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

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2017

Or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____.

Commission File Number 001-33092

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

Delaware	**04-2825458**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
63 Second Avenue, Burlington, Massachusetts	**01803**
(Address of principal executive offices)	**(Zip Code)**

(781) 221-2266
(Registrant's telephone number, including area code)

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 ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth Company "in Rule12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐ (Do not check if a smaller reporting company)	Smaller reporting company	☐
		Emerging growth company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule12b-2 of the Exchange Act). Yes ☐ No ☒

The registrant had 19,022,966 shares of common stock, $.01 par value per share, outstanding as of July 31, 2017.

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. ☐

LEMAITRE VASCULAR
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Part I. Financial Information

Item 1. Financial Statements

LeMaitre Vascular, Inc.
Consolidated Balance Sheets

	(unaudited) June 30, 2017	December 31, 2016
	(in thousands, except share data)	
Assets		
Current assets:		
Cash and cash equivalents	$ 30,120	$ 24,288
Accounts receivable, net of allowances of $281 at June 30, 2017, and $258 at December 31, 2016	14,590	13,191
Inventory	20,463	19,578
Prepaid expenses and other current assets	2,916	1,970
Total current assets	68,089	59,027
Property and equipment, net	9,544	8,012
Goodwill	23,645	23,426
Other intangibles, net	9,083	9,897
Deferred tax assets	1,514	1,399
Other assets	179	163
Total assets	$ 112,054	$ 101,924
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 1,574	$ 1,217
Accrued expenses	7,687	8,804
Acquisition-related obligations	136	461
Total current liabilities	9,397	10,482
Deferred tax liabilities	1,946	1,941
Other long-term liabilities	2,400	2,001
Total liabilities	13,743	14,424
Stockholders' equity:		
Preferred stock, $0.01 par value; authorized 3,000,000 shares; none outstanding	—	—
Common stock, $0.01 par value; authorized 37,000,000 shares; issued 20,358,393 shares at June 30, 2017, and 20,040,348 shares at December 31, 2016	204	200
Additional paid-in capital	88,759	85,378
Retained earnings	21,122	15,335
Accumulated other comprehensive loss	(2,944)	(4,583)
Treasury stock, at cost; 1,452,810 shares at June 30, 2017 and December 31, 2016	(8,830)	(8,830)
Total stockholders' equity	98,311	87,500
Total liabilities and stockholders' equity	$ 112,054	$ 101,924

See accompanying notes to consolidated financial statements.

LeMaitre Vascular, Inc.
Consolidated Statements of Operations
(unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2017	2016	2017	2016
	(in thousands, except per share data)			
Net sales	$25,753	$22,389	$49,892	$42,647
Cost of sales	8,237	7,022	15,023	12,924
Gross profit	17,516	15,367	34,869	29,723
Sales and marketing	6,599	6,539	13,553	12,812
General and administrative	3,747	3,411	8,295	6,748
Research and development	1,634	1,634	3,292	3,080
Total operating expenses	11,980	11,584	25,140	22,640
Income from operations	5,536	3,783	9,729	7,083
Other income (expense):				
Interest income	32	16	52	31
Foreign currency gain (loss)	(102)	37	(76)	(13)
Income before income taxes	5,466	3,836	9,705	7,101
Provision for income taxes	834	1,238	1,854	2,337
Net income	$ 4,632	$ 2,598	$ 7,851	$ 4,764
Earnings per share of common stock:				
Basic	$ 0.25	$ 0.14	$ 0.42	$ 0.26
Diluted	$ 0.23	$ 0.14	$ 0.40	$ 0.25
Weighted-average shares outstanding:				
Basic	18,816	18,408	18,724	18,372
Diluted	19,975	18,978	19,855	18,926
Cash dividends declared per common share	$ 0.055	$ 0.045	$ 0.110	$ 0.090

See accompanying notes to consolidated financial statements.

LeMaitre Vascular, Inc.
Consolidated Statements of Comprehensive Income
(unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2017	2016	2017	2016
	(in thousands)			
Net income	$ 4,632	$ 2,598	$7,851	$4,764
Other comprehensive income (loss):				
Foreign currency translation adjustment, net	1,019	(405)	1,639	524
Total other comprehensive income (loss)	1,019	(405)	1,639	524
Comprehensive income	$ 5,651	$ 2,193	$9,490	$5,288

See accompanying notes to consolidated financial statements.

LeMaitre Vascular, Inc.
Consolidated Statements of Cash Flows
(unaudited)

	For the six months ended June 30,	
	2017	2016
	(in thousands)	
Operating activities		
Net income	$ 7,851	$ 4,764
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	1,962	1,812
Stock-based compensation	959	662
Provision for doubtful accounts	104	48
Provision for inventory write-downs	184	199
Foreign currency transaction loss	(20)	(5)
Changes in operating assets and liabilities:		
Accounts receivable	(1,067)	(776)
Inventory	(767)	264
Prepaid expenses and other assets	(756)	266
Accounts payable and other liabilities	(550)	(882)
Net cash provided by operating activities	7,900	6,352
Investing activities		
Purchases of property and equipment and other assets	(2,444)	(1,264)
Payments related to acquisitions	—	(2,368)
Net cash used in investing activities	(2,444)	(3,632)
Financing activities		
Payments of deferred acquisition consideration	(388)	(43)
Proceeds from issuance of common stock	2,301	670
Purchase of treasury stock	—	(2)
Common stock cash dividend paid	(2,065)	(1,653)
Net cash used in financing activities	(152)	(1,028)
Effect of exchange rate changes on cash and cash equivalents	528	172
Net increase in cash and cash equivalents	5,832	1,864
Cash and cash equivalents at beginning of period	24,288	27,451
Cash and cash equivalents at end of period	$ 30,120	$ 29,315
Supplemental disclosures of cash flow information (see Note 12)		

See accompanying notes to consolidated financial statements.

LeMaitre Vascular, Inc.
Notes to Consolidated Financial Statements
June 30, 2017
(unaudited)

1. Organization and Basis for Presentation

Description of Business

Unless the context requires otherwise, references to LeMaitre Vascular, we, our, and us refer to LeMaitre Vascular, Inc. and our subsidiaries. We develop, manufacture, and market medical devices and implants used primarily in the field of vascular surgery. We also derive revenues from the processing and cryopreservation of human tissues for implantation in patients. We operate in a single segment in which our principal product lines include the following: valvulotomes, biologic vascular patches, balloon catheters, carotid shunts, biologic vascular grafts, anastomotic clips, radiopaque marking tape, vascular grafts, remote endarterectomy devices, laparoscopic cholecystectomy devices, angioscopes, and powered phlebectomy devices. Our offices are located in Burlington, Massachusetts; Fox River Grove, Illinois; Mississauga, Canada; Sulzbach, Germany; Milan, Italy; Madrid, Spain; North Melbourne, Australia; Tokyo, Japan; and Shanghai, China.

Basis of Presentation

The accompanying unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (GAAP) for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments, consisting only of normal, recurring adjustments considered necessary for a fair presentation of the results of these interim periods have been included. Preparing financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates. Our estimates and assumptions, including those related to bad debts, inventories, intangible assets, sales returns and discounts, share-based compensation, and income taxes are updated as appropriate. The results for the six months ended June 30, 2017 are not necessarily indicative of results to be expected for the entire year. The information contained in these interim financial statements should be read in conjunction with our audited consolidated financial statements as of and for the year ended December 31, 2016, including the notes thereto, included in our Form 10-K filed with the Securities and Exchange Commission (SEC) on March 9, 2017.

Consolidation

Our consolidated financial statements include the accounts of LeMaitre Vascular and the accounts of our wholly-owned subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation.

Recent Accounting Pronouncements

In May 2017, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (ASU) 2017-09 which provides guidance on determining which changes to the terms and conditions of share-based payment awards require an entity to apply modification accounting under ASC 718, Compensation – Stock Compensation. The new standard is effective for us beginning January 1, 2018, with early adoption permitted. The adoption of this standard is not expected to have a material impact on our financial statements.

In January 2017, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (ASU) 2017-04, which, among other provisions, eliminates “step 2” from the goodwill impairment test. The annual, or interim, goodwill impairment test will be performed by comparing the fair value of a reporting unit with its carrying amount. An impairment charge should be recognized for the amount by which the carrying amount exceeds the reporting unit’s fair value; however, the loss recognized should not exceed the total amount of goodwill allocated to that reporting unit. The new standard is effective for us beginning January 1, 2020, with early adoption permitted. The adoption of this standard is not expected to have a material impact on our financial statements.

In January 2017, the FASB issued ASU 2017-01 which changes the definition of a business for purposes of determining whether a business has been acquired or sold. The amendment is intended to help companies evaluate whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. The new standard is effective for us beginning January 1, 2018, with early adoption permitted. The adoption of this standard is not expected to have a material impact on our financial statements.

In August 2016, the FASB issued ASU 2016-15, which changes the classification of certain cash receipts and cash payments within the statement of cash flows. The new standard is effective for us beginning January 1, 2018, with early adoption permitted. The adoption of this standard is not expected to have a material impact on our financial statements.

In May 2014, the FASB and the International Accounting Standards Board issued substantially converged final standards on revenue recognition. The FASB's ASU No. 2014-09, Revenue from Contracts with Customers (Topic 606), as amended from time to time, outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance. The new revenue recognition guidance becomes effective for us on January 1, 2018, with early adoption permitted on January 1, 2017. Entities have the option of using either a full retrospective or a modified approach to adopt the guidance in the ASU. We have begun our assessment of the impact to our financial statements of adopting this standard and, although it is not complete, we do not currently expect that it will have a material impact on our consolidated financial statements. However, there will likely be changes to our revenue recognition accounting policy as well as other disclosures.

2. Income Tax Expense

As part of the process of preparing our consolidated financial statements we are required to determine our income taxes in each of the jurisdictions in which we operate. This process involves estimating our actual current tax expense together with assessing temporary differences resulting from recognition of items for income tax and accounting purposes. These differences result in deferred tax assets and liabilities, which are included within our consolidated balance sheet. We must then assess the likelihood that our deferred tax assets will be recovered from taxable income during the carryback period or in the future; and to the extent we believe that recovery is not more likely than not, we must establish a valuation allowance. To the extent we establish a valuation allowance or increase this allowance in a period, we must reflect this increase as an expense within the tax provision in the statement of operations. We do not provide for income taxes on undistributed earnings of foreign subsidiaries, as our intention is to permanently reinvest these earnings.

We recognize, measure, present and disclose in our financial statements any uncertain tax positions that we have taken, or expect to take on a tax return. We operate in multiple taxing jurisdictions, both within and without the United States, and may be subject to audits from various tax authorities. Management's judgment is required in determining our provision for income taxes, our deferred tax assets and liabilities, liabilities for uncertain tax positions, and any valuation allowance recorded against our net deferred tax assets. We will monitor the realizability of our deferred tax assets and adjust the valuation allowance accordingly.

Our policy is to classify interest and penalties related to unrecognized tax benefits as income tax expense.

Our 2017 income tax expense varies from the statutory rate mainly due to the generation of federal and state tax credits, permanent items and lower statutory rates from our foreign subsidiaries. Additionally, in the second quarter of 2017, we recognized certain discrete items primarily related to the exercise of stock options. Our 2016 income tax expense varied from the statutory rate mainly due to certain permanent items, offset by lower statutory rates from our foreign entities and a discrete item for stock option exercises.

We have reviewed the tax positions taken, or to be taken, in our tax returns for all tax years currently open to examination by a taxing authority. As of June 30, 2017, the gross amount of unrecognized tax benefits exclusive of interest and penalties was $432,000. We remain subject to examination until the statute of limitations expires for each respective tax jurisdiction. The statute of limitations will be open with respect to these tax positions until 2025. A reconciliation of the beginning and ending amounts of our unrecognized tax benefits is as follows:

	Six months ended June 30, 2017
	(in thousands)
Unrecognized tax benefits as of December 31, 2016	$ 390
Additions for tax positions of current year	42
Additions for tax positions of prior years	—
Reductions for settlements with taxing authorities	—
Reductions for lapses of the applicable statutes of limitations	—
Unrecognized tax benefits as of June 30, 2017	$ 432

As of June 30, 2017, a summary of the tax years that remain subject to examination in our taxing jurisdictions is as follows:

United States	2013 and forward
Foreign	2010 and forward

3. Inventories and Other Deferred Costs

Inventories and other deferred costs consist of the following:

	June 30, 2017	December 31, 2016
	(in thousands)	
Raw materials	$ 3,573	$ 2,810
Work-in-process	2,934	2,489
Finished products	11,618	11,662
Other deferred costs	2,338	2,617
Total inventory	$ 20,463	$ 19,578

We had inventory on consignment of $1.3 million and $1.1 million at June 30, 2017 and December 31, 2016, respectively.

In connection with our recent acquisition of the RestoreFlow allograft business, other deferred costs include costs incurred for the preservation of human vascular tissue available for shipment, tissue currently in active processing, and tissue held in quarantine pending release to implantable status. By federal law, human tissue cannot be bought or sold. Therefore, the tissue we preserve are not held as inventory, and the costs we incur to procure and process vascular tissue are instead accumulated and deferred.

4. Acquisition and Divestitures

Our strategy for growing our business includes the acquisition of complementary product lines and businesses. Our acquisitions, including those discussed below, have historically been made at prices above the fair value of the acquired identifiable assets, resulting in goodwill, due to expectations of synergies that will be realized by combining businesses. These synergies include the use of our existing sales channel to expand sales of the acquired businesses' products and services, consolidation of manufacturing facilities, and the leveraging of our existing administrative infrastructure.

The fair market valuations associated with these transactions fall within Level 3 of the fair value hierarchy, due to the use of significant unobservable inputs to determine fair value. The fair value measurements were calculated using unobservable inputs, primarily using the income approach, specifically the discounted cash flow method. The amount and timing of future cash flows within our analysis was based on our due diligence models, most recent operational budgets, long range strategic plans and other estimates.

Restore Flow Allografts

On November 10, 2016, we entered into an agreement to acquire the assets of Restore Flow Allografts, LLC, a provider of human vascular tissue processing and cryopreservation services, for an initial purchase price of $12 million, with additional payments of up to $6 million, depending upon the satisfaction of certain contingencies. A payment of $2 million is due not later than 15 days following the expiration of the 18 month period following the closing date, subject to reductions as specified in the agreement for each calendar month that certain retained employees are not employed by us due to resignation without good reason, or termination for cause, both as defined in the agreement. The portion of this payment that will be paid to retained employees and that is contingent on their continuing employment, approximately $0.9 million, will be accounted for as post-combination compensation expense rather than purchase consideration. There are also two potential earn-outs under the agreement. The first earn-out is calculated at 50% of the amount by which net revenue in the first 12 months following the closing exceeds $6 million, with such payout not to exceed $2 million. The second earn-out is calculated at 50% of the amount by which net revenue in the second 12 months following the closing exceeds $9 million, with such payout not to exceed $2 million.

The RestoreFlow business derives revenue from human tissue preservation services, in particular the processing and cryopreservation of veins and arteries. By federal law, human tissues cannot be bought or sold. Therefore, the tissues we obtain and preserve are not held as inventory, and the costs we incur to procure and process vascular tissues are instead accumulated and deferred. Revenues are recognized for the provision of cryopreservation services rather than product sales.

The acquired assets included intellectual property, permits and approvals, data and records, equipment and furnishings, accounts receivable, inventory, literature, and customer and supplier information. We also assumed certain accounts payable. We accounted for the acquisition as a business combination.

The following table summarizes the preliminary purchase price allocation as of June 30, 2017:

	Allocated Fair Value (in thousands)
Accounts receivable	$ 561
Deferred cryopreservation costs	2,583
Equipment and supplies	125
Accounts payable	(286)
Intangible assets	4,544
Goodwill	5,432
Purchase price	$ 12,959

The goodwill is deductible for tax purposes over 15 years.

The following table reflects the preliminary allocation of the acquired intangible assets and related estimated useful lives:

	Allocated Fair Value (in thousands)	**Weighted Average Useful Life**
Non-compete agreements	$ 180	5.0 years
Tradename	271	9.0 years
Procurement contracts	617	9.0 years
Technology	2,793	10.5 years
Customer relationships	683	12.5 years
Total intangible assets	$ 4,544	

The weighted-average amortization period of the acquired intangible assets was 10.3 years.

ProCol Biologic Graft

On March 18, 2016, we acquired the ProCol biologic vascular graft ("ProCol") business for $2.7 million from Hancock Jaffe Laboratories, Inc. (HJL) and CryoLife, Inc. (CRY). HJL was the owner and manufacturer of ProCol and CRY was the exclusive distributor of the ProCol graft. CRY also owned an option to purchase the ProCol business, which we acquired from CRY. We bought finished goods inventory and other ProCol related assets from CRY for $2.0 million, which was paid in full at closing. We bought other ProCol assets from HJL for $0.7 million, 50% of which was paid at closing, 25% of which was paid in the quarter ended September 30, 2016 and the remaining 25% of which was paid in the quarter ended March 31, 2017. Additional consideration is payable to HJL for a three-year period following the closing, calculated at 10% of ProCol revenues. This additional consideration was initially valued at $0.3 million and will be re-measured each reporting period until the payment requirement ends, with any adjustments reported in income from operations. For the six months ended June 30, 2017, the amount of the adjustment was not material to our financial statements.

Assets acquired included inventory, intellectual property and a related license, the ProCol trade name, customer lists, non-compete agreements and certain equipment and supplies. We did not assume any liabilities. We accounted for the acquisition as a business combination. The purchase accounting is complete.

The following table summarizes the purchase price allocation as of the acquisition date:

	Allocated Fair Value (in thousands)
Inventory	$ 2,080
Manufacturing equipment and supplies	25
Intangible assets	620
Goodwill	318
Purchase price	$ 3,043

The goodwill is deductible for tax purposes over 15 years.

The following table reflects the allocation of the acquired intangible assets and related estimated useful lives:

	Allocated Fair Value	Weighted Average Useful Life
	(in thousands)	
Non-compete agreement	$ 84	5.0 years
Tradename	109	9.5 years
Intellectual property	277	9.0 years
Customer relationships	150	9.0 years
Total intangible assets	$ 620	

The weighted-average amortization period of the acquired intangible assets was 8.6 years.

Tru-Incise Valvulotome

In May 2015, we entered into an asset purchase agreement with UreSil, LLC (UreSil) to acquire the production and distribution rights of UreSil's Tru-Incise valvulotome for sales outside the United States for a purchase price of approximately $1.4 million. We paid $1.1 million at the closing with the remaining $0.3 million payable at various points in 2016 and 2017. We accounted for the acquisition as a business combination. Assets acquired included inventory and intellectual property. We did not assume any liabilities. The purchase accounting is complete.

The following table summarizes the purchase price allocation at the date of the acquisition:

	Allocated Fair Value
	(in thousands)
Inventory	$ 88
Intangible assets	545
Goodwill	742
Purchase price	$ 1,375

The goodwill is deductible for tax purposes over 15 years.

The following table reflects the allocation of the acquired intangible assets and related estimated useful lives:

	Allocated Fair Value	Weighted Average Useful Life
	(in thousands)	
Non-compete agreement	$ 120	5.0 years
Tradename license	17	3.0 years
Product technology	391	7.0 years
Customer relationships	17	3.0 years
Total intangible assets	$ 545	

5. Goodwill and Other Intangibles

Goodwill consists of the following as of June 30, 2017:

	(in thousands)
Balance at December 31, 2016	$ 23,426
Purchase accounting adjustments	90
Effects of currency exchange	129
Balance at June 30, 2017	$ 23,645

Other intangible assets consist of the following:

	June 30, 2017			December 31, 2016		
	Gross Carrying Value	Accumulated Amortization	Net Carrying Value	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
	(in thousands)					
Product technology	$10,248	$ 4,474	$ 5,774	$10,173	$ 4,017	$ 6,156
Trademarks and licenses	1,947	1,421	526	1,939	1,359	580
Customer relationships	5,278	2,910	2,368	5,216	2,588	2,628
Other intangible assets	1,566	1,151	415	1,558	1,025	533
Total identifiable intangible assets	$19,039	$ 9,956	$ 9,083	$18,886	$ 8,989	$ 9,897

These intangible assets are being amortized over their useful lives ranging from 1 to 13 years. The weighted-average amortization period for these intangibles as of June 30, 2017 is 8.9 years. Amortization expense is included in general and administrative expense and is as follows:

	Three months ended June 30,		Six months ended June 30,	
	2017	2016	2017	2016
	(in thousands)			
Amortization expense	$ 456	$ 405	$ 910	$ 785

Estimated amortization expense for the remainder of 2017 and each of the five succeeding fiscal years is as follows:

	Year ended December 31,					
	2017	2018	2019	2020	2021	2022
	(in thousands)					
Amortization expense	$904	$1,576	$1,403	$1,126	$927	$713

6. Accrued Expenses and Other Long-term Liabilities

Accrued expenses consist of the following:

	June 30, 2017	December 31, 2016
	(in thousands)	
Compensation and related taxes	$ 5,062	$ 6,124
Income and other taxes	527	312
Professional fees	29	122
Other	2,069	2,246
Total	$ 7,687	$ 8,804

Other long-term liabilities consist of the following:

	June 30, 2017	December 31, 2016
	(in thousands)	
Aquisition-related liabilities	$ 1,557	$ 1,253
Deferred rent	452	394
Income taxes	208	200
Other	183	154
Total	$ 2,400	$ 2,001

7. Segment and Enterprise-Wide Disclosures

Under Accounting Standards Codification Topic 280, *Segment Reporting*, operating segments are defined as components of an enterprise for which separate, discrete financial information is available and evaluated by the chief operating decision-maker in making decisions on how to allocate resources and assess performance. We view our operations and manage our business as one operating segment. No discrete operating information is prepared by us except for sales by product line and by legal entity for local reporting purposes.

Most of our revenues are generated in the United States, Germany, and other European countries as well as in Canada, Japan and China. Substantially all of our assets are located in the United States. Net sales to unaffiliated customers by country were as follows:

	Three months ended June 30,		Six months ended June 30,	
	2017	2016	2017	2016
	(in thousands)			
United States	$14,932	$12,358	$28,979	$23,462
Germany	2,854	2,683	5,739	5,269
Other countries	7,967	7,348	15,174	13,916
Net Sales	$25,753	$22,389	$49,892	$42,647

8. Share-based Compensation

Our Third Amended and Restated 2006 Stock Option and Incentive Plan allows for granting of incentive stock options, non-qualified stock options, stock appreciation rights, restricted stock units, unrestricted stock awards and deferred stock awards to our officers, employees, directors and consultants.

The components of share-based compensation expense were as follows:

	Three months ended June 30,		Six months ended June 30,	
	2017	2016	2017	2016
	(in thousands)			
Stock option awards	$ 310	$ 232	$ 624	$ 455
Restricted stock units	162	100	335	207
Total share-based compensation	$ 472	$ 332	$ 959	$ 662

Stock-based compensation is included in our statements of operations as follows:

	Three months ended June 30,		Six months ended June 30,	
	2017	2016	2017	2016
	(in thousands)			
Cost of sales	$ 41	$ 33	$ 94	$ 71
Sales and marketing	114	78	230	142
General and administrative	272	211	546	394
Research and development	45	10	89	55
Total stock-based compensation	$ 472	$ 332	$ 959	$ 662

Option grants during the six months ended June 30, 2017 were not material; we did not issue option grants during the six months ended June 30, 2016. We did not issue awards of restricted stock during the six months ended June 30, 2017; the restricted stock units awarded during the six months ended June 30, 2016 were not material.

We issued approximately 318,000 and 140,000 shares of common stock following the exercise or vesting of underlying stock options or restricted stock units during the six months ended June 30, 2017 and 2016, respectively.

9. Net Income per Share

The computation of basic and diluted net income per share was as follows:

	Three months ended June 30,		Six months ended June 30,	
	2017	2016	2017	2016
	(in thousands, except per share data)			
Basic:				
Net income available for common stockholders	$ 4,632	$ 2,598	$ 7,851	$ 4,764
Weighted average shares outstanding	18,816	18,408	18,724	18,372
Basic earnings per share	$ 0.25	$ 0.14	$ 0.42	$ 0.26
Diluted:				
Net income available for common stockholders	$ 4,632	$ 2,598	$ 7,851	$ 4,764
Weighted-average shares outstanding	18,816	18,408	18,724	18,372
Common stock equivalents, if dilutive	1,159	570	1,131	554
Shares used in computing diluted earnings per common share	19,975	18,978	19,855	18,926
Diluted earnings per share	$ 0.23	$ 0.14	$ 0.40	$ 0.25
Shares excluded in computing diluted earnings per share as those shares would be anti-dilutive	1	11	1	11

10. Stockholders' Equity

Share Repurchase Program

On July 25, 2016, our Board of Directors approved a stock repurchase program under which the Company is authorized to repurchase up to $5 million of its common stock through transactions on the open market, in privately negotiated purchases or otherwise. This program expired on July 25, 2017. We did not made any repurchases under this program prior to its expiration.

On July 25, 2017, our Board of Directors approved a stock repurchase program under which the Company is authorized to repurchase up to $7.5 million of its common stock through transactions on the open market, in privately negotiated purchases or otherwise. This program may be suspended or discontinued at any time, and expires on the earlier of July 25, 2018 or when the $7.5 million repurchase limit is reached, unless extended by our Board of Directors. To date we have not made any repurchases under this program.

Dividends

In February 2011, our Board of Directors approved a policy for the payment of quarterly cash dividends on our common stock. Future declarations of quarterly dividends and the establishment of future record and payment dates are subject to approval by our Board of Directors on a quarterly basis. The dividend activity for the periods presented is as follows:

Record Date	Payment Date	Per Share Amount	Dividend Payment (in thousands)
Fiscal Year 2017			
May 24, 2017	June 8, 2017	$ 0.055	$ 1,036
March 22, 2017	April 6, 2017	$ 0.055	$ 1,029
March 21, 2016	April 4, 2016	$ 0.045	$ 825
May 25, 2016	June 8, 2016	$ 0.045	$ 829
August 22, 2016	September 2, 2016	$ 0.045	$ 833
November 21, 2016	December 5, 2016	$ 0.045	$ 836

On July 25, 2017 our Board of Directors approved a quarterly cash dividend on our common stock of $0.055 per share payable on September 7, 2017 to stockholders of record at the close of business on August 23, 2017, which will total approximately $1.0 million.

11. Supplemental Cash Flow Information

	Six months ended June 30,	
	2017	2016
	(in thousands)	
Cash paid for income taxes, net	$2,825	$1,492

12. Fair Value Measurements

The fair value accounting guidance requires that assets and liabilities carried at fair value be classified and disclosed in one of the following three categories:

- Level 1 — Quoted prices in active markets for identical assets or liabilities.
- Level 2 — Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3 — Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

As of June 30, 2017, we had cash equivalents in a money market fund that was valued using Level 1 inputs (quoted market prices for identical assets) at a fair value of $14.0 million.

We had no Level 2 assets being measured at fair value on a recurring basis as of June 30, 2017.

As discussed in Note 4, we have contingent liabilities related to certain of our acquired businesses. These liabilities are or have been remeasured each reporting period using Level 3 techniques to assess the probability that we will be required to make future payments, and to estimate the amount of those payments. During the six months ended June 30, 2017 we made fair-value adjustments to our contingent liabilities of $0.4 million.

13. Accumulated Other Comprehensive Loss

	Six months ended June 30,	
	2017	2016
	(in thousands)	
Beginning balance	$(4,583)	$(4,049)
Other comprehensive income (loss) before reclassifications	1,639	524
Amounts reclassified from accumulated other comprehensive loss	—	—
Ending Balance	$(2,944)	$(3,525)

Changes to our accumulated other comprehensive loss consisted of foreign currency translation for the six months ended June 30, 2017 and 2016.

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

This Quarterly Report on Form 10-Q contains forward-looking statements (within the meaning of the federal securities law) that involve substantial risks and uncertainties. All statements, other than statements of historical facts, included in this report regarding our strategy, future operations, future financial position, future net sales, projected costs, projected expenses, prospects and plans and objectives of management are forward-looking statements. The words "anticipates," "believes," "estimates," "expects," "intends," "may," "plans," "projects," "will," "would," and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. We have based these forward-looking statements on our current expectations and projections about future events. Although we believe that the expectations underlying any of our forward-looking statements are reasonable, these expectations may prove to be incorrect, and all of these statements are subject to risks and uncertainties. Should one or more of these risks and uncertainties materialize, or should underlying assumptions, projections, or expectations prove incorrect, our actual results, performance, or financial condition may vary materially and adversely from those anticipated, estimated, or expected. These risks and uncertainties include, but are not limited to: the risk that the Company may not realize the anticipated benefits of its strategic activities; risks related to the integration of acquisition targets; the risk that assumptions about the market for the Company's products and the productivity of the Company's direct sales force and distributors may not be correct; risks related to product demand and market acceptance of the Company's products; risks associated with our newly acquired tissue processing and preservation operations and the related services we now provide; risks related to attracting, training and retaining sales representatives and other employees in new markets; adverse or fluctuating conditions in the general domestic and global economic markets; and the risk that the Company is not successful in transitioning to a direct-selling model in new territories.

Forward-looking statements reflect management's analysis as of the date of this quarterly report. Further information on potential risk factors that could affect our business and financial results is detailed in Part II, Item 1A, "Risk Factors" in this Quarterly Report on Form 10-Q and in our other filings with the Securities and Exchange Commission, including under the section headed "Risk Factors" in our most recent Annual Report on Form 10-K. Given these risks, uncertainties and other factors, you should not place undue reliance on these forward-looking statements. The following discussion and analysis should be read in conjunction with our consolidated financial statements and the related notes included in this report and our other SEC filings, including our audited consolidated financial statements and the related notes contained in our Annual Report on Form 10-K for the year ended December 31, 2016, as filed with the SEC on March 9, 2017. We do not assume any obligation to update any forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by law.

Unless the context indicates otherwise, references to "LeMaitre Vascular," "we," "our," and "us" in this Quarterly Report on Form 10-Q refer to LeMaitre Vascular, Inc. and its subsidiaries.

LeMaitre, AnastoClip, Omniflow, ProCol, RestoreFlow and XenoSure are registered trademarks of LeMaitre Vascular or one of its subsidiaries. This Quarterly Report on Form 10-Q also includes the registered and unregistered trademarks of other persons, which are the property of their respective owners.

Overview

We are a medical device company that develops, manufactures, and markets medical devices and implants for the treatment of peripheral vascular disease. We also provide processing and cryopreservation services of human tissue for implantation into patients. Our principal product offerings are sold throughout the world, primarily in North America, Europe and, to a lesser extent, Asia and the Pacific Rim. We estimate that the annual worldwide market for all peripheral vascular devices approximates $5 billion, within which our product lines address roughly $870 million. We have grown our business by using a three-pronged strategy: 1) pursuing a focused call point, 2) competing for sales of low-rivalry niche products, and 3) expanding our worldwide direct sales force while acquiring and developing complementary vascular devices. We have used acquisitions as a primary means of further accessing the larger peripheral vascular device market, and we expect to pursue this strategy in the future. Additionally, we have increased our efforts to expand our vascular device offerings through research and development. We currently manufacture most of our product lines at our Burlington, Massachusetts headquarters.

Our products and services are used primarily by vascular surgeons who treat peripheral vascular disease through both open surgical methods and endovascular techniques. In contrast to interventional cardiologists and interventional radiologists, neither of whom are certified to perform open surgical procedures, vascular surgeons can perform both open surgical and minimally invasive endovascular procedures, and are therefore uniquely positioned to provide a wider range of treatment options.

Our principal product lines include the following: valvulotomes, biologic vascular patches, balloon catheters, carotid shunts, biologic vascular grafts, anastomotic clips, radiopaque marking tape, synthetic vascular grafts, remote endarterectomy devices, laparoscopic cholecystectomy devices, angioscopes, and powered phlebectomy devices. With the November 10, 2016 acquisition of the RestoreFlow allografts business, we also provide services related to the processing and cryopreservation of human vascular tissue.

To assist us in evaluating our business strategies, we regularly monitor long-term technology trends in the peripheral vascular device market. Additionally, we consider the information obtained from discussions with the medical community in connection with the demand for our products, including potential new product launches. We also use this information to help determine our competitive position in the peripheral vascular device market and our manufacturing capacity requirements.

Our business opportunities include the following:

- the long-term growth of our direct sales force in North America, Europe, Asia and the Pacific Rim;
- the addition of complementary products through acquisitions;
- the updating of existing products and introduction of new products through research and development;
- the introduction of our products in new territories upon receipt of regulatory approvals or registrations in these territories; and
- the consolidation of product manufacturing into our facilities in our Burlington, Massachusetts corporate headquarters.

We sell our products and services primarily through a direct sales force. As of June 30, 2017 our sales force was comprised of 93 sales representatives in North America, Europe, Japan, China and Australia. We also sell our products in other countries through distributors. Our worldwide headquarters is located in Burlington, Massachusetts. Our international operations are headquartered in Sulzbach, Germany. We also have sales offices located in Tokyo, Japan; Mississauga, Canada; Madrid, Spain; Milan, Italy; Shanghai, China; and North Melbourne, Australia, and we have processing facilities in Fox River Grove, Illinois and North Melbourne, Australia. During the six month periods ended June 30, 2017 and 2016, approximately 93% and 92%, respectively, of our net sales were generated in territories in which we employ direct sales representatives.

Historically, we have experienced success in lower-rivalry niche product segments, for example the market segments for biologic vascular patches and valvulotomes. In the biologic vascular patch market the number of competitors is limited, and we believe that we have been able to increase segment share and increase selling prices, mainly due to the strength of our sales force. In the valvulotome market, we have been able to increase our selling prices while maintaining our unit market share. In contrast, we have experienced less success in highly competitive markets such as laparoscopic cholecystectomy catheters and synthetic grafts, where we face stronger competition from larger companies with greater resources and lower production costs. While we believe that these challenging market dynamics can be mitigated by our strong relationships with vascular surgeons, there can be no assurance that we will be successful in these highly competitive markets.

We have also experienced success in international markets, such as Europe, where we sometimes offer comparatively lower average selling prices. If we continue to seek growth opportunities outside of the United States, we will likely experience downward pressure on our gross margin.

Because we believe that direct-to-hospital sales engender closer customer relationships, and allow for higher selling prices and gross margins, we periodically enter into transactions with our distributors to transition their sales of our medical devices to our direct sales organization:

- During 2015, we entered into definitive agreements with seven former UreSil, LLC distributors in Europe in order to terminate their distribution of our Tru-Incise valvulotome and we began selling direct-to-hospital in those geographies. The total of these termination fees was approximately $0.2 million

- In August 2015, we entered into a definitive agreement with Grex Medical Oy (Grex), our distributor in Finland, in order to terminate their distribution of our products and we began selling direct-to-hospital in Finland as of January 1, 2016. The termination fee was approximately $0.2 million.

We anticipate that the expansion of our direct sales organization in China will result in increased sales, marketing and regulatory expenses during 2017. As of June 30, 2017 we had seven employees in China.

Our strategy for growing our business includes the acquisition of complementary product lines and companies and occasionally the discontinuance or divestiture of products or activities that are no longer complementary:

- In May 2015, we acquired the production and distribution rights of UreSil LLC's Tru-Incise valvulotome for sales outside of the United States for $1.4 million.
- In July 2015, we entered into an asset sales agreement with Merit Medical Ireland Limited to sell our inventory, intellectual property and customer lists associated with The UnBalloon, our non-occlusive modeling catheter product line for $0.4 million.
- In December 2015, we terminated our InvisiGrip vein stripper product line, and wrote down $0.1 million of related inventory in Q3 2015.
- In March 2016, we acquired substantially all of the assets as well as the production and distribution rights of the ProCol business from Hancock Jaffe Laboratories and CryoLife, Inc. for $2.7 million plus 10% of net sales for three years following the closing. ProCol is a biologic vascular graft used for dialysis access, and is approved for sale in the United States.
- In November 2016, we acquired substantially all of the assets related to the peripheral vascular allograft operations of Restore Flow Allografts, LLC for $12.0 million plus additional payments of up to $6 million, depending upon the satisfaction of certain contingencies.

In addition to relying upon acquisitions to grow our business, we also rely on our product development efforts to bring differentiated and next-generation products to market. These efforts have led to the following recent product developments:

- In December 2015, we launched the 15-cm AnastoClip AC.
- In October 2016, we launched additional sizes of our XenoSure patch.
- In December 2016, we launched the 7.0mm diameter Omniflow II graft.
- In June 2017, we launched XenoSure pledgets.

In addition to our sales growth strategies, we have also executed several operational initiatives designed to consolidate and streamline manufacturing within our Burlington facility. We expect these plant consolidations will result in improved production control, as well as reduced costs over the long-term. Our most recent manufacturing transitions included:

- In March 2015, we initiated a project to transfer the manufacturing of the newly acquired angioscope product line to our facility in Burlington. We had been purchasing the devices from Applied Medical since the September 2014 acquisition and completed the transition of manufacturing to our Burlington facility in December 2015.
- In May 2015, we initiated a project to transfer the manufacturing of the newly acquired Tru-Incise valvulotome product line to our facility in Burlington. We have been purchasing the devices from UreSil, LLC since the acquisition. We completed this transition in the first half of 2017.
- In March 2016, we initiated a project to transfer the manufacturing of the newly acquired ProCol biologic product line to our facility in Burlington. We have an agreement to purchase the product from Hancock Jaffe Laboratories for up to three years following the closing. We initiated the transfer of the production line and transition of manufacturing in 2016, and we expect it to be complete in 2018, subject to regulatory approval.

- In the fourth quarter of 2017, we expect to complete the renovation of our facility in Burlington, Massachusetts, where we expect several of our biologic offerings, including the XenoSure patch, will be produced or processed. We believe the cost of the facility renovation will be approximately $2.5 million, of which approximately $1.5 million has been incurred through June 30, 2017.

Our execution of these business opportunities may affect the comparability of our financial results from period to period and may cause substantial fluctuations from period to period as we incur related process engineering and other charges, as well as longer term impacts to revenues and operating expenditures.

Fluctuations in the rate of exchange between the U.S. dollar and foreign currencies, primarily the Euro, affect our financial results. For the six months ended June 30, 2017, approximately 42% of our sales were to customers located outside the United States. We expect that foreign currencies will continue to represent a significant percentage of our sales in the future. Selling, marketing, and administrative costs related to these sales are largely denominated in the local currency, thereby partially mitigating our exposure to exchange rate fluctuations. However, as most of our foreign sales are denominated in local currency, if there is a decrease in the rate at which a foreign currency is exchanged for U.S. dollars, it will require more of the foreign currency to equal a specified amount of U.S. dollars. In such cases we will record less revenue in U.S. dollars than we did prior to the rate increase. For the six months ended June 30, 2017, the effects of changes in foreign exchange rates decreased sales by approximately $0.6 million.

Net Sales and Expense Components

The following is a description of the primary components of our net sales and expenses:

Net sales. We derive our net sales from the sale of our products and services, less discounts and returns. Net sales include the shipping and handling fees paid for by our customers. Most of our sales are generated by our direct sales force and are shipped and billed to hospitals or clinics throughout the world. In countries where we do not have a direct sales force, sales are primarily to distributors, who in turn sell to hospitals and clinics. In certain cases our products are held on consignment at a hospital or clinic prior to purchase; in these instances we recognize revenue at the time the product is used in surgery rather than at shipment.

Cost of sales. We manufacture the majority of the products that we sell. Our cost of sales consists primarily of manufacturing personnel, raw materials and components, depreciation of property and equipment, and other allocated manufacturing overhead, as well as the freight expense we pay to ship products to customers.

Sales and marketing. Our sales and marketing expense consists primarily of salaries, commissions, stock-based compensation, travel and entertainment, attendance at vascular congresses, training programs, advertising and product promotions, direct mail and other marketing costs.

General and administrative. General and administrative expense consists primarily of executive, finance and human resource expense, stock-based compensation, legal and accounting fees, acquisition-related charges, information technology expense, intangible asset amortization expense and insurance expense.

Research and development. Research and development expense includes costs associated with the design, development, testing, enhancement and regulatory approval of our products, principally salaries, laboratory testing and supply costs. It also includes costs associated with design and execution of clinical studies, regulatory submissions and costs to register, maintain, and defend our intellectual property, and royalty payments associated with licensed and acquired intellectual property.

Other income (expense). Other income (expense) primarily includes interest income and expense, foreign currency gains (losses), and other miscellaneous gains (losses).

Income tax expense. We are subject to federal and state income taxes for earnings generated in the United States, which include operating losses in certain foreign jurisdictions for certain years depending on tax elections made, and foreign taxes on earnings of our wholly-owned foreign subsidiaries. Our consolidated tax expense is affected by the mix of our taxable income (loss) in the United States and foreign subsidiaries, permanent items, discrete items, unrecognized tax benefits, and amortization of goodwill for U.S. tax reporting purposes.

Results of Operations

Comparison of the three and six months ended June 30, 2017 to the three and six months ended June 30, 2016.

The following tables set forth, for the periods indicated, our results of operations, net sales by geography, and the change between the specified periods expressed as a percentage increase or decrease:

(unaudited)	Three months ended June 30,			Six months ended June 30,		
	2017	2016	Percent change	2017	2016	Percent change
	($ in thousands)					
Net sales	$25,753	$22,389	15%	$49,892	$42,647	17%
Net sales by geography:						
Americas	$16,088	$13,189	22%	$31,069	$25,066	24%
International	9,665	9,200	5%	18,823	17,581	7%
Total	$25,753	$22,389	15%	$49,892	$42,647	17%

Net sales. Net sales increased $3.4 million or 15% to $25.8 million for the three months ended June 30, 2017, compared to $22.4 million for the three months ended June 30, 2016. Sales increases for the three months ended June 30, 2017 were due in large part to sales of our RestoreFlow service offering acquired in the fourth quarter of 2016 of $1.5 million, as well as increased sales of our biologic vascular patches of $1.2 million. We also recorded increased sales of carotid shunts of $0.3 million, Omniflow biologic vascular grafts of $0.2 million and vessel closure systems of $0.2 million.

Net sales increased $7.2 million or 17% to $49.9 million for the six months ended June 30, 2017, compared to $42.6 million for the six months ended June 30, 2016. Sales increases for the six months ended June 30, 2017 were due in large part to sales of our RestoreFlow service offering acquired in the fourth quarter of 2016 of $2.8 million, as well as increased sales of our biologic vascular patches of $2.9 million. We also recorded increased sales of vessel closure systems of $0.6 million, shunts of $0.4 million, and Omniflow biologic vascular grafts of $0.4 million. All other product lines increased $0.1 million on a net basis, including small declines in sales of catheters and ePTFE vascular grafts.

Direct-to-hospital net sales were 93% and 92%, respectively for the six months ended June 30, 2017 and June 30, 2016.

Net sales by geography. Net sales in the Americas increased $2.9 million or 22% for the three months ended June 30, 2017. The increase was due in large part to sales of our RestoreFlow service offering acquired in the fourth quarter of 2016 of $1.5 million, as well as increased sales of biologic vascular patches of $0.8 million, carotid shunts of $0.3 million and vessel closure systems of $0.2 million. All other product lines increased $0.1 million on a net basis. International net sales for the three months ended June 30, 2017 increased $0.5 million or 5% due mainly to higher sales of biologic vascular patches and grafts.

Net sales in the Americas increased $6.0 million for the six months ended June 30, 2017. The increase was due in large part to sales of our RestoreFlow service offering acquired in the fourth quarter of 2016 of $2.8 million, as well as increased sales of our biologic vascular patches of $2.1 million. We also recorded increased sales of vessel closure systems of $0.5 million and carotid shunts of $0.2 million. All other product lines increased $0.3 million on a net basis, including a decline in remote endarterectomy devices of $0.1 million. International net sales for the six months ended June 30, 2017 increased $1.2 million or 7% due mainly to higher sales of biologic vascular patches and grafts as well as powered phlebectomy devices, partially offset by decreased sales of catheters and ePTFE vascular grafts.

(unaudited)	Three months ended June 30,				Six months ended June 30,			
	2017	2016	$ Change	Percent change	2017	2016	$ Change	Percent change
	($ in thousands)							
Gross profit	$17,516	$15,367	$ 2,149	14%	$34,869	$29,723	$ 5,146	17%
Gross margin	68.0%	68.6%	*	(0.6%)	69.9%	69.7%	*	0.2%

* Not applicable

Gross Profit. Gross profit increased $2.1 million to $17.5 million for the three months ended June 30, 2017, while gross margin decreased by 60 basis points to 68.0%. The gross margin decrease was mainly the result of the addition of our ProCol and RestoreFlow offerings in March 2016 and November 2016, respectively, which carry comparatively lower gross margins than our other products, the effects of foreign exchange, and manufacturing inefficiencies, all of which were partially offset by increased XenoSure sales, increases in average selling prices and proportionally increased sales in the Americas, where we generally achieve higher margins.

Gross profit increased $5.1 million to $34.9 million for the six months ended June 30, 2017, while gross margin increased by 20 basis points to 69.9% in the period. The gross margin was favorably impacted by higher average selling prices across nearly all product lines, as well as lower per-unit manufacturing costs of our biologic vascular patch products. These increases were partially offset by the addition of our ProCol and RestoreFlow offerings, which carry comparatively lower margins, as well as by changes in foreign exchange rates. The gross profit increase was also a result of higher sales.

Operating Expenses

Our operating expenses for the three and six month periods ended June 30, 2017 and 2016 consisted of the following (in thousands):

(unaudited)	Three months ended June 30,				Six months ended June 30,			
	2017	2016	$ Change	Percent change	2017	2016	$ Change	Percent change
Sales and marketing	$ 6,599	$ 6,539	$ 60	1%	$13,553	$12,812	$ 741	6%
General and administrative	3,747	3,411	336	10%	8,295	6,748	1,547	23%
Research and development	1,634	1,634	—	0%	3,292	3,080	212	7%
Total	$11,980	$11,584	$ 396	3%	$25,140	$22,640	$ 2,500	11%

	Three months ended June 30,			Six months ended June 30,		
	2017 % of Net Sales	2016 % of Net Sales	Change	2017 % of Net Sales	2016 % of Net Sales	Change
Sales and marketing	26%	29%	(3%)	27%	30%	(3%)
General and administrative	15%	15%	0%	17%	16%	1%
Research and development	6%	7%	(1%)	7%	7%	0%

Sales and marketing. Sales and marketing expenses for the three months ended June 30, 2017 were largely unchanged vs. the June 30, 2016 period. Selling expenses increased slightly due to higher compensation and related costs, while marketing expenses decreased due to lower spending on advertising and trade shows.

For the six months ended June 30, 2017, sales and marketing expenses increased $0.7 million or 6% to $13.6 million. The increase was primarily in compensation-related expenses and travel, due to an increase in the number of sales representatives from 91 to 93. As a percentage of net sales, sales and marketing expense decreased to 27% in the six months ended June 30, 2017 from 30% in the prior year period due to higher sales in the current period.

General and administrative. For the three months ended June 30, 2017, general and administrative expenses increased $0.3 million or 10% to $3.7 million. Increases included higher acquisition-related charges of $0.1 million and higher facilities costs of $0.2 million, in connection with expanding our Burlington, Massachusetts manufacturing operations.

For the six months ended June 30, 2017, general and administrative expenses increased $1.5 million, or 23%, to $8.3 million. Increases included higher compensation costs of $0.5 million, acquisition-related charges of $0.4 million, higher facilities costs of $0.3 million and higher professional fees of $0.3 million. As a percentage of net sales, general and administrative expenses increased to 17% for the six months ended June 30, 2017 as compared to 16% for the year-earlier period.

Research and development. Research and development expenses for the three months ended June 30, 2017 were unchanged from the June 30, 2016 period, with lower professional services costs of $0.1 million offset by higher compensation related costs of $0.1 million.

For the six months ended June 30, 2017, research and development expenses increased $0.2 million or 7%, to $3.3 million. Increases were primarily due to higher compensation expenses in our clinical and regulatory function.

Income tax expense. We recorded a tax provision of $0.8 million on pre-tax income of $5.5 million for the three months ended June 30, 2017, compared to a $1.2 million tax provision on pre-tax income of $3.8 million for the three months ended June 30, 2016. We recorded a tax provision of $1.9 million on pre-tax income of $9.7 million for the six months ended June 30, 2017, compared to $2.3 million on pre-tax income of $7.1 million for the six months ended June 30, 2016. Our effective income tax rate was 15.2% and 19.1% for the three and six month period ended June 30, 2017. Our tax expense for the current period is based on an estimated annual effective tax rate of 34.5%, adjusted in the applicable quarterly periods for discrete stock option exercises, and other discrete items. Our income tax expense for the current period varies from the statutory rate mainly due to certain permanent items, offset by lower statutory rates from our foreign entities and a discrete item for stock option exercises.

Our effective income tax rate was 32.3% and 32.9% for the three and six month period ended June 30, 2016. Our 2016 provision was based on the estimated annual effective tax rate of 34.1%, adjusted in the applicable quarterly period for discrete stock option exercises, and other discrete items. Our income tax expense for 2016 varied from the statutory rate mainly due to certain permanent items, offset by lower statutory rates from our foreign entities and a discrete item for stock option exercises.

We monitor the mix of profitability by tax jurisdiction and adjust our annual expected rate on a quarterly basis as needed. While it is often difficult to predict the final outcome or timing of the resolution for any particular tax matter, we believe that our tax reserves reflect the probable outcome of known contingencies.

We assess the likelihood that our deferred tax assets will be realized through future taxable income and record a valuation allowance to reduce gross deferred tax assets to an amount we believe is more likely than not to be realized. As of June 30, 2017, we have provided a valuation allowance of $1.8 million for deferred tax assets primarily related to Australian net operating loss and capital loss carry forwards that are not expected to be realized.

We expect that our effective tax rate will remain somewhat inconsistent in the second half of 2017 due to the timing of exercises of certain employee stock options. We expect our 2017 effective tax rate will be lower than our 2016 effective tax rate mainly due to exercises of stock options in 2017.

Liquidity and Capital Resources

At June 30, 2017, our cash and cash equivalents were $30.1 million as compared to $24.3 million at December 31, 2016. Our cash and cash equivalents are highly liquid investments with maturities of 90 days or less at the date of purchase, consist of operating bank accounts and money market funds, and are stated at cost, which approximates fair value. All of our cash held outside of the United States is available for corporate use, with the exception of $6.5 million held by certain international subsidiaries where earnings are planned to be permanently reinvested.

On July 25, 2016, our Board of Directors approved a stock repurchase program under which the Company is authorized to repurchase up to $5 million of its common stock through transactions on the open market, in privately negotiated purchases or otherwise. We did not made any repurchases under this program prior to its July 25, 2017 expiration.

On July 25, 2017, our Board of Directors approved a stock repurchase program under which the Company is authorized to repurchase up to $7.5 million of its common stock through transactions on the open market, in privately negotiated purchases or otherwise. This program may be suspended or discontinued at any time, and expires on the earlier of July 25, 2018 or when the authorized aggregate $7.5 million repurchase limit is reached, unless extended by our Board of Directors. To date we have not made any repurchases under this program.

Operating and Capital Expenditure Requirements

We require cash to pay our operating expenses, make capital expenditures, and pay our long-term liabilities. Since our inception, we have funded our operations through public offerings and private placements of equity securities, short-term borrowings, and funds generated from our operations.

We recognized operating income of $9.7 million for the six months ended June 30, 2017. For the year ended December 31, 2016, we had operating income of $16.3 million. We expect to fund any increased costs and expenditures from our existing cash and cash equivalents, though our future capital requirements depend on numerous factors. These factors include, but are not limited to, the following:

- the revenues generated by sales of our products and services;
- payments associated with potential future quarterly cash dividends to our common stockholders;
- future acquisition-related payments;
- payments associated with income and other taxes;
- the costs associated with expanding our manufacturing, marketing, sales, and distribution efforts;
- the costs associated with our initiatives to sell direct-to-hospital in new countries;
- the costs of obtaining and maintaining FDA and other regulatory clearances of our existing and future products;
- the number, timing, and nature of acquisitions and other strategic transactions, and
- potential future share repurchases.

Our cash balances may decrease as we continue to use cash to fund our operations, make acquisitions, make payments under our quarterly dividend program, make share repurchases, and make deferred payments related to prior acquisitions. We believe that our cash, cash equivalents, investments and the interest we earn on these balances will be sufficient to meet our anticipated cash requirements for at least the next twelve months. If these sources of cash are insufficient to satisfy our liquidity requirements beyond the next twelve months, we may seek to sell additional equity or debt securities or borrow funds from, or establish a revolving credit facility with a financial institution. The sale of additional equity and debt securities may result in dilution to our stockholders. If we raise additional funds through the issuance of debt securities, such securities could have rights senior to those of our common stock and could contain covenants that would restrict our operations and possibly our ability to pay dividends. We may require additional capital beyond our currently-forecasted amounts. Any such required additional capital may not be available on reasonable terms, if at all.

Dividends

In February 2011, our Board of Directors approved a policy for the payment of quarterly cash dividends on our common stock. Future declarations of quarterly dividends and the establishment of future record and payment dates are subject to approval by our Board of Directors. The dividend activity for the periods presented is as follows:

Record Date	Payment Date	Per Share Amount	Dividend Payment (in thousands)
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May 24, 2017	June 8, 2017	$ 0.055	$ 1,036
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March 21, 2016	April 4, 2016	$ 0.045	$ 825
May 25, 2016	June 8, 2016	$ 0.045	$ 829
August 22, 2016	September 2, 2016	$ 0.045	$ 833
November 21, 2016	December 5, 2016	$ 0.045	$ 836

On July 25, 2017 our Board of Directors approved a quarterly cash dividend on our common stock of $0.055 per share payable on September 7, 2017 to stockholders of record at the close of business on August 23, 2017, which will total approximately $1.0 million.

Cash Flows

	Six months ended June 30, (in thousands)		
	2017	2016	Net Change
Cash and cash equivalents	$30,120	$29,315	$ 805
Cash flows provided by (used in):			
Operating activities	$ 7,900	$ 6,352	$ 1,548
Investing activities	(2,444)	(3,632)	1,188
Financing activities	(152)	(1,028)	876

Net cash provided by (used in) operating activities. Net cash provided by operating activities was $7.9 million for the six months ended June 30, 2017, consisting of $7.9 million in net income adjusted for non-cash items of $3.2 million (including depreciation and amortization of $2.0 million, stock-based compensation of $1.0 million, and provisions for inventory write-offs and doubtful accounts of $0.3 million) and offset by changes in working capital of $3.2 million. The net cash used for working capital was driven by increases in accounts receivable of $1.1 million and inventory of $0.8 million, as well as an increase in prepaid expenses of $0.8 million and decreases in accounts payable and other liabilities of $0.5 million.

Net cash provided by operating activities was $6.4 million for the six months ended June 30, 2016, and consisted of $4.8 million net income, adjusted for non-cash items of $2.7 million (including depreciation and amortization of $1.8 million, stock-based compensation of $0.7 million, and provision for inventory write-offs of $0.2 million), offset by changes in working capital of $1.1 million. The net cash used by changes in working capital was driven by increases in accounts receivable of $0.8 million and decreases in accounts payable and other liabilities of $0.9 million and was partially offset by decreases in prepaid and other current assets of $0.3 million, and inventory of $0.3 million.

Net cash used in investing activities. Net cash used in investing activities was $2.4 million for the six months ended June 30, 2017. This was primarily driven by expenditures on leasehold improvements and equipment associated with the expansion of our Burlington, Massachusetts manufacturing operations.

Net cash used in investing activities was $3.6 million for the six months ended June 30, 2016, driven by $2.4 million of cash paid in connection with our acquisition of the ProCol line of bovine vascular grafts, as well as purchases of property and equipment of $1.3 million, primarily associated with the expansion of our Burlington, Massachusetts manufacturing facilities.

Net cash provided by (used in) financing activities. Net cash used in financing activities was $0.2 million for the six months ended June 30, 2017, consisting of proceeds from stock option exercises of $2.3 million, offset by dividend payments of $2.1 million as well as payments related to prior acquisitions of $0.4 million.

Net cash used in financing activities was $1.0 million for the six months ended June 30, 2016, driven by dividend payments of $1.7 million, partially offset by proceeds from stock option exercises of $0.7 million. We also made payments related to prior acquisitions of $43,000.

Contractual obligations. Our principal contractual obligations consist of operating leases and inventory purchase commitments, and have not changed significantly since December 31, 2016 as reported in our Annual Report on Form 10-K.

Off-Balance Sheet Arrangements

We did not have any off-balance sheet arrangements as of June 30, 2017. We do not currently have, nor have we ever had, any relationships with unconsolidated entities or financial partnerships, such as entities often referred to as structured finance or special purpose entities, which would have been established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes. In addition, we do not engage in trading activities involving non-exchange traded contracts. As a result, we are not materially exposed to any financing, liquidity, market or credit risk that could arise if we had engaged in these relationships.

Critical Accounting Policies and Estimates

We have adopted various accounting policies to prepare our consolidated financial statements in accordance with U.S. generally accepted accounting principles, or U.S. GAAP. Our most significant accounting policies are described in note 1 to our consolidated financial statements included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2016. There have been no material changes in our critical accounting policies during the six months ended June 30, 2017. The preparation of our consolidated financial statements in conformity with U.S. GAAP requires us to make estimates and assumptions that affect the amounts reported in our consolidated financial statements and accompanying notes. Our estimates and assumptions, including those related to bad debts, inventories, intangible assets, sales returns and discounts, share-based compensation, and income taxes are reviewed on an ongoing basis and updated as appropriate. Actual results may differ from those estimates.

Recent Accounting Pronouncements

In May 2017, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update (ASU) 2017-09 which provides guidance on determining which changes to the terms and conditions of share-based payment awards require an entity to apply modification accounting under ASC 718, Compensation – Stock Compensation. The new standard is effective for us beginning January 1, 2018, with early adoption permitted. The adoption of this standard is not expected to have a material impact on our financial statements.

In January 2017, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update (ASU) 2017-04, which, among other provisions, eliminates "step 2" from the goodwill impairment test. The annual, or interim, goodwill impairment test will be performed by comparing the fair value of a reporting unit with its carrying amount. An impairment charge should be recognized for the amount by which the carrying amount exceeds the reporting unit's fair value; however, the loss recognized should not exceed the total amount of goodwill allocated to that reporting unit. The new standard is effective for us beginning January 1, 2020, with early adoption permitted. The adoption of this standard is not expected to have a material impact on our financial statements.

In January 2017, the FASB issued ASU 2017-01 which changes the definition of a business for purposes of determining whether a business has been acquired or sold. The amendment is intended to help companies evaluate whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. The new standard is effective for us beginning January 1, 2018, with early adoption permitted. The adoption of this standard is not expected to have a material impact on our financial statements.

In August 2016, the FASB issued ASU 2016-15, which changes the classification of certain cash receipts and cash payments within the statement of cash flows. The new standard is effective for us beginning January 1, 2018, with early adoption permitted. The adoption of this standard is not expected to have a material impact on our financial statements.

In May 2014, the FASB and the International Accounting Standards Board issued substantially converged final standards on revenue recognition. The FASB's ASU No. 2014-09, Revenue from Contracts with Customers (Topic 606), as amended from time to time, outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance. The new revenue recognition guidance becomes effective for us on January 1, 2018, with early adoption permitted on January 1, 2017. Entities have the option of using either a full retrospective or a modified approach to adopt the guidance in the ASU. We have begun our assessment of the impact to our financial statements of adopting this standard and, although it is not complete, we do not currently expect that it will have a material impact on our consolidated financial statements. However, there will likely be changes to our revenue recognition accounting policy as well as other disclosures.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

In the ordinary course of conducting business, we are exposed to certain risks associated with potential changes in market conditions. These market risks include changes in currency exchange rates and interest rates which could affect operating results, financial position and cash flows. We manage our exposure to these market risks through our regular operating and financing activities and, if considered appropriate, we may enter into derivative financial instruments such as forward currency exchange contracts, although we have not done so in 2017 or in recent years. There have been no material changes in our quantitative and qualitative market risks since the disclosure in our Annual Report on Form 10-K for the year ended December 31, 2016.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation and supervision of our Chief Executive Officer and Chief Financial Officer, is responsible for our disclosure controls and procedures pursuant to Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified under SEC rules and forms. Disclosure controls and procedures include controls and procedures designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to our principal executive officer and our principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Management conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that the company's internal control over financial reporting was effective as of June 30, 2017. In November 2016, we acquired substantially all of the assets of the RestoreFlow allograft business from Restore Flow Allografts LLC. This acquired business, which during the six months ended June 30, 2017 comprised 5.6% of our revenues and as of that date comprised approximately 3.4% of our total assets, is excluded from our evaluation of internal control over financial reporting.

Changes in Internal Control

There have been no changes in our internal control over financial reporting for the six months ended June 30, 2017 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. Management is in the process of assessing the effectiveness of internal control over financial reporting for the acquired RestoreFlow allograft business.

Inherent Limitations of Internal Controls

Notwithstanding the foregoing, our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal controls will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control. The design of any system of controls is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any system will succeed in achieving its stated goals under all potential future conditions. Over time, control may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Part II. Other Information

Item 1. Legal Proceedings

In the ordinary course of business, we are from time to time involved in lawsuits, claims, investigations, proceedings, and threats of litigation relating to employment, product liability, commercial arrangements, contracts, intellectual property and other matters. While the outcome of these proceedings and claims cannot be predicted with certainty, there are no matters, as of August 1, 2017, that management believes would have a material adverse effect on our financial position, results of operations or cash flows.

Item 1A. Risk Factors

In addition to the information set forth in this report, you should consider the risks and uncertainties discussed in “Part I, Item 1A. Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2016, which could materially affect our business, financial condition, or future results. There have been no substantive changes from the risk factors previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2016, which was filed with the Securities and Exchange Commission on March 9, 2017.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Recent Sales of Unregistered Securities

None.

Issuer Purchases of Equity Securities

None.

Item 6. Exhibits

Exhibit Number	Exhibit Description	Incorporated by Reference			Filed Herewith
		Form	Date	Number	
10.1+	Separation Agreement dated June 7, 2017 between Peter R. Gebauer and LeMaitre Vascular GmbH				X
10.2+	Transition and Employment Agreement dated June 7, 2017 between Peter R. Gebauer and the Registrant				X
31.1	Certification of Chief Executive Officer, as required by Rule 13a-14(a) or Rule 15d-14(a).				X
31.2	Certification of Chief Financial Officer, as required by Rule 13a-14(a) or Rule 15d-14(a).				X
32.1	Certification by the Chief Executive Officer, as required by Rule 13a-14(b) or Rule 15d-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350).*				X
32.2	Certification by the Chief Financial Officer, as required by Rule 13a-14(b) or Rule 15d-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350).*				X
101.INS	XBRL Instance Document.				X
101.SCH	XBRL Taxonomy Extension Schema Document.				X
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.				X
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.				X
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.				X
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.				X

+ Indicates a management contract or any compensatory plan, contract, or arrangement.

* The certifications attached as Exhibit 32.1 and Exhibit 32.2 that accompany this Quarterly Report on Form 10-Q, are not deemed filed with the SEC and are not to be incorporated by reference into any filing of LeMaitre Vascular, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Quarterly Report on Form 10-Q, irrespective of any general incorporation language contained in such filing.

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 on August 3, 2017.

LEMAITRE VASCULAR, INC.

/s/ George W. LeMaitre
George W. LeMaitre
Chairman and Chief Executive Officer

/s/ Joseph P. Pellegrino, Jr.
Joseph P. Pellegrino, Jr.
Chief Financial Officer and Director

EXHIBIT INDEX

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Aufhebungsvereinbarung

zwischen

LeMaitre Vascular GmbH
Otto-Volger-Straße 5a-5b
65843 Sulzbach
Germany/Deutschland

die „**Gesellschaft**"

Und

Peter Gebauer
Lessingstr. 7
61440 Oberursel

der „**Geschäftsführer**" -

wird folgende Vereinbarung geschlossen

1. Beendigung des Anstellungs-vertrages

Die Parteien sind sich darüber einig, dass das zwischen ihnen bestehende Anstellungsverhältnis vom 1. Oktober 2008 samt etwaiger Ergänzungs- und Zusatzvereinbarungen, insbesondere der Zusatzvereinbarung vom 24. Dezember 2008 sowie jedes sonstige zwischen ihnen bestehende Anstellungs- oder Arbeitsverhältnis einvernehmlich mit Wirkung zum 30. September 2017 (das „Beendigungsdatum") enden wird. Eine ordentliche Kündigung mit Wirkung vor dem Beendigungsdatum ist für beide Parteien ausgeschlossen.

2. Vergütung, Krankenversicherungsbeiträge, Altersversorgung, Sozialversicherungsbeiträge, Steuerausgleich, Steuerberatungskosten, Dienstwagen und Auslagenersatz

Separation Agreement

zwischen

LeMaitre Vascular GmbH
Otto-Volger-Straße 5a-5b
65843 Sulzbach
Germany/Deutschland

the „**Company**"

And

Peter Gebauer
Lessingstr. 7
61440 Oberursel

the „**Managing Director**" -

the following Agreement is made:

1. Termination of Managing Director Employment Contract

The Parties mutually agree that the existing Managing Director Employment Contract dated October 1, 2008 including any additional or ancillary agreements, in particular the amendment agreement dated December 24, 2008 as well as any further service or employment agreements between the Parties shall end effective as of September 30, 2017 (the "Termination Date"). Any ordinary termination or resignation effective prior to the Termination Date shall be excluded for either party.

2. Remuneration, Health Insurance, Pension, Social Security, Tax Equalization, Tax Preparation, Company Car and Expense reimbursement

2.1 Sämtliche Vergütungsansprüche bis zum 31. Mai 2017 2017 sind bereits ordnungsgemäß abgerechnet und vollständig erfüllt. Für den Zeitraum vom 1. Juni 2017 bis zum Beendigungsdatum erhält der Geschäftsführer ein monatliches Festgehalt in Höhe von EUR 22.542.92 brutto, zzgl. eines monatlichen Beitrags zur Altersversorgung in Höhe von EUR 174 zahlbar jeweils zum Monatsende.

2.2 Mit Ausnahme der Möglichkeit auf Erzielung eines Superbonus von bis zu EUR 5.000 brutto, sind sämtliche Ansprüche auf Bonus oder sonstige variable Vergütung, Sonderzahlungen oder sonstige Leistungen wurden bereits ordnungsgemäß abgerechnet und vollständig erfüllt. Die Parteien sind sich darüber einig, dass der Geschäftsführer darüber hinaus gehende Ansprüche gegen die Gesellschaft auf Vergütung oder sonstige Leistungen aus oder im Zusammenhang mit dem Anstellungsverhältnis oder seiner Beendigung (einschließlich jedoch nicht beschränkt auf Boni und Abfindungen), die über Ziff. 2.1,2.3 und 2.4 dieser Vereinbarung hinausgehen, nicht zustehen. In diesem Zusammenhang sind sich die Parteien darüber einig, dass Ziff. 5.3 des Geschäftsführeranstellungsvertrags vom 1. Oktober 2008 in der derzeit geltenden Fassung hiermit ausdrücklich aufgehoben wird und keine Ansprüche auf diese Klausel gestützt werden können.

2.3 Bis zum Beendigungsdatum zahlt die Gesellschaft einen monatlichen Zuschuss zur privaten Krankenversicherung des Geschäftsführers und seiner Ehefrau in Höhe von 50% des Monatsbeitrags. Die Gesellschaft führt im Übrigen bis zum Beendigungsdatum die nach deutschem Recht erforderlichen Sozialversicherungsbeiträge ab. Darüber hinaus erstattet die Gesellschaft dem Geschäftsführer nach Maßgabe der Richtlinien, Praktiken und Verfahrensweisen der Gesellschaft angemessene Auslagen, die er bis zum Beendigungsdatum im geschäftlichen Interesse der Gesellschaft aufgewendet hat (einschließlich Reisen und Bewirtung).

2.1 Any claims to remuneration for the period until May 31, 2017 has been settled correctly and paid out completely. For the period from June 1, 2017 until the Termination Date, the Managing Director shall receive a gross monthly base salary amounting to EUR 22,542.92 and EUR 174 monthly pension contribution to be paid at the end of each calendar month.

2.2 All claims to bonuses or other variable remuneration, special payments or other benefits have already been settled correctly and paid out completely, other than a EUR 5.000 gross Super Bonus opportunity still in effect. The Parties agree that the Managing Director shall have no further claims vis-à-vis the Company to remuneration or any other benefits relating to the employment relationship or its termination (including, but not limited to bonuses and severance payments) beyond those listed explicitly under Sec. 2.1., 2.3 or 2.4 of this Agreement. In this context the Parties explicitly agree that Sec. 5.3 of the Managing Director Employment Contract dated October 1, 2008 as amended from time to time, shall hereby be cancelled and no claims shall result from this provision.

2.3 Until the Termination Date, the Company pays a monthly supplement to private health insurance of the Managing Director's and his spouse in the amount of 50% of the monthly contribution. The Company shall also pay the statutory social security premiums, to the extent required by German law, until the Termination Date. Until the Termination Date, the Managing Director shall be entitled to reimbursement for reasonable out-of-pocket expenses incurred for the Company's business (including travel and entertainment) in accordance with the policies, practices and procedures of the Company.

2.4 Für das Kalenderjahr 2016 leistet die Gesellschaft an den Geschäftsführer einen Steuerausgleich in Höhe von EUR 86.602,82 brutto, zahlbar spätestens zum 30. September 2017. Vorbehaltlich der Vorlage eines geeigneten und ordnungsgemäßen Nachweises bis zum Beendigungsdatum, erstattet die Gesellschaft dem Geschäftsführer Steuerberatungskosten bis zu EUR 2.000 inkl. USt, die ihm tatsächlich für die Erstellung seiner Einkommenssteuererklärung für das Kalenderjahr 2016 entstanden sind. Die Auszahlung des Erstattungsbetrags erfolgt spätestens zum Beendigungsdatum, sofern die erforderlichen Nachweise der Gesellschaft bis zum 10. September 2017 vorliegen.

2.5 Der Geschäftsführer kann den ihm überlassenen Dienstwagen bis zum Beendigungsdatum im bisherigen Umfang nutzen. Er wird ihn spätestens am Beendigungsdatum in ordnungsgemäßem Zustand nebst Schlüsseln, Zubehör und Fahrzeugpapieren am Sitz der Gesellschaft zurückgeben. Ein Zurückbehaltungsrecht besteht nicht.

3. Arbeitsleistung, Übergabe und Urlaub

Der Geschäftsführer wird seine Arbeitsleistung im Übrigen bis zum Beendigungsdatum vom Büro in Sulzbach aus oder von einem anderen mit der Gesellschaft abgestimmten Ort ordnungsgemäß erbringen und eine ordnungsgemäße Übergabe spätestens am Beendigungsdatum an eine von der Gesellschaft zu benennende Person sicherzustellen. Etwaigen Resturlaub oder sonstigen Freizeitausgleich wird der Geschäftsführer bis zum Beendigungsdatum in Anspruch nehmen. Nicht genommener Urlaub oder Freizeitausgleich wird nicht abgegolten, sondern verfällt.

2.4 For the calendar year 2016, the Company shall pay a tax equalization in the amount of EUR 86,602.82 gross to be paid by September 30, 2017 at the latest. The Company shall reimburse the Managing Director up to EUR 2.000 incl. VAT for costs actually incurred by the Managing Director for professional fees for preparation of his income tax declaration for the 2016 calendar year provided that the Managing Director shall have provided the Company with such supporting documentation as the Company may reasonably require before the Termination Date. Provided that supporting documentation is provided by the Managing Director by September 10, 2017, then such reimbursement will be made on or before the Termination Date.

2.5 Until the Termination Date, the Managing Director shall be entitled to use the company car to the current extent. He will return the company car in a proper condition including all keys, accessories, vehicle documents at the Company's seat no later than Termination Date. There shall be no right to retention.

3. Services, Hand-Over and Vacation

The Managing Director shall duly provide his services until the Termination Date from the Sulzbach office or such other location as agreed with the Company, and secure a correct handover no later than the Termination Date to a person to be designated by the Company. Any vacation time and personal time shall be taken until the Termination Date. Non-taken vacation or personal time will not be compensated, but forfeited as of the Termination Date.

4. Wettbewerbsverbot

Das gesetzliche Wettbewerbsverbot bleibt bis zum Beendigungsdatum bestehen.

5. Rückgabe von Unternehmenseigentum

Der Geschäftsführer gibt alle der Gesellschaft oder einem mit ihr verbundenen Unternehmen zu-stehenden Gegenstände an einem noch zu vereinbarenden Termin, spätestens jedoch am Beendigungsdatum am Geschäftssitz in Sulzbach zurück, insbesondere:

- Mobiltelefon,
- Büroschlüssel,
- Laptop
- sämtliche Geschäftsunterlagen und Kopien hiervon, gleich auf welchem Datenträger.

Ein Zurückbehaltungsrecht an vorgenannten Gegenständen steht dem Geschäftsführer nicht zu.

6. Beendigung des Geschäftsführer-amts, Entlastung; sonstige Ämter

6.1 Der Geschäftsführer wird sein Amt als Geschäftsführer der Gesellschaft mit Wirkung zum Beendigungsdatum niederlegen. Die Gesellschaft erklärt hierzu ihr Einverständnis. Der Geschäftsführer wird eine entsprechende Niederlegungserklärung mit Wirkung zum Beendigungsdatum separat ausfertigen, die dieser Vereinbarung als **Anlage 1** beigefügt ist. Der Geschäftsführer verpflichtet sich, ab dem Beendigungsdatum bis zur Löschung seiner Bestellung im Handelsregister nicht mehr als Geschäftsführer der Gesellschaft aufzutreten und keinerlei Handlungen für oder im Namen der Gesellschaft vorzunehmen.

4. Non-Compete Covenant

The statutory prohibition to compete remains applicable until the Termination Date.

5. Return of Company Items

The Managing Director shall return all items pertaining to the Company or any of its affiliates at the premises in Sulzbach on a date to be agreed between the parties, however no later than the Termination Date, in particular:

- cell phone,
- office keys,
- laptop
- all business documents and copies thereof, irrespective of the data carrier.

The Managing Director shall have no right of retention to the abovementioned items.

6. Termination of Office of Managing Director, Approval of Actions, other offices

6.1 The Managing Director shall resign as managing director of the Company effective as of the Termination Date. The Company hereby grants its consent. The Managing Director will issue a separate declaration with respect to his resignation as managing director effective as of the Termination Date, enclosed to this Agreement as **Exhibit 1**. The Managing Director hereby commits himself to refrain as of the Termination Date until the deletion of his appointment in the commercial register from acting any longer as managing director of the Company and from undertaking any acts for or on behalf of the Company.

6.2 Über die Entlastung nach § 46 Nr. 5 GmbHG wird die Gesellschafterversammlung der Gesellschaft im gewöhnlichen Geschäftsgang beschließen.

6.3 Der Geschäftsführer tritt mit Wirkung zum Beendigungsdatum von allen Ämtern, die er bei sonstigen Organisationen für die Gesellschaft hält, zurück und wird ab diesem Zeitpunkt nicht mehr in diesen Funktionen auftreten oder etwaige Handlungen vornehmen, es sei denn etwas Abweichendes wird zwischen dem Geschäftsführer und der Gesellschaft bzw. einem Konzernunternehmen vereinbart. Der Geschäftsführer wird alle Rücktrittsdokumente in der Form ausfertigen, welche die Gesellschaft für notwendig oder zweckmäßig erachtet, um diese Rücktritte zu bewirken bzw. bekanntzugeben.

7. Geheimhaltung

Der Geschäftsführer ist auch über das Beendigungsdatum hinaus verpflichtet, alle ihm anvertrauten oder sonst bekannt gewordenen geschäftlichen, betrieblichen, technischen oder sonstigen Informationen, die sich auf die Gesellschaft oder verbundene Gesellschaften beziehen und vertraulichen Charakter haben, Dritten nicht zu offenbaren. Er sichert zu, Stillschweigen über den Inhalt dieser Vereinbarung gegenüber jedermann zu wahren, es sei denn, dass er gesetzlich zur Auskunft verpflichtet oder die Auskunft aus steuerlichen oder sozialversicherungsrechtlichen Gründen erforderlich ist.

6.2 The shareholder´s meetings of the Company will resolve about the formal approval of actions according to Sec. 46 Nr. 5 Limited Companies Act (GmbHG) within the regular course of business.

6.3 The Managing Director hereby resigns as of the Termination Date from all offices held in any other organizations on behalf of the Company and shall, as of that date, refrain from acting in such capacity and from taking any pertaining action, except as otherwise agreed upon by the Managing Director and the Company or its affiliates. The Managing Director shall execute all resignation documents in such form as deemed necessary or useful by the Company in order to effect and/or announce these resignations.

7. Confidentiality

The Managing Director is obliged, even after the Termination Date, not to disclose to any third party any confidential business, company, technical or other information relating to the Company or their affiliates which has become known to him or with which he was entrusted during the term of his employment. The Managing Director shall keep confidential the contents of this Agreement unless he is obliged by statutory laws to divulge such information or the information is required for tax or social security purpose.

8. Ausgleichsklausel

8.1 Mit Unterzeichnung dieser Verein-barung hat der Geschäftsführer ausschließlich die hierin ausdrücklich niedergelegten Ansprüche gegen die Gesellschaft. Die Parteien sind darüber einig, dass mit deren Erfüllung sämtliche Ansprüche des Geschäftsführers gegen die Gesellschaft aus und in Zusammenhang mit dem Anstellungsverhältnis und dessen Beendigung sowie aus jedem sonstigen Anstellungs- oder Arbeitsverhältnis oder Rechtsgrund abgegolten sind. Hiervon ausgenommen sind unverzichtbare Rechte.

8.2 Darüber hinaus erklärt der Geschäftsführer hiermit, dass sämtliche sonstigen Ansprüche gegenüber mit den Gesellschaften verbundenen Unternehmen vollständig erfüllt sind und keine darüber hinaus gehenden Ansprüche bestehen, gleich aus welchem Rechtsgrund, bekannt oder unbekannt und unabhängig vom Zeitpunkt des Entstehens. Hiervon ausgenommen sind Ansprüche des Geschäftsführers aus dem Third Amended and Restated 2006 Stock Option and Incentive Plan gegen die Le Maitre Vascular Inc. Diese richten sich ausschließlich nach dem Third Amended and Restated 2006 Stock Option and Incentive Plan.

9. Schlussbestimmungen

9.1 Nebenabreden zu dieser Verein-barung bestehen nicht. Sie tritt an die Stelle aller sonstigen vorher-gehenden schriftlichen und mündlichen Vereinbarungen der Parteien. Der Geschäftsführer bestätigt hiermit, dass das Executive Obligations Agreement zwischen der LeMaitre Vascular, Inc. und dem Geschäftsführer vom 22. September 2003 vollumfänglich in Kraft bleibt.

9.2 Änderungen oder Ergänzungen dieses Vertrages, einschließlich dieser Vorschrift, bedürfen zu ihrer Rechtswirksamkeit der Schriftform. Dies gilt nicht für individuelle Vereinbarungen.

8. Full and Final Settlement of Claims

8.1 Upon signing of this Agreement, the Managing Director shall exclusively have the herein explicitly stipulated claims against the Company. The Parties agree that upon fulfillment of such claims, all claims of the Managing Director against the Company in relation with the employment relationship and its termination as well as with any other service or employment relationship or any other legal ground shall be deemed to be compensated. Not included hereunder are non-forfeitable rights.

8.2 Furthermore, the Managing Director herewith declares that any other claims against companies affiliated with the Companies have been entirely fulfilled and no further claims exist, be they known or unknown, of whatever kind and irrespective of the date on which they originate. Exclusively exempted shall be any claims against LeMaitre Vascular, Inc. resulting from the Third Amended and Restated 2006 Stock Option and Incentive Plan. In this regard the Third Amended and Restated 2006 Stock Option and Incentive Plan with LeMaitre Vascular, Inc. apply.

9. Final Provisions

9.1 This Agreement constitutes the entire agreement and supersedes all other prior agreements and undertakings both written and oral between the Company and the Managing Director. The Managing Director acknowledges that the Executive Obligations Agreement between LeMaitre Vascular, Inc. and the Managing Director dated September 22, 2003 remains in full force and effect.

9.2 Any amendments or additions to this Agreement, including this provision, must be made in writing in order to become effective. This does not apply to individual agreements.

9.3 Sollten einzelne Bestimmungen dieser Vereinbarung ganz oder teilweise unwirksam oder undurchführbar sein oder werden, wird die Wirksamkeit der übrigen Bestimmungen dieser Vereinbarung hiervon nicht berührt. Die unwirksame oder undurchführbare Bestimmung gilt als durch eine rechtlich wirksame und durchführbare Bestimmung ersetzt, die dem von den Parteien beabsichtigten Zweck so nahe wie möglich kommt oder der anzunehmenden Absicht der Partei gemäß dem Ziel und dem Zweck dieser Vereinbarung, wenn sie sich der Unwirksamkeit oder Undurchführbarkeit der jeweiligen Bestimmung bewusst gewesen wären. Regelungslücken in dieser Vereinbarung gelten als durch eine Bestimmung geschlossen, die die Parteien als ordentliche Kaufleute in gutem Glauben vereinbart hätten, wenn sie der Meinung gewesen wären, dass die Angelegenheit nicht Gegenstand dieser Vereinbarung ist.

9.3 Should any of the provisions of this Agreement be or become fully or partly invalid or unenforceable, the validity of the other provisions of this Settlement Agreement shall not be affected hereby. The invalid or unenforceable provision shall be deemed to be replaced by such legally valid and enforceable provision which corresponds as closely as possible to the economic purpose intended by the Parties or what would have been the intention of the Parties according to the aim and purpose of this Agreement, had they recognized the invalidity or unenforceability of the respective provision. Any gaps of this Settlement Agreement shall be deemed to be filled by a provision which the Parties as prudent businessmen would in good faith, have agreed on, had they considered the matter not covered by this Agreement.

9.4 Im Zweifelsfall hat die deutsche Fassung Vorrang.

9.4 In case of doubt, the German version shall prevail.

Sulzbach, 7. Juni/June 2017

/s/ George W. LeMaitre
LeMaitre Vascular GmbH vertreten durch/represented by
ihre Alleingesellschafterin/its sole shareholder,
LeMaitre Vascular, Inc,
diese vertreten durch/represented by
George W. LeMaitre

Sulzbach, den 7. Juni/June 2017

/s/ Peter Gebauer
Peter Gebauer

Anlage 1

An die/To the
Gesellschafterin der/ shareholder of

LeMaitre Vascular GmbH

Niederlegung

Hiermit lege ich mein Amt als Geschäftsführer der LeMaitre Vascular GmbH mit Wirkung zum 30. September 2017 nieder.

Resignation

Hereby, I resign as managing director of LeMaitre Vascular GmbH effective as of September 30, 2017.

Sulzbach, 7. Juni/June 2017

/s/ Peter Gebauer
Peter Gebauer

Erhalten/Received: 7. Juni/June 2017

/s/ George W. LeMaitre
George W. LeMaitre

Direktor der/Director of
LeMaitre Vascular, Inc.
als Gesellschafterin der
LeMaitre Vascular GmbH

EXHIBIT 10.2

TRANSITION AND EMPLOYMENT AGREEMENT

THIS AGREEMENT (this "Agreement") is made as of June 7, 2017 by and between LeMaitre Vascular, Inc., a Delaware corporation with an address at 63 Second Avenue, Burlington, MA, 01803 USA ("LMAT"), and Peter R. Gebauer, an individual with a residence at Lessingstraße 7, 61440 Oberursel, Germany ("Gebauer").

WHEREAS, as of the date hereof, Gebauer is employed as Managing Director of LeMaitre Vascular GmbH, a wholly-owned subsidiary of LMAT and a German limited liability company with an address at Otto-Volger-Str 5 a/b, 65843 Sulzbach, Germany ("GMBH"), and as President, International Operations of LMAT pursuant to that certain Managing Director Employment Agreement between GMBH and Gebauer dated as of October 1, 2008, as amended (the "Gebauer MD Agreement");

WHEREAS, Gebauer has informed GMBH and LMAT that he wishes to transition from such roles to that of a part-time employee of LMAT in connection with his return to the United States on September 30, 2017;

WHEREAS, concurrently herewith, GMBH and Gebauer are entering into that certain Separation Agreement dated the date hereof (the "Separation Agreement") with respect to his resignation from such roles as of September 30, 2017; and

WHEREAS, the parties wish to establish the terms of Gebauer's part-time employment by LMAT in a new role beginning October 1, 2017 and ending August 15, 2018.

NOW THEREFORE in consideration of the mutual promises herein set forth and for other good and valuable consideration, the receipt of which the parties acknowledge, the parties hereby agree as follows:

1. Relocation Expense Reimbursement. Provided that Gebauer is employed by GMBH and LMAT through September 30, 2017 (the "Transition Date") in accordance with the terms of the Separation Agreement, LMAT shall reimburse Gebauer for the actual costs that Gebauer and his family reasonably incur in relocating to Florida; provided, however, that in no event shall the obligation of LMAT to reimburse Gebauer for such expenses exceed $74,800. Any reimbursement of relocation expenses as provided for herein shall be contingent upon Gebauer's submission of such appropriate receipts (and other documentation as LMAT may reasonably request) to LMAT by March 31, 2018.

2. Tax Equalization.

    a. 2016. The amount owing to Gebauer as a tax equalization payment for calendar year 2016 shall be paid by GMBH pursuant to the Separation Agreement by September 30, 2017.

    b. 2017. Provided that Gebauer is employed pursuant to the Separation Agreement until and on the Transition Date, the parties agree that Gebauer shall be paid an amount for the tax equalization of his 2016 earned annual bonus of €118,378 paid in January 2017, and of his salary for the first nine months of 2017, the total amount of which

shall be divided by two to determine the payment to be made to Gebauer (the "2017 TEQ Payment"). The calculation of the tax equalization amount shall be based on the methodology, as applicable, attached as Exhibit B to the Gebauer MD Agreement. For the avoidance of doubt, the only compensation to be equalized is Gebauer's 2016 annual bonus of €118,378 (paid in January 2017) and his salary from January 1, 2017 to the Transition Date. The 2017 TEQ Payment shall be calculated and approved for payment by September 10, 2017 and shall be paid to Gebauer by September 30, 2017.

3. New Role. Provided that (i) Gebauer is employed pursuant to the Separation Agreement through the Transition Date; (ii) Gebauer shall have executed the Separation Agreement, including its exhibit(s), setting forth his resignation from all of his roles with GMBH, LMAT and any subsidiaries of LMAT as of such date; and (iii) Gebauer shall have resigned from all such roles, then Gebauer shall automatically become a part-time, exempt employee of LMAT on October 1, 2017 with a title of International Operations Specialist (the "New Role") and the following terms shall apply until he ceases to be employed by LMAT in the New Role:

   a. Duties. Gebauer's duties shall include the performance of a limited number of special projects at the direction of the chief executive officer of LMAT such as providing high level assistance with LMAT's international operations and assisting with "go-direct" efforts in countries where LMAT currently sells through distributors, such as Thailand and Portugal. With reasonable notice and provided Gebauer is not on personal vacation from his home, Gebauer will use best efforts to faithfully, diligently and efficiently perform such duties on behalf of LMAT. Gebauer agrees to abide by the reasonable rules, regulations, instructions, personnel practices and policies of LMAT and any changes therein that may be adopted from time to time. Gebauer shall be employed in a non-officer role on a part-time basis, and primarily perform the duties assigned hereunder out of his home in Florida, USA. No airline flights are required under this Agreement.

   b. Term. Unless earlier terminated by Gebauer for any reason or by LMAT under Section 3(h) hereof, the term of Gebauer's employment with LMAT following the Transition Date shall be from October 1, 2017 to August 15, 2018 (the "Extended Term"), after which Gebauer's employment with LMAT shall cease without further action necessary by Gebauer or LMAT.

   c. Compensation. Gebauer shall receive an annual base salary of $10,000. Gebauer shall not be entitled to earn or receive any bonus compensation or any equity compensation. Equity awards granted to Gebauer prior to the date hereof shall continue to vest and be exercisable per the terms of the awards until such time as Gebauer is no longer an employee of GMBH or LMAT. Grants of prior equity awards by the Compensation Committee of LMAT provide for the vesting of options upon any change in control of LMAT.

   d. Benefits. Gebauer shall be entitled to enroll in the following benefit programs of LMAT available to US employees, subject to the terms and enrollment conditions of such programs: health insurance, dental insurance and the LMAT 401(k) savings plan. To the extent Gebauer's cash compensation from LMAT is insufficient to cover the costs of any such insurance programs he elects to participate in, Gebauer shall remit a check on a monthly basis to LMAT to cover the deficit upon LMAT's demand. Due to Gebauer's part-time status and the limited number of hours expected, Gebauer shall not be entitled to accrue any time for vacation, sick or personal leave after the Transition Date.

e. Expense Reimbursement. LMAT shall reimburse Gebauer for business related expenses incurred by Gebauer, and submitted by Gebauer, in accordance with the Travel and Entertainment Policy contained in the LMAT Employment Manual.

f. Other Engagements. Gebauer shall be permitted to work in a consulting capacity for other companies during the Extended Term provided that the business of any such company is not competitive to that of LMAT and his provision of such services to any other company or companies would not interfere with his ability to carry out his duties for LMAT.

g. Executive Obligations Agreement. Gebauer ratifies and confirms that certain Executive Obligations Agreement between LMAT and Gebauer dated September 22, 2003 (the "Executive Obligations Agreement"), which remains in full force and effect. Gebauer acknowledges that the entry into this Agreement by LMAT constitutes sufficient consideration for the continued application of such agreement, notwithstanding the change contemplated in Gebauer's role from those he performed at the time he entered into such agreement. Gebauer acknowledges that the Executive Obligations Agreement contains, among other covenants, a covenant not to compete.

h. Termination. Gebauer may terminate his employment in the New Role for any reason at any time upon five business days' notice to LMAT. Gebauer's employment in the New Role shall not be terminable by LMAT other than for Cause, where "Cause" means: Gebauer's engagement in or performance of acts of dishonesty or moral turpitude, illegal conduct or gross misconduct, including, without limitation, fraud, misrepresentation, theft, and embezzlement towards the Company; Gebauer's violation of company policy, which violation or refusal is not remedied within thirty (30) days after receipt of notice thereof; Gebauer's breach of the Executive Obligations Agreement; Gebauer's engagement in conduct that has proven to adversely affect the business and/or reputation of LMAT; or Gebauer's death or disability. LMAT may immediately terminate Gebauer's employment at any time during the Extended Term for Cause. Other than for services previously and actually rendered during the Extended Term, no compensation or payment of any type shall be owing to Gebauer by LMAT or any of its affiliates if he is terminated for Cause by LMAT.

4. Entire Agreement. Except for the Separation Agreement and the Executive Obligations Agreement, this Agreement supersedes all previous agreements, promises, proposals and representations made between the parties, including any oral or written representations made by any representatives and/or agents of a party. No modification or amendment of this Agreement will be binding unless agreed to in writing and signed by all parties to this Agreement.

5. Counterparts. The parties may execute this Agreement in multiple counterparts, each of which constitutes an original, and all of which, collectively, constitute only one agreement. The signatures of all of the parties need not appear on the same counterpart, and delivery of an executed counterpart signature page by facsimile or other electronic means is as effective as executing and delivering this Agreement in the presence of the other parties to this Agreement.

6. Miscellaneous. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement. A party's failure to insist upon strict compliance with any provision of this Agreement or the failure to assert any right such party may have hereunder shall not be deemed to be a waiver of such provision or right or any other provision or right of this Agreement. This Agreement is freely assignable by LMAT and is binding upon and inures to the benefit of the parties and their respective successors and assigns, including any corporation with which or into which LMAT may be merged or which may succeed to its assets or business, although the obligations of Gebauer are personal and may be performed only by him.

7. Section 409A. The parties intend that this Agreement will be administered in accordance with Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"). To the extent that any provision of this Agreement is ambiguous as to its compliance with Section 409A of the Code, the provision shall be read in such a manner so that all payments hereunder comply with Section 409A of the Code. The parties agree that this Agreement may be amended, as reasonably requested by a party, and as may be necessary to fully comply with Section 409A of the Code and all related rules and regulations in order to preserve the payments and benefits provided hereunder without additional cost to any party. LMAT makes no representation or warranty and shall have no liability to the Gebauer or any other person if any provisions of this agreement are determined to constitute deferred compensation subject to Section 409A of the Code but do not satisfy an exemption from, or the conditions of, such Section. All in-kind benefits provided and expenses eligible for reimbursement under this Agreement shall be provided by LMAT or incurred by Gebauer during the time periods set forth in this Agreement. All reimbursements shall be paid as soon as administratively practicable, but in no event shall any reimbursement be paid after the last day of the taxable year following the taxable year in which the expense was incurred. The amount of in-kind benefits provided or reimbursable expenses incurred in one taxable year shall not affect the in-kind benefits to be provided or the expenses eligible for reimbursement in any other taxable year. Such right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

8. Governing Law. This Agreement and the legal relations among the parties hereto shall be governed and construed in accordance with the substantive laws of the Commonwealth of Massachusetts, without giving effect to the principles of conflict of laws thereof. Each party agrees that, in the event such Party elects to initiate litigation against the other party, such party will file such litigation in the state or federal courts of Massachusetts. Each party hereby expressly and irrevocably waives any claim or defense in any action or proceeding brought in said jurisdictions based on any alleged lack of personal jurisdiction, improper venue, forum non conveniens or any similar basis.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

/s/ Peter R. Gebauer
Peter R. Gebauer

LEMAITRE VASCULAR, INC.

By: /s/ George W. LeMaitre
Name: George W. LeMaitre
Its: Chairman and CEO

EXHIBIT 31.1

CERTIFICATION

I, George W. LeMaitre, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of LeMaitre Vascular, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ George W. LeMaitre
George W. LeMaitre
Chairman and Chief Executive Officer
(Principal Executive Officer)

Date: August 3, 2017

EXHIBIT 31.2

CERTIFICATION

I, Joseph P. Pellegrino, Jr., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of LeMaitre Vascular, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Joseph P. Pellegrino, Jr.
Joseph P. Pellegrino, Jr.
Chief Financial Officer and Director
(Principal Accounting and Financial Officer)

Date: August 3, 2017

EXHIBIT 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended, (the "***Exchange Act***"), and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), George W. LeMaitre, Chairman and Chief Executive Officer of LeMaitre Vascular, Inc. (the "Company"), certifies to the best of his knowledge that:

(1) The Company's Quarterly Report on Form 10-Q for the period ended June 30, 2017 (the "***Report***") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

This certification is being provided pursuant to 18 U.S.C. § 1350 and is not deemed to be a part of the Report, nor is it to deemed to be "filed" for any purpose whatsoever.

/s/ George W. LeMaitre
George W. LeMaitre
Chairman and Chief Executive Officer
(Principal Executive Officer)
August 3, 2017

EXHIBIT 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended, (the "***Exchange Act***"), and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350)**,** Joseph P. Pellegrino, Jr., Chief Financial Officer of LeMaitre Vascular, Inc. (the "***Company***"), certifies to the best of his knowledge that:

(1) The Company's Quarterly Report on Form 10-Q for the period ended June 30, 2017 (the "***Report***") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

This certification is being provided pursuant to 18 U.S.C. § 1350 and is not deemed to be a part of the Report, nor is it to deemed to be "filed" for any purpose whatsoever.

/s/ Joseph P. Pellegrino, Jr.
Joseph P. Pellegrino, Jr.
Chief Financial Officer and Director
(Principal Accounting and Financial Officer)
August 3, 2017