valves increased 12% for the three months ended June 30, 1997 and increased 14% for the six months ended June 30, 1997 as compared to the same periods for 1996, due to an increase in demand.

Revenues from vein preservation increased 24% to $2.6 million for the three months ended June 30, 1997 from $2.1 million for the three months ended June 30, 1996, representing 20% and 22% of total revenues, respectively. For the six months ended June 30, revenues from vein preservation increased 31% to $5.1 million for 1997 from $3.9 million for 1996, representing 22% of total revenue for each period. Shipments of veins increased 20% for the three months ended June 30, 1997 and increased 30% for the six months ended June 30, 1997 as compared to the same periods for 1996, due to an increase in demand.

Revenues from orthopedic tissue preservation increased 12% to $1.0 million for the three months ended June 30, 1997 from $896,000 for the three months ended June 30, 1996, representing 8% and 9% of total revenues, respectively. For the six months ended June 30, revenues from orthopedic tissue preservation were $1.7 million for 1997 and 1996, representing 7% and 9% of total revenue, respectively. Shipments of orthopedic tissue increased 8% for the three months ended June 30, 1997 as compared to the same period for 1996 due to an increased in demand. Shipments of orthopedic tissue decreased 1% for the six months ended June 30, 1997 as compared to the same periods for 1996, due to limited availability of tissue in the first quarter of 1997 as compared to the first quarter of 1996.

Other revenues were $83,000 for the three months ended June 30, 1997 compared to $77,000 for the three months ended June 30, 1996, representing 1% of total revenues for both periods. For the six months ended June 30, other revenues were $111,000 for 1997 compared to $253,000 for 1996, representing less than 1% of total revenues. Other revenues consist primarily of research grant award revenues and interest income. Research grant award revenues are primarily related to the bioadhesive and synergraft projects.

Cost of preservation and products aggregated $4.6 million and $8.0 million, respectively, for the three and six months ended June 30, 1997, representing 36% and 35% of total revenues, respectively, compared to $3.3 million and $6.2 million, respectively, for the three and six months ended June 30, 1996, representing 34% of total revenues for both periods. Cost of preservation and products increased 39% for second quarter 1997 compared to second quarter 1996 and increased 29% for the first half of 1997 compared to the first half of 1996. The increase relates to an increase in costs associated with the revenues generated by IFM, partially offset by the general cryopreservation fee increase and efficiencies resulting from an increase in units processed.

General, administrative, and marketing expenses aggregated $5.2 million and $9.6 million, respectively, for the three and six months ended June 30, 1997, representing 41% and 42% of total revenues, respectively, compared to $4.2 million and $7.8 million, respectively, for the three and six months ended June 30, 1996, representing 43% of total revenues for both periods.

Research and development expenses aggregated $857,000 and $1.7 million, respectively, for the three and six months ended June 30, 1997, representing 7% of total revenues for both periods, compared to $701,000 and $1.4 million, respectively, for the three and six months ended June 30, 1996, representing 7% and 8% of total revenues, respectively. Research and development spending relates principally to the Company's focus on bioadhesives and synergraft technologies.

Seasonality

The demand for the Company's human heart valve tissue preservation services is seasonal, with peak demand generally occurring in the second and third quarters. Management believes this demand trend for human heart valves is primarily due to the high number of pediatric surgeries scheduled during the summer months.

Liquidity and Capital Resources

At June 30, 1997 net working capital was $16.6 million, compared to $10.9 million at December 31, 1996, with a current ratio of 4.2 to 1 at June 30, 1997. Shareholders' equity at June 30, 1997 was $27.3 million. The Company's primary capital requirements arise out of working capital needs, including receivables and deferred preservation costs, capital expenditures for facilities and equipment, and funding of research and development projects. The increase in receivables results from the increase in revenue and from the acquisition of IFM. The increase in deferred preservation costs results from an increase in the amount of tissue procured. The increase in inventory results primarily from the acquisition of IFM. The increase in prepaid expenses relates primarily to prepaid insurance premiums. The increase in other assets results primarily from intangible assets associated with the acquisition of IFM. The decrease in accounts payable results from payment of amounts associated with the construction of and equipping of the Company's new corporate headquarters. The increase in debt results from borrowing on the Company's revolving term loan facility and from the issuance of convertible debentures, which are associated with the acquisition of IFM and with the construction of the new corporate headquarters.

The Company is currently in negotiations with a bank to increase its borrowing capacity; however, the Company believes that its current borrowing capacity along with cash generated from operations will be sufficient to meet its operating and development needs for the next 12 months, including the $1 million committed for the construction of a new manufacturing/office facility for IFM, the interest resulting from the convertible debentures issued in connection with the IFM acquisition and any stock repurchases made under the Company's potential repurchase of up to 500,000 shares of its Common Stock, authorized on April 2, 1997.

Forward-Looking Statements

Statements made in this Form 10-Q for the three and six months ended June 30, 1997 that state the Company's or management's intentions, hopes, beliefs, expectations or predictions of the future are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. It is important to note that the Company's actual results could differ materially from those contained in such forward-looking statements as a result of adverse changes in any of a number of factors that affect the Company's business, including without limitation, changes in (1) government regulation of the Company's business, (2) the Company's competitive position, (3) the availability of tissue for implant, (4) the status of the Company's products under development, (5) the protection of the Company's proprietary technology, (6) the reimbursement of health care costs by third-party payers and (7) the Company's ability to successfully integrate the operations of IFM. See the "Business-Risk Factors" section of the Company's Annual Report on Form 10-K for the year ended December 31, 1996 for a more detailed discussion of these and other factors which might affect the Company's future performance.

Item 3. Qualitative and Quantitative Discussion About Market Risk.

Not Applicable.

Part II - OTHER INFORMATION

Item 1. Legal Proceedings.
None

Item 2. Changes in Securities.
None

Item 3. Defaults Upon Senior Securities.
Not Applicable

Item 4. Submission of Matters to a Vote of Security Holders.

(a) The Annual Meeting of Shareholders was held on May 15, 1997.

(b) Management's nominees for director were elected at the meeting by the holders of common stock. The election was uncontested.

(c) The following table shows the results of voting in the election of Directors:

	Shares Voted For	Authority Withheld
Steven G. Anderson	8,650,288	65,218
Ronald C. Elkins, M.D.	8,687,868	27,638
Benjamin H. Gray	8,687,868	27,638
Rodney G. Lacy	8,864,968	30,538
Ronald D. McCall, Esq.	8,687,068	28,438

Item 5. Other information.

On July 19th, 1997 Rodney G. Lacy, a member of the Company's Board of Directors, passed away. The Company is currently searching for a replacement to fulfill Mr. Lacy's term, which expires in May 1998.

Item 6. Exhibits and Reports on Form 8-K

(a) The exhibit index can be found below.

Exhibit Number	Description
3.1	Restated Certificate of Incorporation of the Company, as amended. (Incorporated by reference to Exhibit 3.1 to the Registrant's Registration Statement on Form S-1 (No. 33-56388).)
3.2	Amendment to Articles of Incorporation of the Company dated November 29, 1995. (Incorporated by reference to Exhibit 3.2 to the Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 1995.)

3.3	Amendment to the Company's Articles of Incorporation to increase the number of authorized shares of common stock from 20 million to 50 million shares and to delete the requirement that all preferred shares have one vote per share. (Incorporated by reference to Exhibit 3.3 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 1996.)
3.4	Bylaws of the Company, as amended. (Incorporated by reference to Exhibit 3.2 to the Registrant's Annual Report on Form 10-K for the

fiscal year ended December 31, 1995.)

10.1 First Amendment of Third Amended and Restated Loan Agreement between CryoLife, Inc., as Borrower and NationsBank, N.A. (South), as Lender, dated April 14, 1997.

11.1 Statement re: computation of earnings per share

27.1 Financial Data Schedule

(b) Current Reports on Form 8-K.

The Registrant filed a Current Report on Form 8-K with respect to the acquisition of IFM with the Securities and Exchange Commission on March 19, 1997, which was subsequently amended by Registrant's Amendment to Current Report on Form 8-K/A filed with the Securities and Exchange Commission on May 15, 1997.

SIGNATURES

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

CRYOLIFE, INC.
(Registrant)

August 14, 1997	/s/ EDWIN B. CORDELL, JR..
DATE	EDWIN B. CORDELL, JR. Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)

FIRST MODIFICATION OF
THIRD AMENDED AND RESTATED LOAN AGREEMENT

THIS MODIFICATION is made and entered into as of the 14th day of April, 1997, by and between CRYOLIFE, INC., a Florida corporation ("Borrower"), and NATIONSBANK, N.A. (SOUTH), a national banking association which is the successor by merger to Bank South, formerly known as Bank South, N.A. ("Lender").

STATEMENT OF FACTS

Borrower and Lender are parties to a Third Amended and Restated Loan Agreement, dated as of August 30, 1996 (the "Loan Agreement").

Borrower and Lender desire to amend the Loan Agreement as hereinafter provided.

NOW, THEREFORE, for and in consideration of the premises and the mutual agreements, warranties and representations herein made, as well as $10.00 in hand paid by each party hereto to the other, and other good and valuable consideration, the receipt and sufficiency which are hereby acknowledged, Borrower and Lender agree that all capitalized terms used herein (and not otherwise defined herein) shall have the meanings given them in the Loan Agreement as herein amended and Borrower and Lender further agree as follows:

STATEMENT OF TERMS

1. The Loan Agreement is hereby amended by adding the following new definitions to Section 101 thereof:

"Subordinated Debt" means any and all Indebtedness of Borrower that is expressly subordinated in right of payment to the Loans, including without limitation the Subordinated Debenture.

"Subordinated Debenture" means the Subordinated Convertible Debenture of Borrower, dated March 5, 1997, issued to J. Clayton Pruitt, Sr., M.D., in the principal face amount of $4,999,999, and any extensions, renewals, modifications or substitutions thereof or therefor.

2. The Loan Agreement is hereby further amended by adding a new Section 509 thereto, immediately following Section 508 thereof:

Section 509. Subordinated Debt. None of the Credit Parties shall make any payment of any part or all of any Subordinated Debt in violation of the subordination agreement relating to such Subordinated Debt or voluntarily prepay any Subordinated Debt (provided that, so long as no Default or Event of Default shall then exist or would be caused thereby, Borrower may prepay the Subordinated Debenture in accordance with its terms); or enter into any agreement (oral or written) which could in any way be construed to amend, modify, alter or terminate any one or more instruments or agreements, evidencing or relating to any Subordinated Debt.

3. The Loan Agreement is hereby further amended by deleting Schedules 301 and 508 originally attached to the Loan Agreement and substituting in lieu thereof the Schedules 301 and 508 attached hereto.

4. The effectiveness of this Modification is subject to:

(a) the prior or concurrent receipt by Lender of this Modification, duly executed by Borrower;

(b) the prior or concurrent receipt by Lender of all documentation required to be delivered under Section 202(c) of the Loan Agreement in connection with the acquisition of Ideas for Medicine, Inc.;

(c) any and all guarantors of the Loans shall have consented to the execution, delivery and performance of this Modification and all of the transactions contemplated hereby by signing one or more counterparts of this Modification in the appropriate space indicated below and returning same to Lender; and

(d) the truth and accuracy in all material respects of Borrower's representations and warranties in Section 6 below.

5. Except as expressly modified herein, the Loan Agreement shall remain in full force and effect. Nothing contained herein shall be deemed to be or operate as a novation or an accord and satisfaction of the Loan Agreement or of any indebtedness arising thereunder.

6. Borrower hereby represents and warrants to Lender that (a) this Modification and the supplemental Financing Documents executed in connection herewith have been duly authorized, executed and delivered by Borrower, (b) after giving effect to this Modification, no Default or Event of Default has occurred and is continuing as of this date and (c) all of the representations and warranties made by Borrower in the Loan Agreement are true and correct in all material respects on and as of the date of this Modification (except to the extent that any such representations or warranties expressly referred to a specific prior date). Any breach by Borrower of its representations and warranties contained in this Section shall be an Event of Default for all purposes of the Loan Agreement.

7. This Modification shall be governed and construed in accordance with the laws of the State of Georgia and this Modification shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and permitted assigns.

8. This Modification may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which when taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, Lender has executed this Modification, and Borrower has executed this Modification and placed its seal hereon, all as of the day and year first above set forth.

LENDER:

NATIONSBANK, N.A. (SOUTH)

By:_________________________________
Assistant Vice President

BORROWER:

CRYOLIFE, INC.

By:_________________________________
Title:______________________________

(CORPORATE SEAL)

SCHEDULE 301

SUBSIDIARIES

CryoLife International, Inc.
Ideas for Medicine, Inc. (formerly known as CryoLife Acquisition Corporation)

SCHEDULE 508

PERMITTED FUNDED DEBT

1. Indebtedness incurred by Borrower in connection with its acquisition of all or substantially all of the assets of United Cryopreservation Foundation, Inc., not to exceed $1,250,000.

2. Indebtedness evidenced by the Subordinated Debenture.

3. Indebtedness arising in connection with the purchase of the bio-glue technology, in the amount of $445,816 (the "Kowanko Note").

EXHIBIT 11.1

STATEMENT RE: COMPUTATION OF EARNINGS PER SHARE

	Three Months Ended June 30		Six Months Ended June 30	
	1997	1996	1997	1996
Primary:				
Average shares outstanding	9,615,000	9,491,000	9,598,000	9,462,000
Neteffect of dilutive stock options based on the treasury stock method using the greater of quarter-end market price or average market price	273,000	442,000	284,000	414,000
Totals	9,888,000	9,933,000	9,882,000	9,876,000
Net Income	$1,160,000	$ 988,000	2,112,000	$1,771,000
Per share amount	$.12	$.10	$.21	$.18
Fully diluted:				
Average shares outstanding	9,615,000	9,491,000	9,598,000	9,462,000
Net effect of dilutive stock options based on the treasury stock method using the greater of quarter-end market price or average market price	320,000	474,000	328,000	498,000
Totals	9,935,000	9,965,000	9,926,000	9,960,000
Net Income	$1,160,000	$988,000	$2,112,000	$1,771,000
Per share amount	$.12	$.10	$.21	$.18

<ARTICLE>	5

<LEGEND>

THIS SCHEDULE CONTAINS FINANCIAL INFORMATION EXTRACTED FROM THE UNAUDITED CONSOLIDATED BALANCE SHEET OF CRYOLIFE, INC. AS OF JUNE 30, 1997 AND THE RELATED UNAUDITED CONSOLIDATED STATEMENT OF INCOME FOR THE SIX MONTHS ENDED JUNE 30, 1997, AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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