

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 5

ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

() Check box if no longer subject to Section 16.

Form 4 or Form 5 obligations may continue. See Instructions 1(b).

() Form 3 Holdings Reported

() Form 4 Transactions Reported

1. Name and Address of Reporting Person

LACY, VIRGINIA C.
1655 Roberts Boulevard NW
Kennesaw, GA 30144

2. Issuer Name and Ticker or Trading Symbol

CryoLife, Inc.
CRY

3. IRS or Social Security Number of Reporting Person (Voluntary)

4. Statement for Month/Year

December 1998

5. If Amendment, Date of Original (Month/Year)

6. Relationship of Reporting Person(s) to Issuer (Check all applicable)

(X) Director () 10% Owner () Officer (give title below) () Other
(specify below)

7. Individual or Joint/Group Reporting (Check Applicable Line)

(X) Form filed by One Reporting Person
() Form filed by More than One Reporting Person

1. Title of Security	2. Transaction Date	3. Code	4. Securities Acquired (A) or Disposed of (D) Amount	5. Amount of Securities Beneficially Owned at End of Year A/D Price	6. Director or Indirect Beneficial Owner (D or I)	7. Nature of Indirect Beneficial Ownership (I)
----------------------	---------------------	---------	---	--	---	--

1. Title of Derivative Security	2. Conversion or Exercise Price of Derivative	3. Transaction Date	4. Code	5. Number of Derivative Securities Acquired (A) or Disposed of (D) Amount	6. Date Exercisable and Expiration Date Month/Day/Year	7. Title and Amount of Underlying Securities Title and Number of Shares	8. Price of Derivative Security	9. Number of Derivative Securities Beneficially Owned at End of Year	10. Director or Indirect Beneficial Owner (D or I)	11. Nature of Indirect Beneficial Ownership (I)
---------------------------------	---	---------------------	---------	--	---	--	---------------------------------	--	--	---

Option	17.125	5/21/98	A	24,000	5/21/98 - 5/21/03	Common Stock	24,000	N/A	24,000	D	
Option	16.75	5/21/98	D	6,000	7/19/97 - 7/19/98	Common Stock	6,000	N/A	0	I	Estate(1)
Option	17.125	5/22/98	A	4,000	5/22/98 - 5/22/03	Common Stock	4,000	N/A	4,000	D	
Option	16.75	5/22/98	D	2,000	7/19/97 - 7/19/98	Common Stock	0	N/A	0	I	Estate(1)
Option	17.125	5/21/98	A	10,000	5/21/98 - 5/21/03	Common Stock	10,000	N/A	10,000	D	
Option	17.125	5/22/98	A	5,000	5/22/98 - 5/22/03	Common Stock	5,000	N/A	5,000	D	
Option	12.0625	12/15/98	A	8,500	12/15/98 - 12/15/03	Common Stock	8,500	N/A	8,500	D	

Explanation of Responses:
(1) Option was held by the estate of Ms. Lacy's deceased spouse.

SIGNATURE OF REPORTING PERSON
VIRGINIA C. LACY

DATE
2/4/99