



LeMaitre Q1 2017 Record Sales \$24.1 mm (+19%), Net Income \$3.2 mm (+49%)

April 26, 2017

BURLINGTON, Mass., April 26, 2017 (GLOBE NEWSWIRE) -- LeMaitre Vascular, Inc. (Nasdaq:LMAT), a provider of vascular devices, implants and services, today reported Q1 2017 results, provided guidance, and announced a \$0.055/share dividend.

Q1 2017 Results

- Record sales of \$24.1mm, +19% vs. Q1 2016
- Operating income of \$4.2mm vs. \$3.3mm, +27%
- Net income of \$3.2mm vs. \$2.2mm, +49%
- Earnings of \$0.16 per diluted share vs. \$0.11, +42%
- EBITDA of \$5.2mm vs. \$4.1mm, +26%
- Cash & equivalents up \$1.5mm during the quarter to \$25.8mm

Q1 2017 sales of \$24.1mm increased 19% (+13% organic) vs. Q1 2016. XenoSure, RestoreFlow and AnastoClip led growth. Sales in the Americas were up 26% while international sales increased 9%.

Gross margin increased to 71.9% in Q1 2017 from 70.9% in Q1 2016, primarily due to manufacturing efficiencies.

Operating expenses in Q1 2017 were \$13.2mm, a 19% increase vs. the year-earlier quarter driven by acquisition-related costs and professional fees. The Company ended the quarter with 95 sales reps vs. 92 at the end of Q1 2016.

George W. LeMaitre, Chairman and CEO said, "We continue to pursue 10% annual reported sales growth and 20% annual operating income growth."

Business Outlook

	Previous Guidance (2/21/2017)	Current Guidance
Q2 2017 Sales	N/A	\$25.4mm (+13% reported, +10% organic)
Q2 2017 Gross Margin	N/A	70.0 %
Q2 2017 Operating Income	N/A	\$4.8mm (+27%)
Q2 2017 Earnings Per Share	N/A	\$0.17 (+27%)
2017 Sales	\$99.0mm (+11% reported, +9% organic)	\$100.5mm (+13% reported, +9% organic)
2017 Gross Margin	71.5 %	71.5 %
2017 Operating Income	\$20.0mm (+22%)	\$20.0mm (+22%)
2017 Earnings Per Share	N/A	\$0.70 (+27%)

Quarterly Dividend

On April 24, 2017, the Company's Board of Directors approved a quarterly dividend of \$0.055/share of common stock. The dividend will be paid June 8, 2017 to shareholders of record on May 24, 2017.

Conference Call Reminder

Management will conduct a conference call at 5:00pm ET today to review the Company's financial results and discuss its business outlook for the remainder of the year. The conference call will be broadcast live over the Internet. Individuals who are interested in listening to the webcast should log on to the Company's website at www.lemaitre.com/investor. The conference call may also be accessed by dialing 844-239-5284 (+1 512-961-6497 for international callers), using passcode 7880736. For individuals unable to join the live conference call, a replay will be available on the Company's website.

A reconciliation of GAAP to non-GAAP results is included in the tables attached to this release.

About LeMaitre Vascular

LeMaitre Vascular is a provider of devices, implants and services for the treatment of peripheral vascular disease, a condition that affects more than 200 million people worldwide. The Company develops, manufactures and markets disposable and implantable vascular devices to address the needs of its core customer, the vascular surgeon.

LeMaitre and the LeMaitre Vascular logo are registered trademarks of LeMaitre Vascular, Inc. This press release contains other trademarks and trade names of the Company.

For more information about the Company, please visit <http://www.lemaitre.com>.

Use of Non-GAAP Financial Measures

LeMaitre Vascular management believes that in order to better understand the Company's short-term and long-term financial trends, investors may wish to consider certain non-GAAP financial measures as a supplement to financial performance measures prepared in accordance with GAAP. Non-GAAP financial measures are not based on a comprehensive set of accounting rules or principles and do not have standardized meanings. These non-GAAP measures result from facts and circumstances that may vary in frequency and/or impact on continuing operations. Non-GAAP measures should be considered in addition to, and not as a substitute for, financial performance measures in accordance with GAAP. In addition to the description provided below, reconciliation of GAAP to non-GAAP results is provided in the financial statement tables included in this press release.

In this press release, the Company has reported non-GAAP sales growth percentages after adjusting for the impact of foreign currency exchange, business development transactions, and/or other events as well as EBITDA or earnings before interest, taxes, depreciation and amortization. The Company refers to the calculation of non-GAAP sales percentages as "organic." The Company analyzes non-GAAP sales on a constant currency basis, net of acquisitions and other non-recurring events, and EBITDA to better measure the comparability of results between periods. Because changes in foreign currency exchange rates have a non-operating impact on net sales, and acquisitions, product discontinuations, and other strategic transactions are episodic in nature and are highly variable to the reported sales results, the Company believes that evaluating growth in sales on a constant currency basis net of such transactions provides an additional and meaningful assessment of sales to management. The Company believes that evaluating EBITDA provides an approximation of the cash generating ability of its operations.

Forward-Looking Statements

The Company's current financial results, as discussed in this release, are preliminary and unaudited, and subject to adjustment. This press release contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Statements in this press release regarding the Company's business that are not historical facts may be "forward-looking statements" that involve risks and uncertainties. Specifically, forward-looking statements in this release include, but are not limited to, statements about the Company's expectations regarding Q2 2017 and 2017 sales, gross margin, operating income and earnings per share. Forward-looking statements are based on management's current, preliminary expectations and are subject to risks and uncertainties that could cause actual results to differ from the results expected, including, but not limited to, the risk that the Company may not realize the anticipated benefits of its strategic activities; 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 the integration of acquisition targets; risks related to product demand and market acceptance of the Company's products and pricing; the risk that a recall of our products could result in significant costs or negative publicity; the risk that the Company is not successful in transitioning to a direct-selling model in new territories; adverse or fluctuating conditions in the general domestic and global economic markets and other risks and uncertainties included under the heading "Risk Factors" in our most recent Annual Report on Form 10-K, as updated by our subsequent filings with the SEC, all of which are available on the Company's investor relations website at <http://www.lemaitre.com> and on the SEC's website at <http://www.sec.gov>. Undue reliance should not be placed on forward-looking statements, which speak only as of the date they are made. The Company undertakes no obligation to update publicly any forward-looking statements to reflect new information, events, or circumstances after the date they were made, or to reflect the occurrence of unanticipated events.

LEMAITRE VASCULAR, INC (NASDAQ: LMAT) CONDENSED CONSOLIDATED BALANCE SHEETS (amounts in thousands)

	March 31, 2017	December 31, 2016
	(unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	\$ 25,810	\$ 24,288
Accounts receivable, net	14,090	13,191
Inventory	20,596	19,578
Prepaid expenses and other current assets	2,008	1,970
Total current assets	62,504	59,027
Property and equipment, net	9,279	8,012
Goodwill	23,629	23,426
Other intangibles, net	9,524	9,897
Deferred tax assets	1,421	1,399
Other assets	165	163
Total assets	\$ 106,522	\$ 101,924

Liabilities and stockholders' equity

Current liabilities:

Accounts payable	\$ 2,220	\$ 1,217
Accrued expenses	8,286	8,804
Acquisition-related obligations	259	461
Total current liabilities	10,765	10,482

Deferred tax liabilities	1,941	1,941
Other long-term liabilities	2,198	2,001
Total liabilities	14,904	14,424

Stockholders' equity

Common stock	202	200
Additional paid-in capital	86,683	85,378
Retained earnings	17,526	15,335
Accumulated other comprehensive loss	(3,963)	(4,583)
Treasury stock	(8,830)	(8,830)
Total stockholders' equity	91,618	87,500

Total liabilities and stockholders' equity	\$ 106,522	\$ 101,924
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LEMAITRE VASCULAR, INC (NASDAQ: LMAT)

CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

(amounts in thousands, except per share amounts)

(unaudited)

For the three months ended
March 31, 2017 March 31, 2016

Net sales	\$ 24,139	\$ 20,258
Cost of sales	6,786	5,902
Gross profit	17,353	14,356
Operating expenses:		
Sales and marketing	6,954	6,273
General and administrative	4,548	3,337
Research and development	1,658	1,446
Total operating expenses	13,160	11,056
Income from operations	4,193	3,300
Other income (loss):		
Other income (loss), net	46	(35)
Income before income taxes	4,239	3,265
Provision (benefit) for income taxes	1,020	1,099
Net income	\$ 3,219	\$ 2,166

Earnings per share of common stock			
Basic	\$	0.17	\$ 0.12
Diluted	\$	0.16	\$ 0.11
Weighted - average shares outstanding:			
Basic		18,631	18,336
Diluted		19,707	18,860
Cash dividends declared per common share			
	\$	0.055	\$ 0.045

LEMAITRE VASCULAR, INC (NASDAQ: LMAT)

SELECTED NET SALES INFORMATION

(amounts in thousands)

(unaudited)

	For the three months ended			
	March 31, 2017		March 31, 2016	
	\$	%	\$	%
<u>Net Sales by Geography</u>				
Americas	\$ 14,980	62 %	\$ 11,877	59 %
International	9,159	38 %	8,381	41 %
Total Net Sales	\$ 24,139	100 %	\$ 20,258	100 %

LEMAITRE VASCULAR, INC (NASDAQ: LMAT)

NON-GAAP FINANCIAL MEASURES

(amounts in thousands)

(unaudited)

Reconciliation between GAAP and Non-GAAP sales growth:

For the three months ending March 31, 2017

Net sales as reported	\$	24,139	
Impact of currency exchange rate fluctuations		285	
Net impact of acquisitions excluding currency		(1,501))
Adjusted net sales	\$	22,923	

For the three months ending March 31, 2016

Net sales as reported	\$	20,258	
Net impact of divestitures excluding currency		-	
Adjusted net sales	\$	20,258	

Adjusted net sales increase for the three months ending March 31, 2017 \$ 2,665 13 %

Reconciliation between GAAP and Non-GAAP sales growth:

For the three months ending June 30, 2017

Net sales per guidance	\$ 25,400		
Impact of currency exchange rate fluctuations	456		
Net impact of acquisitions excluding currency	(1,200)		
Adjusted net sales		\$ 24,656	
For the three months ending June 30, 2016			
Net sales as reported	\$ 22,389		
Net impact of divestitures excluding currency	-		
Adjusted net sales		\$ 22,389	
Adjusted net sales increase for the three months ending June 30, 2017		\$ 2,267	10 %

Reconciliation between GAAP and Non-GAAP sales growth:

For the year ending December 31, 2017

Net sales per guidance	\$ 100,500		
Impact of currency exchange rate fluctuations	988		
Net impact of acquisitions excluding currency	(4,476)		
Adjusted net sales		\$ 97,012	

For the year ending December 31, 2016

Net sales as reported	\$ 89,151		
Net impact of divestitures excluding currency	-		
Adjusted net sales		\$ 89,151	

Adjusted net sales increase for the year ending December 31, 2017 \$ 7,861 9 %

**For the three months ended
March 31, 2017 March 31, 2016**

Reconciliation between GAAP and Non-GAAP EBITDA

Net income as reported	\$ 3,219	\$ 2,166	
Interest income	(20)	(15)	
Amortization and depreciation expense	979	881	
Provision for income taxes	1,020	1,099	
EBITDA	\$ 5,198	\$ 4,131	
EBITDA percentage increase		26	%

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 Primary Logo

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