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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, 2009

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, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting 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	☒

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 15,689,078 shares of common stock, $.01 par value per share, outstanding as of August 11, 2009.

LEMAITRE VASCULAR
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Part I. Financial Information

Item 1. Financial Statements

LeMaitre Vascular, Inc.
Consolidated Balance Sheets

	(unaudited) June 30 2009	December 31 2008
	(in thousands, except share data)	
Assets		
Current assets:		
Cash and cash equivalents	$ 16,740	$ 15,895
Marketable securities	3,078	5,359
Accounts receivable, net of allowances of $164 at June 30, 2009, and $160 at December 31, 2008	7,767	7,244
Inventory	7,000	6,959
Prepaid expenses and other current assets	1,401	1,659
Total current assets	35,986	37,116
Property and equipment, net	2,098	2,327
Goodwill	11,022	11,022
Other intangibles, net	3,631	2,883
Other assets	966	1,051
Total assets	$ 53,703	$ 54,399
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 1,233	$ 606
Accrued expenses	4,804	5,543
Acquisition-related obligations	175	784
Total current liabilities	6,212	6,933
Long-term debt	68	78
Deferred tax liabilities	1,401	1,260
Other long-term liabilities	381	380
Total liabilities	8,062	8,651
Stockholders' equity:		
Preferred stock, $0.01 par value; authorized 5,000,000 shares; none outstanding	—	—
Common stock, $0.01 par value; authorized 100,000,000 shares; issued 15,726,619 shares at June 30, 2009, and 15,703,522 shares at December 31, 2008	157	157
Additional paid-in capital	62,755	62,290
Accumulated deficit	(17,152)	(16,194)
Accumulated other comprehensive income (loss)	126	(272)
Treasury stock, at cost; 54,735 shares at June 30, 2009, and 50,284 shares at December 31, 2008	(245)	(233)
Total stockholders' equity	45,641	45,748
Total liabilities and stockholders' equity	$ 53,703	$ 54,399

See accompanying notes to consolidated financial statements.

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

	For the three months ended		For the six months ended	
	June 30 2009	June 30 2008	June 30 2009	June 30 2008
	(in thousands, except per share data)		(in thousands, except per share data)	
Net sales	$ 12,630	$ 12,739	$ 23,978	$ 24,586
Cost of sales	3,508	3,853	6,590	7,211
Gross profit	9,122	8,886	17,388	17,375
Sales and marketing	4,249	5,153	8,395	10,981
General and administrative	2,412	2,733	4,937	5,561
Research and development	1,435	1,474	2,746	2,824
Restructuring charges	—	347	1,777	980
Impairment charges	33	48	106	483
Total operating expenses	8,129	9,755	17,961	20,829
Income (loss) from operations	993	(869)	(573)	(3,454)
Other income (expense):				
Interest income	17	120	10	298
Interest expense	(2)	(16)	(17)	(32)
Foreign currency gain	118	19	28	166
Other expense, net	(12)	(5)	(8)	(2)
Income (loss) before income taxes	1,114	(751)	(560)	(3,024)
Provision for income taxes	189	175	396	465
Net income (loss)	$ 925	$ (926)	$ (956)	$ (3,489)
Net income (loss) per share of common stock:				
Basic	$ 0.06	$ (0.06)	$ (0.06)	$ (0.22)
Diluted	$ 0.06	$ (0.06)	$ (0.06)	$ (0.22)
Weighted-average shares outstanding:				
Basic	15,670	15,542	15,655	15,524
Diluted	15,866	15,542	15,655	15,524

See accompanying notes to consolidated financial statements.

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

	For the six months ended June 30	
	2009	2008
	(in thousands)	
Operating activities		
Net loss	$ (956)	$ (3,489)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	694	924
Stock-based compensation	445	344
Amortization (accretion) of premium / discount on marketable securities	24	(71)
Intangible impairment charges	106	483
Provision for losses in accounts receivable	21	27
Provision for inventory write-downs	199	515
Provision for deferred income taxes	141	—
Loss on sales of marketable securities	34	42
Loss on disposal of property and equipment	—	5
Changes in operating assets and liabilities:		
Accounts receivable	(511)	78
Inventory	(188)	(296)
Prepaid expenses and other assets	334	154
Accounts payable and other liabilities	(35)	(1,913)
Net cash provided by (used in) operating activities	308	(3,197)
Investing activities		
Purchase of property and equipment	(197)	(554)
Payments related to acquisitions	(575)	(272)
Purchase of technology and licenses	(1,051)	(103)
Sales and maturities of marketable securities	2,309	8,406
Net cash provided by investing activities	486	7,477
Financing activities		
Proceeds from issuance of common stock	21	186
Repayment of revolving line of credit	—	(262)
Purchase of treasury stock	(12)	(17)
Net cash provided by (used in) financing activities	9	(93)
Effect of exchange rate changes on cash and cash equivalents	42	64
Net Increase in cash and cash equivalents	845	4,251
Cash and cash equivalents at beginning of period	15,895	6,397
Cash and cash equivalents at end of period	$ 16,740	$10,648
Supplemental disclosures of cash flow information (see Note 16)		

See accompanying notes to consolidated financial statements.

LeMaitre Vascular, Inc.
Notes to Consolidated Financial Statements
June 30, 2009
(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. LeMaitre Vascular develops, manufactures, and markets medical devices and implants used primarily in the field of vascular surgery. We operate in a single segment in which our principal product lines are thoracic stent grafts, abdominal stent grafts, anastomotic clips, radiopaque tape, valvulotomes, carotid shunts, arterial prostheses, remote endarterectomy devices, covered stents, contrast injectors, balloon catheters, vein strippers, cholangiogram catheters and vascular access ports. We also distribute in 12 European countries an abdominal stent graft manufactured by a third party. In addition, we distribute in the United States and the European Union a biologic vascular patch manufactured by a third party. Our offices are located in Burlington, Massachusetts, Sulzbach, Germany, Rome, Italy, Brindisi, Italy, and Tokyo, Japan.

Basis of Presentation

The accompanying unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States 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 accounting principles generally accepted in the United States 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 three months and six months ended June 30, 2009 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, 2008, including the notes thereto, included in our Form 10-K filed with the Securities and Exchange Commission (SEC).

Consolidation

Our consolidated financial statements include the accounts of LeMaitre Vascular and the accounts of our wholly-owned subsidiaries, LeMaitre Vascular GmbH, LeMaitre Vascular GK, LeMaitre UK Acquisition LLC, Vascutech Acquisition LLC, LeMaitre Acquisition LLC, LeMaitre Vascular SAS, Biomateriali S.r.l., and LeMaitre Vascular S.r.l. All significant intercompany accounts and transactions have been eliminated in consolidation.

2. Recent Accounting Pronouncements

In December 2007 the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 141 (revised 2007), *Business Combinations*, (SFAS No. 141(R)). SFAS No. 141(R) replaces SFAS No. 141, *Business Combinations*, and requires the acquiring entity in a business combination to recognize the full fair value of assets acquired and liabilities assumed in the transaction; requires certain contingent assets and liabilities acquired to be recognized at their fair values on the acquisition date; requires contingent consideration to be recognized at its fair value on the acquisition date and changes in the fair value to be recognized in earnings until settled; requires the expensing of most transaction and restructuring costs; and generally requires the reversals of valuation allowances related to acquired deferred tax assets and changes to acquired income tax uncertainties to also be recognized in earnings. SFAS No. 141(R) is effective for business combination transactions consummated after December 31, 2008. The adoption of SFAS No. 141(R) is expected to significantly affect our accounting for business combinations entered into subsequent to December 31, 2008.

In June 2009, the FASB issued SFAS No. 168, *The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles – a replacement of FASB Statement No. 162* (SFAS No. 168). The FASB Accounting Standards Codification, (Codification) will be the single source of authoritative nongovernmental accounting principles generally accepted in the United States. Rules and interpretive releases of the SEC under authority of federal securities laws are also sources of authoritative GAAP for SEC registrants. SFAS No. 168 is effective for interim and annual periods ending after September 15, 2009. All existing accounting standards are superseded as described in SFAS No. 168. All other accounting literature not included in the Codification is non-authoritative. We do not expect the adoption of SFAS No. 168 will have a significant impact on our consolidated results of operations or financial condition.

Effective June 15, 2009, we adopted SFAS No. 165, *Subsequent Events* (SFAS No. 165) which establishes general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. SFAS No. 165 sets forth (1) the period after the balance sheet date during which management of a reporting entity should evaluate events or transactions that may occur for potential recognition or disclosure in the financial statements, (2) the circumstances under which an entity should recognize events or transactions occurring after the balance sheet date in its financial statements, and (3) the disclosures that an entity should make about events or transactions that occurred after the balance sheet date. The adoption of SFAS No. 165 did not have a material impact on our consolidated results of operations or financial condition. Subsequent events have been evaluated through the filing date of this Quarterly Report on Form 10-Q.

In April 2009, the FASB issued FASB Staff Positions (FSP) on SFAS No. 115-2 and SFAS No. 124-2, *Recognition and Presentation of Other-Than-Temporary Impairments* (FSP SFAS 115-2 and 124-2) which is effective for interim and annual reporting periods ending after June 15, 2009, with early adoption permitted for interim periods ending after March 15, 2009. FSP SFAS 115-2 and 124-2 modifies the requirements for recognizing impairment charges on other-than-temporarily impaired (OTTI) debt securities and expands the disclosures related to OTTI debt and equity securities. We adopted FSP SFAS 115-2 and 124-2 in the quarter ended June 30, 2009. The adoption of FSP SFAS 115-2 and 124-2 did not have a significant impact on our consolidated results of operations or financial condition.

3. Marketable Securities

Marketable securities are primarily available-for-sale investments and consist of the following:

	As of June 30, 2009				As of December 31, 2008			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
	(in thousands)							
U.S. treasury obligations	$1,646	$ —	$ —	1,646	$1,669	$ —	$ —	$1,669
Federal agency obligations	—	—	—	—	999	1	—	1,000
Corporate bonds	750	—	(9)	741	1,126	—	(59)	1,067
Asset backed securities	687	4	—	691	1,656	—	(33)	1,623
Total marketable securities	$ 3,083	$ 4	$ (9)	$ 3,078	$ 5,450	$ 1	$ (92)	$5,359

Gross realized gains and losses on the sales of available-for-sale marketable securities were not material and have been included in interest income in the consolidated statements of operations for the three and six months ended June 30, 2009 and 2008.

The amortized cost and estimated fair value of available-for-sale marketable securities as of June 30, 2009, by contractual maturity, were as follows:

	2009	
	Amortized Cost	Fair Value
	(in thousands)	
Contractual maturities:		
Due in 1 year or less	$2,096	$2,093
Due in 1 - 2 years	604	601
Due in 2 - 5 years	383	384
Total	$ 3,083	$3,078

4. Income Tax Expense

We operate in multiple taxing jurisdictions, both within the United States and outside of the United States, and are or may be subject to audits from various tax authorities regarding transfer pricing, the deductibility of certain expenses, intercompany transactions, and other matters. We have provided a full valuation allowance against our deferred tax assets at June 30, 2009, based upon our assessment that it is more likely than not that we will not realize such tax benefits. Our income tax expense for the period varies from the amount that would normally be derived based upon statutory rates in the respective jurisdictions in which we operate. The significant reasons for this variation are our inability to record a tax benefit on our losses generated in the United States, coupled with a tax provision on foreign earnings, and the effect of tax-deductible goodwill, for which a deferred tax liability has been recorded.

Our policy is to classify interest and penalties related to unrecognized tax benefits as income tax expense. This policy has been consistently applied in prior periods.

We have not identified any uncertain tax positions for which it is reasonably possible that the total amount of unrecognized tax benefits will significantly increase or decrease within the 12 months ending June 30, 2010, except with respect to matters that may be identified under audit that we cannot reasonably estimate. As of June 30, 2009, the liability for unrecognized tax benefits was approximately $30,000. There was no change in the liability during the three or six months ended June 30, 2009.

As of June 30, 2009, a summary of the tax years that remain subject to examination in our most significant tax jurisdictions is:

United States--federal	2006 and forward
Germany	2007 and forward
Japan	2004 and forward

5. Inventories

Inventories consist of the following:

	June 30, 2009	December 31, 2008
	(in thousands)	
Raw materials	$ 1,781	$ 1,982
Work-in-process	1,237	975
Finished products	3,982	4,002
Total inventory	$ 7,000	$ 6,959

6. Goodwill and Other Intangibles

There were no changes in the goodwill carrying amount of $11.0 million during the six months ended June 30, 2009.

The components of our identifiable intangible assets are as follows:

	June 30, 2009			December 31, 2008		
	Gross Carrying Value	Accumulated Amortization	Net Carrying Value	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
			(in thousands)			
Patents	$2,275	$ 957	$1,318	$2,247	$ 768	$1,479
Trademarks and technology licenses	1,270	569	701	1,242	503	739
Customer relationships	1,715	329	1,386	762	233	529
Other intangible assets	300	74	226	179	43	136
Total identifiable intangible assets	$5,560	$ 1,929	$3,631	$ 4,430	$ 1,547	$2,883

In March 2009, we entered into a series of agreements with Edwards Lifesciences AG (Edwards) to terminate their distribution of our AlboGraft Vascular Graft product line in Europe and certain other international markets, for which they had exclusive rights through 2011, and to acquire certain assets and rights from Edwards. We paid $3.5 million to Edwards in exchange for this early termination, the purchase of their AlboGraft customer list, certain licenses and most of the remaining AlboGraft inventory. We allocated the payment to the tangible and intangible assets acquired, and to the settlement of our pre-existing relationship with Edwards, based on the estimated fair value of each of these elements to the transaction. As such, we recorded $1.0 million of intangible assets, recognized a $1.8 million restructuring charge related to the early termination of the distribution agreement, and recorded $0.7 million of inventory.

Intangible assets are amortized over their estimated useful lives, ranging from 2 to 17 years. Amortization expense amounted to approximately $167,000 and $104,000 for the three months ended June 30, 2009 and 2008, respectively. Amortization expense amounted to approximately $274,000 and $233,000 for the six months ended June 30, 2009 and 2008, respectively. Amortization expense is included in general and administrative expense. Estimated amortization expense for the remainder of 2009 and each of the five succeeding fiscal years is as follows:

		(in thousands)
2009	(remaining 6 months)	$ 333
2010		640
2011		613
2012		546
2013		456
2014		308

In January 2008, we were notified by one of the customers of our Biomateriali subsidiary that they would no longer purchase a certain products from us, and, as a result, we incurred an impairment charge of $0.4 million due to the write-down of related intangible assets. During the three months ended March 31, 2009 we determined that we were likely to fail to meet a product development milestone relating to certain patents within our endovascular product category portfolio in the United States and Europe, and subsequently determined that the patents had no value based upon an analysis of expected economic benefits. As a result, we recorded an impairment charge of $0.1 million for the write-down of these patents. We also recognized impairment charges of $33,000 and $48,000 related to patents and trademarks which were deemed to have no value based upon a lack of future expected economic benefits during the three months ended June 30, 2009 and 2008, respectively.

7. Financing Arrangements

We maintain a $10.0 million revolving line of credit that provides for up to $3.0 million in letters of credit. Loans made under this revolving line of credit bear interest at the bank's base rate or LIBOR plus 200 basis points, at our discretion, and are collateralized by substantially all of our assets. The loan agreement requires that we meet certain financial and operating covenants. As of June 30, 2009 and December 31, 2008, we did not have an outstanding balance under this facility and we were in compliance with these covenants. In June 2009, we were informed that the revolving line of credit will not be renewed upon under its existing terms upon its expiration on August 23, 2009.

Our Biomateriali subsidiary had two existing revolving lines of credit with their bank for a total of approximately $0.7 million to be used in connection with the financing of sales to certain customers at the date we acquired it. Loans made under these lines bear interest at 20% per annum. Both lines were paid in full and closed in January 2008.

Also, as part of the purchase of Biomateriali, we assumed a loan from the Italian government under a program that provides funding to certain businesses in Italy through a combination of grants and loans if certain requirements are met. The loans are not required to be repaid until one year after project completion and are payable in ten annual payments of principal and interest at an interest rate of 0.74%. The present value of the loan was recorded as of the date of the acquisition using our incremental borrowing rate. Interest is being imputed on the loan, and the difference between the present value and the amount due will be amortized using the effective interest method over the period that the loan is outstanding. The amortization will be recorded as interest expense. The amount of the loan outstanding as of June 30, 2009 was approximately $68,000 and has been included in our balance sheet in long-term debt. The loan is due in installments through 2018.

8. Accrued Expenses

Accrued expenses consist of the following:

	June 30, 2009	December 31, 2008
	(in thousands)	
Compensation and related taxes	$ 2,575	$ 3,473
Restructuring	—	83
Income and other taxes	560	492
Professional fees	350	452
Other	1,319	1,043
Total	$ 4,804	$ 5,543

9. Restructuring Charges

During the three months ended March 31, 2009, we incurred $1.8 million of one-time restructuring charges, related to the termination of our Biomateriali subsidiary's distribution agreement with Edward Lifesciences as discussed in Note 6. We did not incur restructuring charges during the three months ended June 30, 2009.

During the three months ended June 30, 2008, we incurred $0.3 million of restructuring charges, primarily related to a termination agreement with a former distributor in Italy. During the six months ended June 30, 2008, we incurred $1.0 million of restructuring charges, including $0.6 for contractual obligations associated with consulting agreements related to termination agreements with our former distributor in Italy and $0.4 million for severance costs related to a reduction in force of 32 employees that we initiated in the first quarter of 2008.

The components of the restructuring charges are as follows:

	Three months ended June 30		Six months ended June 30	
	2009	2008	2009	2008
	(in thousands)		(in thousands)	
Severance	$ —	$ 20	$ —	$379
Distributor termination costs	—	327	1,777	601
Total	$ —	$ 347	$1,777	$980

Activity related to accrued restructuring costs is as follows:

	Six months ended June 30, 2009
	(in thousands)
Balance at beginning of period	$ 83
Plus:	
Current period restructuring costs	1,777
Other	—
Less:	
Payments for termination of contractual obligations	1,777
Payment of employee severance costs	83
Balance at end of period	$ —

10. Comprehensive Income (Loss)

The components of other comprehensive income (loss) generally include foreign exchange translation and unrealized gains and losses on marketable securities. The computation of comprehensive income (loss) was as follows:

	Three months ended June 30		Six months ended June 30	
	2009	2008	2009	2008
	(in thousands)		(in thousands)	
Net income (loss)	$ 925	$ (926)	$(956)	$(3,489)
Other comprehensive income (loss):				
Unrealized gain (loss) on available-for-sale securities	34	(230)	86	(174)
Foreign currency translation adjustment	473	(96)	312	254
Total other comprehensive income (loss)	507	(326)	398	80
Comprehensive income (loss)	$1,432	$(1,252)	$(558)	$(3,409)

11. Commitments and Contingencies

As part of our normal course of business, we have purchase commitments to purchase $19.3 million of inventory through 2015.

In addition, we have deferred payment commitments associated with our Biomateriali acquisition of $0.2 million payable in December 2009. Such amounts are recorded on the consolidated balance sheet as acquisition-related obligations.

12. Segment and Enterprise-Wide Disclosures

SFAS No. 131, *Disclosures about Segments of an Enterprise and Related Information* , establishes standards for reporting information regarding operating segments in annual financial statements. Operating segments are identified as components of an enterprise about which separate, discrete financial information is available for evaluation 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 product sales by product line and by geographic location for local reporting purposes.

Most of our revenues were generated in the United States, Europe, and Japan, and substantially all of our assets are located in the United States. We analyze our sales using a number of approaches, including sales by legal entity. LeMaitre Vascular GmbH, our German subsidiary, records all sales in Europe and to distributors worldwide, excluding sales in South and Central America (LeMaitre Vascular, Inc.); France (LeMaitre Vascular SAS); Italy (LeMaitre Vascular S.r.l.); Japan, Korea, and Taiwan (LeMaitre Vascular GK); and, through the termination of our AlboGraft distribution agreement with Edwards on March 27, 2009, worldwide sales of Biomateriali S.r.l. products. Net sales to unaffiliated customers by legal entity were as follows:

	Three months ended June 30		Six months ended June 30	
	2009	2008	2009	2008
	(in thousands)		(in thousands)	
LeMaitre Vascular, Inc.	$ 7,269	$ 6,802	$13,950	$13,256
LeMaitre Vascular GmbH	$ 4,004	$ 4,452	$ 7,386	$ 8,559
Other entities	1,357	1,485	2,642	2,771
Total	$12,630	$12,739	$23,978	$24,586

We sell products in three product categories; Endovascular, Vascular, and General Surgery, and have also derived a limited amount of revenue from manufacturing devices under OEM arrangements. Net sales in these product categories were as follows:

	Three months ended June 30		Six months ended June 30	
	2009	2008	2009	2008
	(in thousands)		(in thousands)	
Endovascular	$ 3,663	$ 4,328	$ 7,164	$ 7,870
Vascular	7,869	7,290	14,784	14,613
General Surgery	976	1,022	1,856	1,926
Total Branded Products	12,508	12,640	23,804	24,409
OEM	122	99	174	177
Total	$12,630	$12,739	$23,978	$24,586

13. Share-based Compensation

Our 2006 Stock Option and Incentive Plan (the 2006 Plan) allows for granting of incentive stock options, non-qualified stock options, stock appreciation rights, restricted stock units (RSUs), unrestricted stock awards, and deferred stock awards to officers, employees, directors, and consultants of the company. We account for our share-based compensation plans in accordance with SFAS No. 123(R), *Share-Based Payment*.

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

	Three months ended June 30		Six months ended June 30	
	2009	2008	2009	2008
	(in thousands)		(in thousands)	
Stock option awards to employees under SFAS No. 123(R)	$ 63	$ 57	$ 130	$ 127
Restricted stock awards under SFAS No. 123(R)	164	114	315	218
Employee stock purchase plan	—	—	—	7
Stock option awards to non-employees under SFAS No. 123	—	—	—	(8)
Total share-based compensation	$ 227	$ 171	$ 445	$ 344

We have computed the fair values of employee stock options for option grants made during the six months ended June 30, 2008 using the Black-Scholes option model with the following weighted-average assumptions and weighted-average fair values:

	2008
Dividend yield	0.0%
Volatility	51.3%
Risk-free interest rate	3.3%
Weighted average expected option term (in years)	4.9
Weighted average fair value per share of options granted	$1.63

There were no stock option grants made during the six months ended June 30, 2009.

The weighted-average fair value per share of restricted stock unit grants issued for the six months ended June 30, 2009 and 2008 were $2.89 and $4.56, respectively.

14. Net Income (Loss) per Share

The computation of basic and diluted net income (loss) per share is as follows:

	Three months ended June 30		Six months ended June 30	
	2009	2008	2009	2008
	(in thousands, except per share data)		(in thousands, except per share data)	
Basic:				
Net income (loss)	$ 925	$ (926)	$ (956)	$ (3,489)
Weighted average shares outstanding	15,670	15,542	15,655	15,524
Net income (loss) per share	$ 0.06	$ (0.06)	$ (0.06)	$ (0.22)
Diluted:				
Net income (loss)	$ 925	$ (926)	$ (956)	$ (3,489)
Weighted average shares of common stock	15,866	15,542	15,655	15,524
Net income (loss) per share	$ 0.06	$ (0.06)	$ (0.06)	$ (0.22)
Calculation of weighted average shares				
Weighted-average shares of common stock outstanding	15,670	15,542	15,655	15,524
Weighted-average shares of common stock issuable upon exercise of outstanding stock options	196	—	—	—
Shares used in computing diluted net loss per common share	15,866	15,542	15,655	15,524

For the three months and six months ended June 30, 2009, 112,071 and 378,075 weighted-average shares of restricted common stock and options to purchase common stock, respectively, were excluded from the computation of diluted net income (loss) per share, as their effect would have been anti-dilutive. For the three months and six months ended June 30, 2008, 1,174,664 and 1,204,426 weighted-average shares of restricted common stock and options to purchase common stock, respectively, were excluded from the computation of diluted net loss per share, as their effect would have been anti-dilutive.

We have never declared a cash dividend and do not expect to do so in the foreseeable future.

15. Stockholders' Equity

Undesignated Preferred Stock

We have 5,000,000 shares of undesignated preferred stock authorized. There were no shares designated, issued, or outstanding as of June 30, 2009 or December 31, 2008.

Employee Stock Purchase Plan

Our employee stock purchase plan enables eligible employees to purchase shares of our common stock. Eligible employees may purchase shares during six-month offering periods commencing on February 1 and August 1 of each year at a price per share equal to 90 percent of the fair market value of our common stock on the last date of each six-month offering period. Participating employees may elect to have up to ten percent of their base pay withheld and applied toward the purchase of such shares. The rights of participating employees terminate upon voluntary withdrawal from the plan at any time or upon termination of employment. On February 1, 2009, 10,698 shares were purchased at a purchase price of $1.91 per share. As of June 30, 2009, 203,387 shares were reserved and are available for issuance under this plan.

On July 13, 2009, our Board of Directors elected to terminate our Employee Stock Purchase Plan effective at the end of the current offering period on July 31, 2009.

16. Supplemental Cash Flow Information

	For the six months ended June 30	
	2009	2008
	(in thousands)	
Cash paid for income taxes, net	$ 258	$ 64
Supplemental non-cash financing activities:		
Common stock repurchased for RSU tax withholdings	$ 10	$ 17

17. Fair Value Measurements

Our available-for-sale investments are subject to fair value in accordance with SFAS No. 157, *Fair Value Measurements* (SFAS No. 157), which defines fair value, establishes a framework for measuring fair value and expands disclosure requirements regarding fair value measurement. The three levels of inputs used to measure fair value are as follows:

- 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.

The financial assets to which SFAS No. 157 is applicable include cash equivalents and short-term investments which are carried at fair value. The following table details the fair value measurements within the fair value hierarchy of our financial assets (in thousands) as of June 30, 2009, which were valued using Level 2 inputs (significant and observable assumptions) as follows:

U.S. treasury obligations	$1,646
Corporate bonds	741
Asset backed securities	691
	$ 3,078

As of June 30, 2009, we had cash equivalents in repurchase agreements valued at $13.1 million that were valued using Level 1 inputs (quoted market prices for identical assets).

18. Subsequent Events

On July 27, 2009, our Board of Directors authorized the repurchase of up to $1 million of our common stock from time to time on the open market or in privately negotiated transactions. The timing and number of any shares repurchased will be determined by the management, based on their evaluation of market conditions and other factors. Repurchases may also be made under a Rule 10b5-1 plan, which would permit shares to be repurchased when we might otherwise be precluded from doing so under insider trading laws. The repurchase program may be suspended or discontinued at any time and will conclude no later than July 31, 2010, unless otherwise extended by our Board of Directors. The repurchase program will be funded using our available cash and cash equivalents.

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 Quarterly Report on Form 10-Q 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, actual results, performance, or financial condition may vary materially and adversely from those anticipated, estimated, or expected. We have identified below some important factors that could cause our forward-looking statements to differ materially from actual results, performance, or financial conditions:

- *the unpredictability of our quarterly net sales and results of operations;*
- *the ability to keep pace with a rapidly evolving marketplace and to develop or acquire and then successfully market new and enhanced products;*
- *our ability to successfully identify, acquire, and integrate new products, businesses, and technologies and realize expected benefits;*
- *a highly competitive market for medical devices;*
- *the effect of recent adverse changes in U.S., global, or regional economic conditions;*
- *the effect of a disaster at any of our manufacturing facilities;*
- *the loss of any significant suppliers, especially sole-source suppliers;*
- *the loss of any distributor or any significant customer, especially in regard to any product that has a limited distributor or customer base;*
- *our ability to adequately grow our operations and attain sufficient operating scale;*
- *our ability to obtain adequate profit margins;*
- *our ability to effectively protect our intellectual property and not infringe on the intellectual property of others;*
- *possible product liability lawsuits and product recalls;*
- *inadequate levels of third-party reimbursement to healthcare providers;*
- *our ability to initiate, complete, or achieve favorable results from clinical studies of our products;*
- *our ability to obtain and maintain U.S. and foreign regulatory clearance for our products and our manufacturing operations;*
- *our ability to raise sufficient capital when necessary or at satisfactory valuations;*
- *loss of key personnel; and*
- *other factors discussed elsewhere in this Quarterly Report on Form 10-Q.*

We may not actually achieve the plans, intentions, or expectations disclosed in our forward-looking statements and you should not place undue reliance on our forward-looking statements. For more information regarding these and other uncertainties and factors that could cause our actual results to differ materially from what we have anticipated in our forward-looking statements, or that otherwise could materially adversely affect our business, financial condition, or operating results, see our annual report on Form 10-K for the fiscal year ended December 31, 2008, under the heading "Part I – Item 1A. Risk Factors" and those risk factors, if any, included elsewhere in this report.

All forward-looking statements included in this report are expressly qualified in their entirety by the foregoing cautionary statements. We wish to caution readers not to place undue reliance on any forward-looking statement that speaks only as of the date made and to recognize that forward-looking statements are predictions of future results, which may not occur as anticipated. Actual results could differ materially from those anticipated in the forward-looking statements and from historical results, due to the uncertainties and factors described above, as well as others that we may consider immaterial or do not anticipate at this time. Although we believe that the expectations reflected in our forward-looking statements are reasonable, we do not know whether our expectations will prove correct. Our expectations reflected in our forward-looking statements can be affected by inaccurate assumptions we might make or by known or unknown uncertainties and factors, including those described above. The risks and uncertainties described above are not exclusive, and further information concerning us and our business, including factors that potentially could materially affect our financial results or condition, may emerge from time to time. We assume no obligation to update, amend, or clarify forward-looking statements to reflect actual results or changes in factors or assumptions affecting such forward-looking statements. We advise you, however, to consult any further disclosures we make on related subjects in our annual reports on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K we file with or furnish to the Securities and Exchange Commission.

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 audited consolidated financial statements and the related notes contained in our Annual Report on Form 10-K for the year ended December 31, 2008, as filed with the Securities and Exchange Commission.

Unless the context requires 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, EndoFit, Expandable LeMaitre Valvulotome, Flexcel, Glow 'N Tell, Grice, Inahara-Pruitt, InvisiGrip, LeverEdge, MollRing Cutter, NovaSil, OptiLock, Periscope, Pruitt, Pruitt-Inahara, Reddick, TT, UniFit, VascuTape, and the LeMaitre Vascular logo are registered trademarks of LeMaitre Vascular, and AlboGraft, aSpire, Biomateriali, EndoHelix, EndoRE, F3, Martin, TAArget, and VCS are unregistered trademarks of LeMaitre Vascular. This Quarterly Report on Form 10-Q also includes the registered and unregistered trademarks of other persons.

Overview

We are a medical device company that develops, manufactures, and markets medical devices and implants for the treatment of peripheral vascular disease. Our principal product offerings are sold throughout the world, primarily in the United States, the European Union, and, to a lesser extent, Japan. We estimate that the annual worldwide market addressed by our 14 current product lines exceeds $1 billion and that the annual worldwide market for all peripheral vascular devices exceeds $3 billion. We have used acquisitions as a primary means of further accessing the peripheral vascular device market, and we expect to continue to pursue this strategy in the future. We currently manufacture the majority of our product lines in our Burlington, Massachusetts, headquarters. In addition, our AlboGraft Vascular Graft (acquired in December 2007) is manufactured at our facility in Brindisi, Italy.

Our products are primarily used by vascular surgeons who treat peripheral vascular disease through both open surgical methods and more recently adopted 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 patients with a wider range of treatment options.

We believe that the purchasing volume of the vascular surgeon will increase and that the changing product needs of the vascular surgeon present us with attractive opportunities to sell new devices. As a result, we have sought out and acquired new products and businesses that address these needs, and have pursued a strategy of selling directly to hospitals in our major markets.

In January 2007 we commenced distribution of the Endologix Powerlink System, an abdominal stent graft, in several European countries, including Germany, France and the United Kingdom. We believe that this product complements our UniFit and TAArget stent graft product lines, allowing our European sales force to offer a complete range of stent grafts for the entire aorta. In 2008 we extended this distribution agreement through June 30, 2013. In April 2007 we acquired our LeverEdge product line from Cardiovascular Innovations, LLC, and in September 2007 we acquired our EndoRE and aSpire product lines from Vascular Architects. In September 2007 we reached an agreement to begin direct sales in Italy effective January 2008. We and our exclusive distributor in Italy agreed to terminate its exclusive rights as of January 25, 2008, in exchange for approximately $1.1 million for a termination fee and transitional consulting services. In December 2007 we purchased certain patents and in-process research and development from Arizona Heart Innovative Technologies, LLC related to a pre-commercial endovascular device.

In December 2007 we also acquired Biomateriali, S.r.l., a privately held Italian company that manufactured the AlboGraft Vascular Graft for vessel replacement in the peripherals, abdomen, and thorax. Biomateriali's manufacturing operations are located in Brindisi, Italy, and at the time of the acquisition its primary product, the AlboGraft Vascular Graft, was sold in Europe under an exclusive distribution agreement with Edwards Lifesciences. In March 2009, we paid $3.5 million to Edward Lifesciences to terminate this distribution agreement and purchase their AlboGraft customer list, certain customer contracts, the remaining AlboGraft inventory, and certain sales and marketing services.

In December 2008 we entered into an agreement with Neovasc Inc. to distribute its biological patches for use in vascular surgery, including carotid endarterectomy, in the United States, the European Union, and select other European markets. This seven year agreement became effective January 26, 2009. We were also granted an option to acquire this product commencing in 2014.

Below is a listing of our product lines and product categories:

- Our **Endovascular** product category includes our TAArget Thoracic Stent Graft, UniFit Abdominal Stent Graft, VascuTape Radiopaque Tape, AnastoClip Vessel Closure System, LeverEdge Contrast Injector, and aSpire Covered Stent. We also report our distribution sales of the Endologix Powerlink System within this product category.
- Our **Vascular** product category includes our Expandable LeMaitre Valvulotome, Pruitt-Inahara, Pruitt F3 and Flexcel Carotid Shunts, InvisiGrip Vein Stripper, LeMaitre Balloon Catheters, and the five remote endarterectomy products which include our Martin Dissector, Periscope Dissector, EndoHelix Retrieval Device, MollRing Cutter Transection Device, and Ring Dissector, and the AlboGraft Vascular Graft. We also report our distribution sales of the Neovasc Peripatch Biologic Vascular Patch within this category.
- Our **General Surgery** product category includes our Reddick Cholangiogram Catheter and its accessories and our OptiLock Implantable Port.
- Our **OEM** category includes sales of a polyester product to a cardiac device manufacturer.

We evaluate the sales performance of our various product lines utilizing criteria that vary based upon the position of each product line in its expected life cycle. For established products, we typically review unit sales and selling prices. For faster growing products, we typically also focus on new account generation and customer retention.

Our business opportunities include the following:

- the addition of complementary products through acquisition;

- the updating of existing products and introduction of new products through research and development;
- the long-term growth of our sales force in North America, Europe and Japan; and
- the introduction of our products in new markets upon obtainment of regulatory approvals in these markets.

We are currently pursuing each of these opportunities.

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.

We sell our products primarily through a direct sales force. As of June 30, 2009 our sales force was comprised of 54 sales representatives in North America, the European Union, and Japan. We also sell our products through a network of distributors in various countries outside of the United States and Canada. In 2008, approximately 88% of our net sales were direct-to-hospital. For the six months ended June 30, 2009, approximately 92% of our net sales were direct-to-hospital.

Our worldwide headquarters are in Burlington, Massachusetts. Our international operations are headquartered in Sulzbach, Germany. We also have sales offices located in Tokyo, Japan, and Rome, Italy, and a manufacturing facility in Brindisi, Italy. For the six months ended June 30, 2009, approximately 42% of our net sales were denominated in currencies other than the U.S. dollar, primarily the euro and the yen. Accordingly, our results of operations are influenced by changes in currency exchange rates. Increases or decreases in the value of the U.S. dollar, as compared to other currencies in which our net sales are denominated, will directly affect our reported results as we translate those currencies into U.S. dollars for each fiscal period.

Further, our strategy for growing our business includes the acquisition of complementary product lines and companies and occasionally the discontinuance of products or activities that are no longer complementary. These actions may affect the comparability of our financial results from period to period and may cause substantial fluctuations period to period.

The following table indicates the impact of foreign currency fluctuations and changes to our business activities for each of the quarters listed:

(amounts in thousands)
(unaudited)

	2009		2008				2007			
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Total net sales	12,630	11,348	12,111	12,023	12,739	11,847	11,104	10,144	10,315	9,883
Impact of currency exchange rate fluctuations (1)	(699)	(622)	(448)	452	836	674	439	253	267	322
Net impact of acquisitions, distributed sales and discontinued products, excluding currency exchange rate fluctuations (2)	234	101	235	703	929	1,133	1,116	635	567	455

(1) Represents the impact of the change in foreign exchange rates compared to the corresponding quarter of the prior year based on the weighted average exchange rate for each quarter.

(2) Represents the impact of sales of products of acquired businesses and distributed sales of other manufacturers' products, net of sales related to discontinued products and other activities, based on 12 months' sales following the date of the event or transaction, for the current period only.

Results of Operations

Comparison of the three and six months ended June 30, 2009, to the three and six months ended June 30, 2008

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

(unaudited)	Three months ended June 30			Six months ended June 30		
	2009	2008	Percent change	2009	2008	Percent change
	($ in thousands)			($ in thousands)		
Net sales	$ 12,630	$ 12,739	(1)%	$ 23,978	$ 24,586	(2)%
Net sales by product category:						
Endovascular	$ 3,663	$ 4,328	(15)%	$ 7,164	$ 7,870	(9)%
Vascular	7,869	7,290	8%	14,784	14,613	1%
General Surgery	976	1,022	(5)%	1,856	1,926	(4)%
Total Branded Products	12,508	12,640	(1)%	23,804	24,409	(2)%
OEM	122	99	23%	174	177	(2)%
Total	$ 12,630	$ 12,739	(1)%	$ 23,978	$ 24,586	(2)%
Net sales by geography:						
Americas	$ 7,269	$ 6,881	6%	$ 13,950	$ 13,360	4%
International	5,361	5,858	(8)%	10,028	11,226	(11)%
Total	$ 12,630	$ 12,739	(1)%	$ 23,978	$ 24,586	(2)%

Net sales. Net sales decreased 1% to $12.6 million for the three months ended June 30, 2009, compared to $12.7 million for the three months ended June 30, 2008. New acquisitions and business development activities added 2% to year-over-year sales growth, while changes in foreign currency exchange rates subtracted 5%. Excluding these effects, net sales for the three months ended June 30, 2009 grew 3%. Net sales decreased 2% to $24.0 million for the six months ended June 30, 2009, compared to $24.6 million for the six months ended June 30, 2008. New acquisitions and business development activities added 1% to year-over-year sales growth, while changes in foreign currency exchange rates subtracted 5%. Excluding these effects, net sales for the six months ended June 30, 2009 grew 2%. Net sales excluding acquisitions, business development activities and changes in foreign currency exchange rates is a non-GAAP financial measure and should not be viewed as a replacement of GAAP results. See “Management’s Use of Non-GAAP Measures” below.

Sales decreases for the three months ended June 30, 2009 were largely due to the effect of currency exchange rate fluctuations of $0.7 million, a $0.7 million decrease in our Endovascular product category primarily driven by the Powerlink System, the UniFit Abdominal Stent Graft and the AnastoClip Vessel Closure System, as well as decreased sales to European distributors. Sales decreases were partially offset by higher average selling prices across nearly all product lines as well as a $0.6 million increase in our Vascular product category which was primarily driven by increased Expandable LeMaitre Valvulotome and shunt sales and the addition of sales of the PeriPatch Biologic Vascular Patch of $0.2 million.

Sales decreases for the six months ended June 30, 2009 were largely due to the effect of negative currency exchange rate fluctuations of $1.3 million, a $0.8 million decrease in our Endovascular product category primarily driven by the Powerlink System, the UniFit Abdominal Stent Graft and the AnastoClip Vessel Closure System, as

well as decreased sales to European distributors. Sales decreases were partially offset by higher average selling prices across nearly all product lines, as well as a $0.2 million increase in our Vascular product category which was primarily driven by increased Expandable LeMaitre Valvulotome and shunt sales, the addition of sales of the PeriPatch Biologic Vascular Patch of $0.3 million, and increased remote endarterectomy sales of $0.1 million.

Direct-to-hospital net sales were 92% for the three and six months ended June 30, 2009, up from 88% for the three months ended, and 87% for the six months ended June 30, 2008. The increase was largely due to reduced sales to international distributors, as well as strong results from our comparatively newer sales organizations in Italy and France.

The impact of foreign currency exchange rate fluctuations and changes in business activities are presented in the table in the "Overview" section above. The negative impact of foreign currency exchange rate fluctuations during the six months ended June 30, 2009 was significant and this trend may continue into the quarter ending September 30, 2009.

Net sales by geography. Net sales in the Americas increased $0.4 million for the three months ended June 30, 2009. The increase was largely the result of higher average selling prices across nearly all product lines and the addition of sales of PeriPatch Biologic Vascular Patch of $0.2 million. International net sales decreased $0.5 million for the three months ended June 30, 2009. The decrease was primarily driven by the negative effect of foreign currency exchange rate fluctuations of $0.7 million as well as reduced sales to third party European distributors, and was partially offset by increased sales of $0.2 million at our Italian sales office.

Net sales in the Americas increased $0.6 million for the six months ended June 30, 2009. The increase was largely the result of higher average selling prices across nearly all product lines, increased shunt and catheter sales of $0.3 million, and the addition of sales of PeriPatch Biological Vascular Patch of $0.3 million. International net sales decreased $1.2 million for the six months ended June 30, 2009. The decrease was primarily driven by the effect of currency exchange rate fluctuations of $1.3 million, and a $0.4 million decrease in AlboGraft Vascular Graft sales, and was partially offset by increased sales of $0.6 million at our Italian sales office.

International direct-to-hospital net sales increased to 82% of total net sales during the three months ended and six months ended June 30, 2009, up from 74% of net sales for the three months ended, and 71% for the six months ended June, 30, 2008. The increase was largely due to decreased sales to international distributors, as well as strong results from our comparatively newer sales organizations in Italy and France.

	Three months ended June 30				Six months ended June 30			
(unaudited)	2009	2008	$ change	Percent change	2009	2008	$ change	Percent change
		($ in thousands)				($ in thousands)		
Gross profit	$9,122	$8,886	$ 236	2.7%	$17,388	$17,375	$ 13	0.1%
Gross margin	72.2%	69.8%	*	2.4%	72.5%	70.7%	*	1.8%

Gross Profit. Gross profit increased 3% to $9.1 million for the three months ended June 30, 2009. Our gross margin increased 2.4% to 72.2% in the same period. The gross margin increase was largely the result of the direct-to-hospital AlboGraft Vascular Graft transition in Europe which commenced on March 27, 2009, higher average selling prices across nearly all product lines, and weak sales to European distributors, which generally carry a lower gross margin. Gross margin was reduced 1.5% by the negative effect of currency exchange rate fluctuations. Increased gross profit was driven by the increased gross margin, and was partially offset by lower sales versus the prior period.

Gross profit was $17.4 million for the six months ended June 30, 2009 and June 30, 2008. Our gross margin increased 1.8% to 72.5% in the same period. The gross margin increase was largely the result of higher

average selling prices across nearly all product lines, the direct-to-hospital AlboGraft Vascular Graft transition in Europe which commenced on March 27, 2009, and weak European distributor sales, which generally carry a lower gross margin. Gross margin was reduced 1.5% by the negative effect of currency exchange rate fluctuations. Gross profit remained flat as the increased gross margin was offset by lower sales versus the prior period.

	Three months ended June 30				Six months ended June 30			
(unaudited)	2009	2008	$ change	Percent change	2009	2008	$ change	Percent change
	($ in thousands)				($ in thousands)			
Sales and marketing	$ 4,249	$ 5,153	$ (904)	(18)%	$ 8,395	$10,981	$(2,586)	(24)%
General and administrative	2,412	2,733	(321)	(12)%	4,937	5,561	(624)	(11)%
Research and development	1,435	1,474	(39)	(3)%	2,746	2,824	(78)	(3)%
Restructuring charges	0	347	(347)	*	1,777	980	797	81%
Impairment charge	33	48	(15)	*	106	483	(377)	(78)%
Total	$8,129	$9,755	$(1,626)	(17)%	$17,961	$20,829	$(2,868)	(14)%

	Three months ended June 30			Six months ended June 30		
	2009 as a % of Revenue	2008 as a % of Revenue	Change	2009 as a % of Revenue	2008 as a % of Revenue	Change
Sales and marketing	34%	40%	(6)%	35%	45%	(10)%
General and administrative	19%	21%	(2)%	21%	23%	(2)%
Research and development	11%	12%	(1)%	11%	11%	(0)%
Restructuring charges	0%	3%	(3)%	7%	4%	3%
Impairment charge	0%	0%	(0)%	0%	2%	(2)%

Sales and marketing. For the three months ended June 30, 2009 sales and marketing expenses decreased 18% to $4.3 million. The decrease included a reduction in selling expenses of $0.6 million and a reduction in marketing expenses of $0.3 million. Foreign currency exchange rate fluctuations decreased sales and marketing expenses by $0.3 million in the period. Selling expense decreases were driven largely by the effects of currency exchange rate fluctuations, reduced sales commissions of $0.2 million, and decreased travel and entertainment, and other controllable expenses of $0.1 million. Marketing expense decreases were largely the result of reduced direct marketing and trade show expenses of $0.2 million, as well as general expense reductions. As a percentage of revenues, sales and marketing expenses decreased to 34% in the three months ended June 30, 2009, from 40% in the prior year quarter.

For the six months ended June 30, 2009 sales and marketing expenses decreased 24% to $8.4 million. The decrease included a reduction in selling expenses of $1.9 million and a reduction in marketing expenses of $0.7 million. Foreign currency exchange rate fluctuations decreased sales and marketing expenses by $0.6 million in the period. Selling expense decreases were driven largely by reduced sales commissions of $0.6 million, the effects of currency exchange rate fluctuations, and decreased travel and entertainment expenses of $0.4 million. Marketing expense decreases were largely the result of reduced direct marketing and trade show expenses of $0.4 million, reduced advisory board expenses of $0.1 million as well as general expense reductions. As a percentage of revenues, sales and marketing expenses decreased to 35% in the six months ended June 30, 2009 from 45% in the prior year. As of June 30, 2009 we employed 54 sales representatives and 12 sales managers worldwide.

General and administrative. For the three months ended June 30, 2009, general and administrative expenses decreased 12% to $2.4 million, primarily driven by lower wages in the United States of $0.1 million, reductions in audit and outside finance services of $0.1 million, and foreign currency exchange rate fluctuations of $0.1 million. General and administrative expenses decreased 11% to $4.9 million for the six months ended June 30, 2009, primarily driven by lower wages in the United States of $0.2 million, foreign currency exchange rate

fluctuations of $0.1 million, reductions in audit and outside finance services of $0.1 million, and general expense reduction throughout the organization. As a percentage of revenues, general and administrative expenses were 19% and 21% for the three months and six months ended June 30, 2009, respectively, a decrease of 2% for each period.

Research and development. For the three month and six month periods ended June 30, 2009, research and development expenses decreased 3% to $1.4 million and $2.7 million, respectively. For the six months ended, the decrease was the result of lower product development expenses of $0.2 million, and was partially offset by increased regulatory and clinical headcount and trial related expenses of $0.1 million. We increased enrollment in our UNITE clinical trial by 6 patients from March 31, 2009 and 14 patients from December 31, 2008. We have enrolled 38 patients in our UNITE clinical trial as of June 30, 2009. We anticipate that research and development expenses will increase over time as more UNITE Trial patients are enrolled, new products follow the regulatory pathways, and more product development is undertaken. As a percentage of revenues, research and development expenses for the six months ended June 30, 2009 were 11% and consistent with the comparable prior year period.

Restructuring. During the six months ended June 30, 2009, we incurred a $1.8 million restructuring charge related to the March 27, 2009 termination of our AlboGraft Vascular Graft distribution agreement with Edwards Lifesciences. The transaction included the payment of $3.5 million in exchange for the termination of the distribution agreement, as well as the acquisition of detailed customer information, transition services, and remaining product inventory. For the six months ended June 30, 2008, restructuring charges were approximately $1.0 million, and included $0.6 million related to the termination of our former distributors in Italy and Ireland, and $0.4 million related to a reduction in force of 32 employees.

Impairment charge. During the six months ended June 30, 2009, we incurred $0.1 million of impairment charges related to patents which were deemed to have no value based upon a lack of future expected economic benefits. For the six months ended June 30, 2008, impairment charges were $0.5 million and were almost entirely due to the write-down of intangible assets related to a customer relationship at our Biomateriali subsidiary.

Interest income. Interest income for the three and six months ended June 30, 2009, was $17,000 and $10,000, respectively, compared to $120,000 and $298,000 for the three and six months ended June 30, 2008. The decrease was a result of an unfavorable interest rate market and realized losses in our portfolio of $34,000 in March 2009.

Interest expense. Interest expense for the three and six months ended June 30, 2009 was $2,000 and $17,000 respectively, compared to $16,000 and $32,000 for the three and six months ended June 30, 2008. Interest expense in both periods was due to acquisition related liabilities at our Biomateriali subsidiary. Lower acquisition related liabilities as a result of December 2008 and March 2009 payments drove the interest expense reductions.

Foreign exchange gains / losses. Foreign exchange gains for the three and six months ended June 30, 2009 were $118,000 and $28,000, respectively, compared to $19,000 and $166,000 for the three and six months ended June 30, 2008. Foreign exchange gains are due to the comparative weakening of the dollar versus the euro during the financial period.

Income tax expense. Our provision for income taxes for the three months ended June 30, 2009, was $0.2 million compared to $0.2 million for the three months ended June 30, 2008. Our provision for income taxes for the six months ended June 30, 2009, was $0.4 million compared to $0.5 million for the six months ended June 30, 2008. In 2009, our income tax provision was driven by taxable earnings at a foreign subsidiary of $0.2 million, the recording of a deferred tax liability related to the amortization of goodwill for U.S. tax reporting purposes of $0.1 million which could not be offset by existing deferred tax assets and a one-time discrete item related to a deferred tax liability of $0.1 million. In 2008, the income tax provision was driven by taxable earnings in two foreign subsidiaries of $0.2 million and the recording of a deferred tax liability related to the amortization of goodwill for U.S. tax reporting purposes of $0.3 million which could not be offset by existing deferred tax assets.

Liquidity and Capital Resources

At June 30, 2009, our cash, cash equivalents and marketable securities were $19.8 million as compared to $21.3 million at December 31, 2008. Our cash and cash equivalents are highly liquid investments with maturities of 90 days or less at the date of purchase and consist of time deposits and investments in money market funds with

commercial banks and financial institutions and U.S. government obligations and are stated at cost, which approximates fair value. Our marketable securities are primarily marketable debt securities, corporate bonds, and U.S. government securities that we classify as available-for-sale and are carried at fair market value. We did not hold any auction-rated securities in our investment portfolio as of June 30, 2009.

The majority of our marketable securities have remaining maturities of two years or less. The weighted average maturity of the portfolio was 2.0 months as of June 30, 2009, a reduction of 4.5 months from December 31, 2008. As of June 30, 2009, our investment portfolio included $0.7 million of asset-backed securities collateralized by credit card debt, and auto loans. In order to limit our credit risk exposure, we reduced our asset-backed securities holdings in 2009 by $0.9 million, from $1.6 million as of December 31, 2008. In the event of a temporary decline in market value, we have the intent and ability to hold our debt investments for a sufficient period of time to allow for recovery of the principal amounts invested. We continually monitor the asset allocation of our holdings in an attempt to mitigate our credit and interest rate exposures, and we intend to continue to closely monitor future developments in the credit markets and make appropriate changes to our investment policy as necessary. Although the volatility in the current global financial markets can affect the liquidity and valuation of selected securities, we do not anticipate that these events will result in significant portfolio liquidity limitations or write-downs, although we can make no assurances to this effect.

In August 2007 we amended our revolving line of credit with Brown Brothers Harriman & Co. As a result of this amendment, our borrowing capacity increased to $10 million and the maximum principal amount of any letters of credit issued as part of this facility increased to $3 million. In August 2008, the maturity date for amounts borrowed was extended to August 2009. Loans made under this revolving line of credit bear interest at LIBOR plus 200 basis points or the bank's base rate, at our discretion. Borrowings under this line of credit are collateralized by substantially all of our assets. As of June 30, 2009, we had no borrowing outstanding under this line of credit. The loan agreement requires that we meet certain financial and operating covenants. As of June 30, 2009, we were in compliance with these covenants. In June 2009 we were informed by Brown Brothers Harriman & Co. that our credit facility will not be renewed under the existing terms upon the scheduled expiration date in August 2009. We are currently accessing various options to renew or replace the existing credit facility. In view of the current economic environment, which has negatively impacted the credit markets, there can be no assurance that we will be able to identify a suitable replacement for our facility on terms that are acceptable to us.

Net cash provided by operating activities. Net cash provided by operating activities was $0.3 million for the six months ended June 30, 2009, and consisted of the $1.0 million net loss, adjusted for non-cash items of $1.7 million (including depreciation and amortization of $0.7 million, stock-based compensation of $0.4 million, provision for inventory write-offs of $0.2 million, provision for income taxes of $0.1 million and an intangibles impairment charge of $0.1 million) and net cash used from changes in working capital of $0.4 million. The net cash used from changes in working capital was principally the result of a reduction in accounts payable and accrued expenses and to a lesser extent an increase in inventories.

Net cash provided by investing activities. Net cash provided by investing activities was $0.5 million for the six months ended June 30, 2009. This was primarily due to sales and maturities of marketable securities of $2.3 million, partially offset by the purchase of technology and other intangibles of $1.1 million, payments made related to prior year acquisitions of $0.6 million, and the purchase of property and equipment of $0.2 million.

Net cash used in financing activities. Cash flows for financing activities were not significant for the six months ended June 30, 2009.

We recognized a net operating profit of $1.0 million for the three months ended June 30, 2009. Additionally, we recognized an operating loss of $1.6 million that included a $1.8 million restructuring charge, for the three months ended March 31, 2009 as well as net operating profits of $354,000 and $170,000 for the three months ended December 31, 2008, and September 30, 2008, respectively. Although it is our intention to generate an operating profit on an ongoing basis, excluding the impact of acquisitions and distributor terminations, there can be no assurance that we will generate an operating profit in the future due to our continued investment in growing our business, as well as the cost of operating as a public company. We expect to fund any increased costs and expenditures from our existing cash and cash equivalents and marketable securities, 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; the costs associated with expanding our manufacturing, marketing, sales, and

distribution efforts; the rate of progress and cost of our research and development activities; litigation; the costs of obtaining and maintaining FDA and other regulatory clearances of our products and products in development; the effects of competing technological and market developments; the costs associated with being a public company, including consulting expenses associated with compliance with Section 404 of the Sarbanes-Oxley Act of 2002; and the number, timing, and nature of acquisitions and other strategic transactions.

Contractual obligations. Our principal contractual obligations consist of operating leases, acquisition-related obligations, inventory purchase commitments, and income tax obligations under FIN 48 for unrecognized tax benefits. The following table summarizes our commitments to settle contractual obligations as of June 30, 2009:

Contractual obligations	Total	Less than 1 year	1-3 years	3-5 years
		(in thousands)		
Operating leases	$ 1,948	$1,132	$ 800	$ 16
Purchase commitments for inventory	17,833	3,390	8,241	6,202
Acquisition-related obligations	180	180	—	—
FIN48 unrecognized tax benefits	30	30	—	—
Total contractual obligations	$19,991	$4,732	$9,041	$6,218

The commitments under our operating leases consist primarily of lease payments for our Burlington, Massachusetts, corporate headquarters and manufacturing facility and a separate manufacturing and storage facility in Burlington, Massachusetts, each expiring in 2011; our Sulzbach, Germany office, expiring in 2010; and our Tokyo, Japan office, expiring in 2010.

Off-Balance Sheet Arrangements

We did not have any off-balance sheet arrangements as of June 30, 2009.

Subsequent Events

On July 27, 2009, our Board of Directors authorized the repurchase of up to $1 million of our common stock from time to time on the open market or in privately negotiated transactions. The timing and number of any shares repurchased will be determined by the management, based on their evaluation of market conditions and other factors. Repurchases may also be made under a Rule 10b5-1 plan, which would permit shares to be repurchased when we might otherwise be precluded from doing so under insider trading laws. The repurchase program may be suspended or discontinued at any time and will conclude no later than July 31, 2010, unless otherwise extended by our Board of Directors. The repurchase program will be funded using our available cash and cash equivalents.

Use of Non-GAAP Financial Measures

We believe that in order to properly understand our short-term and long-term financial trends, investors may wish to consider the impact of certain non-cash or non-recurring items, when used as a supplement to financial performance measures in accordance with GAAP. These items result from facts and circumstances that vary in frequency and/or impact on continuing operations. In addition, management uses results of operations before such items to evaluate the operational performance of the Company and as a basis for strategic planning. Investors should consider these non-GAAP measures in addition to, and not as a substitute for, financial performance measures in accordance with GAAP.

Net sales excluding acquisitions, business development activities and changes in foreign currency exchange rates is a non-GAAP financial measure. The Company analyzes net sales on a constant currency basis net of

acquisitions and other non-recurring events 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 and other strategic transactions are episodic in nature and highly variable in sales impact, 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 both management and the Company's investors. The Company commenced distribution of the PeriPatch Biologic Vascular Patch in Q1 2009.

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, 2008. 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, and income taxes are reviewed on an ongoing basis and updated as appropriate. Actual results may differ from those estimates.

Recent Accounting Pronouncements

In December 2007 the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 141 (revised 2007), *Business Combinations*, (SFAS No. 141(R)). SFAS No. 141(R) replaces SFAS No. 141, *Business Combinations*, and requires the acquiring entity in a business combination to recognize the full fair value of assets acquired and liabilities assumed in the transaction; requires certain contingent assets and liabilities acquired to be recognized at their fair values on the acquisition date; requires contingent consideration to be recognized at its fair value on the acquisition date and changes in the fair value to be recognized in earnings until settled; requires the expensing of most transaction and restructuring costs; and generally requires the reversals of valuation allowances related to acquired deferred tax assets and changes to acquired income tax uncertainties to also be recognized in earnings. SFAS No. 141(R) is effective for business combination transactions consummated after December 31, 2008. The adoption of SFAS No. 141(R) is expected to significantly affect our accounting for business combinations entered into subsequent to December 31, 2008.

In June 2009, the FASB issued SFAS No. 168, *The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles – a replacement of FASB Statement No. 162* (SFAS No. 168). The FASB Accounting Standards Codification, (Codification) will be the single source of authoritative nongovernmental accounting principles generally accepted in the United States. Rules and interpretive releases of the SEC under authority of federal securities laws are also sources of authoritative GAAP for SEC registrants. SFAS 168 is effective for interim and annual periods ending after September 15, 2009. All existing accounting standards are superseded as described in SFAS 168. All other accounting literature not included in the Codification is non-authoritative. We do not expect the adoption of SFAS 168 will have a significant impact on our consolidated results of operations or financial condition.

Effective June 15, 2009, we adopted SFAS No. 165, *Subsequent Events* (SFAS No. 165) which establishes general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. SFAS 165 sets forth (1) the period after the balance sheet date during which management of a reporting entity should evaluate events or transactions that may occur for potential recognition or disclosure in the financial statements, (2) the circumstances under which an entity should recognize events or transactions occurring after the balance sheet date in its financial statements, and (3) the disclosures that an entity should make about events or transactions that occurred after the balance sheet date. The adoption of SFAS No. 165 did not have a material impact on our consolidated results of operations or financial condition. Subsequent events have been evaluated through the filing date of this Quarterly Report on Form 10-Q.

In April 2009, the FASB issued FASB Staff Positions (FSP) on SFAS No. 115-2 and SFAS No. 124-2, *Recognition and Presentation of Other-Than-Temporary Impairments* (FSP SFAS 115-2 and 124-2) which is effective for interim and annual reporting periods ending after June 15, 2009, with early adoption permitted for interim periods ending after March 15, 2009. FSP SFAS 115-2 and 124-2 modifies the requirements for recognizing

impairment charges on other-than-temporarily impaired (OTTI) debt securities and expands the disclosures related to OTTI debt and equity securities. We adopted FSP SFAS 115-2 and 124-2 in the quarter ended June 30, 2009. The adoption of FSP SFAS 115-2 and 124-2 did not have a significant impact on our consolidated results of operations or financial condition.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to various market risks arising from adverse changes in market rates and prices, such as foreign exchange fluctuations and interest rates, which could impact our results of operations and financial position. We do not currently engage in any hedging or other market risk management tools, and we do not enter into derivatives or other financial instruments for trading or speculative purposes.

The quantitative and qualitative disclosures about market risk are discussed in Part II, Item 7A, "Quantitative and Qualitative Disclosures about Market Risk" in the company's 2008 Annual Report on Form 10-K. There has been no material change in information reported since the year ended December 31, 2008.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed by us in reports we file or submit under the Securities and Exchange Act of 1934 is reported, processed, and summarized within the time periods specified in the SEC's rules and forms. As of June 30, 2009 (the "Evaluation Date"), our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities and Exchange Act of 1934). Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of the Evaluation Date, our disclosure controls and procedures were effective at the reasonable assurance level. Our management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Changes in Internal Control

There have been no changes in our internal control over financial reporting for the quarter ended June 30, 2009, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II. Other Information

Item 1. Legal Proceedings.

We are not party to any material pending litigation.

Item 1A. Risk Factors

There have been no material changes from the Risk Factors previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2008.

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

Recent Sales of Unregistered Securities

None

Issuer Purchases of Equity Securities

	Issuer Purchases and Other Acquisitions of Equity Securities			
Period	Total Number of Shares (or Units) Purchased (1)	Average Price Paid Per Share (or Unit)	Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Program (2)	Maximum Number (or Approximate Dollar Value) of Shares (or Units that may yet be Purchased under the Plans or Program
April 1, 2009 through April 30, 2009	1,666	$ 2.90	N/A	N/A
May 1, 2009 through May 31, 2009	1,950	2.55	N/A	N/A
June 1, 2009 through June 30, 2009	—	—	N/A	N/A
Total	3,616	$ 2.71	N/A	N/A

(1) For the three months ended June 30, 2009, we repurchased 3,616 shares of our common stock in conjunction with the forfeiture of shares to satisfy the employees' obligations with respect to withholding taxes in connection with the vesting of restricted stock units

(2) On July 27, 2009, our board of directors approved our repurchase of shares of common stock having a value of up to $1,000,000 in the aggregate pursuant a repurchase program. We publicly announced this program on July 29, 2009. The expiration date of this program is July 31, 2010.

Use of Proceeds from the Sale of Registered Securities

In October 2006, we completed our initial public offering of our common stock through a Registration Statement on Form S-1 (File No. 333-133532) that was declared effective by the SEC on October 18, 2006. We registered 6,325,000 shares of our common stock with a proposed aggregate offering price of $44.3 million. All of the shares of common stock issued pursuant to the registration statement were sold at a price to the public of $7.00 per share. The managing underwriters were Goldman Sachs & Co. Incorporated, CIBC World Markets Corp., Cowen and Company, LLC and Thomas Weisel Partners LLC.

In connection with our initial public offering, we sold 5,500,000 shares and raised aggregate net proceeds of approximately $35.8 million, after deducting underwriting discounts and commission of approximately $2.7 million and offering expenses of $3.0 million. As of June 30, 2009, we have spent $24.1 million of the net proceeds as follows:

- $6.5 million for acquisitions;
- $3.9 million to pay down all outstanding indebtedness under two term loans and a revolving line of credit;
- $3.5 million for the termination of our AlboGraft Vascular Graft distribution agreement with Edwards Lifesciences;
- $1.9 million for the early termination of our distributor in Italy;
- $1.9 million for equipment;
- $1.3 million for the payment of expenses related to our initial public offering
- $0.9 million for the acquisition of licenses and technology;
- $0.4 million for severance payments associated with our 2008 restructuring activities;
- $0.3 million to pay down the revolving line of credit of our Biomateriali subsidiary (which was outstanding on the acquisition date); and
- $3.5 million for working capital purposes.

No payments for such offering expenses were made directly or indirectly to (i) any of our officers or directors or their associates, (ii) any persons owning 10% or more of any class of our equity securities, or (iii) any of our affiliates.

Item 3. Defaults upon Senior Securities

None

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

On June 18, 2009, we held our annual meeting of stockholders and voted on three proposals:

1. A proposal to elect three directors to hold office until our 2012 annual meeting was approved as follows:

	FOR	WITHHOLD
Cornelia W. LeMaitre	13,726,852	80,540
Lawrence J. Jasinski	13,800,950	6,456
John J. O'Connor	13,800,950	6,456

Additionally, George W. LeMaitre, David B. Roberts, Michael C. Jackson, George D. LeMaitre, M.D., Russell D. Hays and William N. Thorndike, Jr. continued as directors after the annual meeting.

2. A proposal to approve our Amended and Restated 2006 Stock Option and Incentive Plan, pursuant to which an additional 750,000 shares of our common stock was made available for issuance, was approved as follows:

FOR	AGAINST	ABSENTIONS AND BROKER NON-VOTES
11,341,374	743,948	3,564,105

3. A proposal to ratify the selection of Ernst & Young LLP to serve as our independent registered public accounting firm for the 2009 fiscal year was approved as follows:

FOR	AGAINST	ABSENTIONS AND BROKER NON-VOTES
13,679,294	101,569	1,884,923

Item 5. Other Information

None

Item 6. Exhibits

(a) Exhibits

Exhibit 10.40	Amended and Restated 2006 Stock Option and Incentive Plan
Exhibit 31.1	Certification of the Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
Exhibit 31.2	Certification of the Chief Financial Officer Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

Exhibit 32.1	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 *
Exhibit 32.2	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 *

* 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.

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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 14, 2009.

LEMAITRE VASCULAR

/s/ George W. LeMaitre

George W. LeMaitre
Chairman and Chief Executive Officer

/s/ Joseph P. Pellegrino, Jr.

Joseph P. Pellegrino, Jr.
Chief Financial Officer

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EXHIBIT INDEX

10.40	Amended and Restated 2006 Stock Option and Incentive Plan
31.1	Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
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Exhibit 10.40

LEMAITRE VASCULAR, INC.

AMENDED AND RESTATED

2006 STOCK OPTION AND INCENTIVE PLAN

SECTION 1. GENERAL PURPOSE OF THE PLAN; DEFINITIONS

The name of the plan is the LeMaitre Vascular, Inc. 2006 Stock Option and Incentive Plan (the "Plan"). The purpose of the Plan is to encourage and enable the officers, employees, directors and other key persons (including Consultants and prospective employees) of LeMaitre Vascular, Inc. (the "Company") and its Subsidiaries upon whose judgment, initiative and efforts the Company largely depends for the successful conduct of its business to acquire a proprietary interest in the Company. It is anticipated that providing such persons with a direct stake in the Company's welfare will assure a closer identification of their interests with those of the Company and its stockholders, thereby stimulating their efforts on the Company's behalf and strengthening their desire to remain with the Company.

The following terms shall be defined as set forth below:

"Act" means the Securities Act of 1933, as amended, and the rules and regulations thereunder.

"Administrator" is defined in Section 2(a).

"Award" or *"Awards,"* except where referring to a particular category of grant under the Plan, shall include Incentive Stock Options, Non-Qualified Stock Options, Stock Appreciation Rights, Restricted Stock Units, Restricted Stock Awards, Unrestricted Stock Awards and Cash-Based Awards.

"Award Certificate" means a written or electronic document setting forth the terms and provisions applicable to an Award granted under the Plan. Each Award Certificate is subject to the terms and conditions of the Plan.

"Board" means the Board of Directors of the Company.

"Cash-Based Award" means an Award entitling the recipient to receive a cash-denominated payment.

"Code" means the Internal Revenue Code of 1986, as amended, and any successor Code, and related rules, regulations and interpretations.

"Consultant" means any natural person that provides bona fide services to the Company, and such services are not in connection with the offer or sale of securities in a capital-raising transaction and do not directly or indirectly promote or maintain a market for the Company's securities.

"Committee" means a committee of the Board.

"Covered Employee" means an employee who is a "Covered Employee" within the meaning of Section 162(m) of the Code.

"Effective Date" means the date on which the Plan is approved by stockholders as set forth in Section 19.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder.

"Fair Market Value" of the Stock on any given date means the fair market value of the Stock determined in good faith by the Administrator; provided, however, that if the Stock is admitted to quotation on the National Association of Securities Dealers Automated Quotation System ("NASDAQ"), NASDAQ Global Market or another national securities exchange, the determination shall be made by reference to market quotations. If there are no market quotations for such date, the determination shall be made by reference to the last date preceding such date for which there are market quotations.

"Incentive Stock Option" means any Stock Option designated and qualified as an "incentive stock option" as defined in Section 422 of the Code.

"Non-Qualified Stock Option" means any Stock Option that is not an Incentive Stock Option.

"Option" or *"Stock Option"* means any option to purchase shares of Stock granted pursuant to Section 5.

"Performance Cycle" means one or more periods of time, which may be of varying and overlapping durations, as the Administrator may select, over which the attainment of one or more performance criteria will be measured for the purpose of determining a grantee's right to and the payment of a Restricted Stock Award, Restricted Stock Units or Cash-Based Award.

"Restricted Stock Award" means an Award entitling the recipient to acquire shares of Stock subject to such restrictions and conditions as the Administrator may determine at the time of grant.

"Restricted Stock Units" means an Award of phantom stock units to a grantee.

"Section 409A" means Section 409A of the Code and the regulations and other guidance promulgated thereunder.

"Stock" means the Common Stock, par value $0.01 per share, of the Company, subject to adjustments pursuant to Section 3.

"Stock Appreciation Right" means an Award entitling the recipient to receive shares of Stock having a value equal to the excess of the Fair Market Value of the Stock on the date of exercise over the exercise price of the Stock Appreciation Right (except as otherwise provided for in Section 6).

"Subsidiary" means any corporation or other entity (other than the Company) in which the Company has at least a 50 percent interest, either directly or indirectly.

"Ten Percent Owner" means an employee who owns or is deemed to own (by reason of the attribution rules of Section 424(d) of the Code) more than 10 percent of the combined voting power of all classes of stock of the Company or any parent or subsidiary corporation.

"Unrestricted Stock Award" means any Award pursuant to which a grantee may receive shares of Stock free of any restrictions.

SECTION 2. ADMINISTRATION OF PLAN; ADMINISTRATOR AUTHORITY TO SELECT GRANTEES AND DETERMINE AWARDS

(a) Committee. The Plan shall be administered by either the Board or one or more Committees of the Board (the "Administrator").

(b) Powers of Administrator. The Administrator shall have the power and authority to grant Awards consistent with the terms of the Plan, including the power and authority:

(i) to select the individuals to whom Awards may from time to time be granted;

(ii) to determine the time or times of grant, and the extent, if any, of Incentive Stock Options, Non-Qualified Stock Options, Stock Appreciation Rights, Restricted Stock Units, Restricted Stock Awards, Unrestricted Stock Awards and Cash-Based Awards, or any combination of the foregoing, granted to any one or more grantees;

(iii) to determine the number of shares of Stock to be covered by any Award;

(iv) to determine and modify from time to time the terms and conditions, including restrictions, not inconsistent with the terms of the Plan, of any Award, which terms and conditions may differ among individual Awards and grantees, and to approve the forms of Award Certificates;

(v) to accelerate at any time the exercisability or vesting of all or any portion of any Award;

(vi) subject to the provisions of Section 5(a)(ii), to extend at any time the period in which Stock Options may be exercised; and

(vii) at any time to adopt, alter and repeal such rules, guidelines and practices for administration of the Plan and for its own acts and proceedings as it shall deem advisable; to interpret the terms and provisions of the Plan and any Award (including related written instruments); to make all determinations it deems advisable for the administration of the Plan; to decide all disputes arising in connection with the Plan; and to otherwise supervise the administration of the Plan.

All decisions and interpretations of the Administrator shall be binding on all persons, including the Company and Plan grantees.

(c) Foreign Participants. Notwithstanding any provision of the Plan to the contrary, in order to comply with the laws in other countries in which the Company and its Subsidiaries operate or have employees or other individuals eligible for Awards, the Committee, in its sole discretion, shall have the power and authority to: (i) determine which Subsidiaries shall be covered by the Plan; (ii) determine which individuals outside the United States are eligible to participate in the Plan; (iii) modify the terms and conditions of any Award granted to individuals outside the United States to comply with applicable foreign laws; (iv) establish subplans and modify exercise procedures and other terms and procedures, to the extent the Committee determines such actions to be necessary or advisable (and such subplans and/or modifications shall be attached to this Plan as appendices); provided, however, that no such subplans and/or modifications shall increase the share limitations contained in Section 3(a) of the Plan; and (v) take any action, before or after an Award is made, that the Committee determines to be necessary or advisable to obtain approval or comply with any local governmental regulatory exemptions or approvals. Notwithstanding the foregoing, the Committee may not take any actions hereunder, and no Awards shall be granted, that would violate the Exchange Act or any other applicable United States securities law, the Code, or any other applicable United States governing statute or law.

(d) Delegation of Authority to Grant Awards. The Administrator, in its discretion, may delegate to an officer (including the chief executive officer) of the Company all or part of the Administrator's authority and duties with respect to the granting of Awards, to individuals who are not subject to the reporting and other provisions of Section 16 of the Exchange Act and not Covered Employees. Any such delegation by the Administrator shall include a limitation as to the amount of Awards that may be granted during the period of the delegation and shall contain guidelines as to the determination of the exercise price of any Stock Option or Stock Appreciation Right, the conversion ratio or price of other Awards and the vesting criteria. The Administrator may revoke or amend the terms of a delegation at any time but such action shall not invalidate any prior actions of the Administrator's delegate or delegates that were consistent with the terms of the Plan.

(e) Award Certificate. Awards under the Plan shall be evidenced by Award Certificates that set forth the terms, conditions and limitations for each Award which may include, without limitation, the term of an Award and the provisions applicable in the event employment or service terminates.

(f) Indemnification. Neither the Board nor the Committee, nor any member of either or any delegate thereof, shall be liable for any act, omission, interpretation, construction or determination made in good faith in connection with the Plan, and the members of the Board and the Committee (and any delegate thereof) shall be entitled in all cases to indemnification and reimbursement by the Company in respect of any claim, loss, damage or expense (including, without limitation, reasonable attorneys' fees) arising or resulting therefrom to the fullest extent permitted by law and/or under any directors' and officers' liability insurance coverage which may be in effect from time to time and/or any indemnification agreement between such individual and the Company.

SECTION 3. STOCK ISSUABLE UNDER THE PLAN; MERGERS; SUBSTITUTION

(a) Stock Issuable. The maximum number of shares of Stock reserved and available for issuance under the Plan shall be the sum of (i) 1,500,000 shares, and (ii) such number of shares as equals that number of stock options or awards returned to (A) the Company's 1997 Stock Option Plan, as amended and in effect from time to time, after the Effective Date, (B) the Company's 1998 Stock Option Plan, as amended and in effect from time to time, after the Effective Date, (C) the Company's 2000 Stock Option Plan, as amended and in effect from time to time, after the Effective Date, and (D) the Company's 2004 Stock Option Plan, as amended and in effect from time to time, after the Effective Date, in each case as a result of the expiration, cancellation or termination of such stock options or awards, subject to adjustment as provided in Section 3(b). For purposes of this limitation, the shares of Stock underlying any Awards that are forfeited, canceled, held back upon exercise of an Option or settlement of an Award to cover the exercise price or tax withholding, reacquired by the Company prior to vesting, satisfied without the issuance of Stock or otherwise terminated (other than by exercise) shall be added back to the shares of Stock available for issuance under the Plan. Subject to such overall limitations, shares of Stock may be issued up to such maximum number pursuant to any type or types of Award; provided, however, that Stock Options or Stock Appreciation Rights with respect to no more than 1,500,000 shares of Stock may be granted to any one individual grantee during any one calendar year period. In no event may shares of Stock granted in the form of Incentive Stock Options exceed 1,500,000 shares. The shares available for issuance under the Plan may be authorized but unissued shares of Stock or shares of Stock reacquired by the Company.

(b) Changes in Stock. Subject to Section 3(c) hereof, if, as a result of any reorganization, recapitalization, reclassification, stock dividend, stock split, reverse stock split or other similar change in the Company's capital stock, the outstanding shares of Stock are increased or decreased or are exchanged for a different number or kind of shares or other securities of the Company, or additional shares or new or different shares or other securities of the Company or other non-cash assets are distributed with respect to such shares of Stock or other securities, or, if, as a result of any merger or consolidation, sale of all or substantially all of the assets of the Company, the outstanding shares of Stock are converted into or exchanged for securities of the Company or any successor entity (or a parent or subsidiary thereof), the Administrator shall make an appropriate or proportionate adjustment in (i) the maximum number of shares reserved for issuance under the Plan, including the maximum number of shares that may be issued in the form of Incentive Stock Options, (ii) the number of Stock Options or Stock Appreciation Rights that can be granted to any one individual grantee and the maximum number of shares that may be granted under a Performance-based Award, (iii) the number and kind of shares or other securities subject to any then outstanding Awards under the Plan, (iv) the repurchase price, if any, per share subject to each outstanding Restricted Stock Award, and

(v) the exercise price for each share subject to any then outstanding Stock Options and Stock Appreciation Rights under the Plan, without changing the aggregate exercise price (i.e., the exercise price multiplied by the number of Stock Options and Stock Appreciation Rights) as to which such Stock Options and Stock Appreciation Rights remain exercisable. The Administrator shall also make equitable or proportionate adjustments in the number of shares subject to outstanding Awards and the exercise price and the terms of outstanding Awards to take into consideration cash dividends paid other than in the ordinary course or any other extraordinary corporate event. The adjustment by the Administrator shall be final, binding and conclusive. No fractional shares of Stock shall be issued under the Plan resulting from any such adjustment, but the Administrator in its discretion may make a cash payment in lieu of fractional shares.

(c) Consolidations, Mergers or Sales of Assets or Stock . If the Company is to be consolidated with or acquired by another person or entity in a merger, sale of all or substantially all of the Company's assets or stock or otherwise (an "Acquisition"), the Committee or the board of directors of any entity assuming the obligations of the Company hereunder (the "Successor Board") shall, with respect to outstanding Awards or shares acquired upon exercise of any Award, take one or more of the following actions: (i) make appropriate provision for the continuation of such Award by substituting on an equitable basis for the shares then subject to such Award the consideration payable with respect to the outstanding shares of Common Stock in connection with the Acquisition; (ii) accelerate the date of exercise of such Award or of any installment of any such Award; (iii) upon written notice to the optionees, provide that all Award must be exercised, to the extent then exercisable, within a specified number of days of the date of such notice, at the end of which period the Award shall terminate; (iv) terminate all Award in exchange for a cash payment equal to the excess of the fair market value of the shares subject to such Award (to the extent then exercisable) over the exercise price thereof; or (v) in the event of a stock sale, require that the optionee sell to the purchaser to whom such stock sale is to be made, all shares previously issued to such optionee upon exercise of any Award, at a price equal to the portion of the net consideration from such sale which is attributable to such shares.

(d) Substitute Awards. The Administrator may grant Awards under the Plan in substitution for stock and stock based awards held by employees, directors or other key persons of another corporation in connection with the merger or consolidation of the employing corporation or affiliate thereof with the Company or a Subsidiary or the acquisition by the Company or a Subsidiary of property or stock of the employing corporation or affiliate thereof. The Administrator may direct that the substitute awards be granted on such terms and conditions as the Administrator considers appropriate in the circumstances. Any substitute Awards granted under the Plan shall not count against the share limitation set forth in Section 3(a).

SECTION 4. ELIGIBILITY

Grantees under the Plan will be such full or part-time officers and other employees, directors and key persons (including Consultants and prospective employees) of the Company and its Subsidiaries as are selected from time to time by the Administrator in its sole discretion.

SECTION 5. STOCK OPTIONS

Any Stock Option granted under the Plan shall be in such form as the Administrator may from time to time approve.

Stock Options granted under the Plan may be either Incentive Stock Options or Non-Qualified Stock Options. Incentive Stock Options may be granted only to employees of the Company or any Subsidiary that is a "subsidiary corporation" within the meaning of Section 424(f) of the Code. To the extent that any Option does not qualify as an Incentive Stock Option, it shall be deemed a Non-Qualified Stock Option.

(a) Grants of Stock Options. Stock Options granted pursuant to this Section 5(a) shall be subject to the following terms and conditions and shall contain such additional terms and conditions, not inconsistent with the terms of the Plan, as the Administrator shall deem desirable. If the Administrator so determines, Stock Options may be granted in lieu of cash compensation at the optionee's election, subject to such terms and conditions as the Administrator may establish.

(i) Exercise Price. The exercise price per share for the Stock covered by a Stock Option granted pursuant to this Section 5(a) shall be determined by the Administrator at the time of grant but shall not be less than one hundred percent (100%) of the Fair Market Value on the date of grant. In the case of an Incentive Stock Option that is granted to a Ten Percent Owner, the option price of such Incentive Stock Option shall be not less than one hundred ten (110%) percent of the Fair Market Value on the grant date.

(ii) Option Term. The term of each Stock Option shall be fixed by the Administrator, but no Stock Option shall be exercisable more than ten years after the date the Stock Option is granted. In the case of an Incentive Stock Option that is granted to a Ten Percent Owner, the term of such Stock Option shall be no more than five years from the date of grant.

(iii) Exercisability; Rights of a Stockholder. Stock Options shall become exercisable at such time or times, whether or not in installments, as shall be determined by the Administrator at or after the grant date. The Administrator may at any time accelerate the exercisability of all or any portion of any Stock Option. An optionee shall have the rights of a stockholder only as to shares acquired upon the exercise of a Stock Option and not as to unexercised Stock Options.

(iv) Method of Exercise. Stock Options may be exercised in whole or in part, by giving written notice of exercise to the Company, specifying the number of shares to be purchased. Payment of the purchase price may be made by one or more of the following methods to the extent provided in the Option Award Certificate:

(A) In cash, by certified or bank check or other instrument acceptable to the Administrator;

(B) Through the delivery (or attestation to the ownership) of shares of Stock that have been purchased by the optionee on the open market or that are beneficially owned by the optionee and are not then subject to restrictions under any

Company plan. Such surrendered shares shall be valued at Fair Market Value on the exercise date. To the extent required to avoid variable accounting treatment under FAS 123R or other applicable accounting rules, such surrendered shares shall have been owned by the optionee for at least six months; or

(C) By the optionee delivering to the Company a properly executed exercise notice together with irrevocable instructions to a broker to promptly deliver to the Company cash or a check payable and acceptable to the Company for the purchase price; provided that in the event the optionee chooses to pay the purchase price as so provided, the optionee and the broker shall comply with such procedures and enter into such agreements of indemnity and other agreements as the Administrator shall prescribe as a condition of such payment procedure.

(D) With respect to Stock Options that are not Incentive Stock Options, by a "net exercise" arrangement pursuant to which the Company will reduce the number of shares of Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price.

Payment instruments will be received subject to collection. The transfer to the optionee on the records of the Company or of the transfer agent of the shares of Stock to be purchased pursuant to the exercise of a Stock Option will be contingent upon receipt from the optionee (or a purchaser acting in his stead in accordance with the provisions of the Stock Option) by the Company of the full purchase price for such shares and the fulfillment of any other requirements contained in the Option Award Certificate or applicable provisions of laws (including the satisfaction of any withholding taxes that the Company is obligated to withhold with respect to the optionee). In the event an optionee chooses to pay the purchase price by previously-owned shares of Stock through the attestation method, the number of shares of Stock transferred to the optionee upon the exercise of the Stock Option shall be net of the number of shares attested to.

(v) Annual Limit on Incentive Stock Options. To the extent required for "incentive stock option" treatment under Section 422 of the Code, the aggregate Fair Market Value (determined as of the time of grant) of the shares of Stock with respect to which Incentive Stock Options granted under this Plan and any other plan of the Company or its parent and subsidiary corporations become exercisable for the first time by an optionee during any calendar year shall not exceed $100,000. To the extent that any Stock Option exceeds this limit, it shall constitute a Non-Qualified Stock Option.

SECTION 6. STOCK APPRECIATION RIGHTS

(a) Grant and Exercise of Stock Appreciation Rights. Stock Appreciation Rights may be granted by the Administrator independently of any Stock Option granted pursuant to Section 5 of the Plan.

(b) Terms and Conditions of Stock Appreciation Rights. Stock Appreciation Rights shall be subject to such terms and conditions as shall be determined from time to time by the Administrator. The term of a Stock Appreciation Right may not exceed 10 years.

SECTION 7. RESTRICTED STOCK AWARDS

(a) Purchase Price; Terms. Shares of Restricted Stock shall be issued under the Plan at such purchase price (which may be zero) as determined by the Administrator. The grant of a Restricted Stock Award is contingent on the grantee executing the Restricted Stock agreement. The terms and conditions of each such Award Certificate shall be determined by the Administrator, and such terms and conditions may differ among individual Awards and grantees. Conditions may be based on continuing employment (or other service relationship) and/or achievement of pre-established performance goals and objectives.

(b) Rights as a Stockholder. Upon execution of a written instrument setting forth the Restricted Stock Award and payment of any applicable purchase price, a grantee shall have the rights of a stockholder with respect to the voting of the Restricted Stock, subject to such conditions contained in the Restricted Stock Award Certificate. Unless the Administrator shall otherwise determine, (i) uncertificated Restricted Stock shall be accompanied by a notation on the records of the Company or the transfer agent to the effect that they are subject to forfeiture until such Restricted Stock are vested as provided in Section 7(d) below, and (ii) certificated Restricted Stock shall remain in the possession of the Company until such Restricted Stock is vested as provided in Section 7(d) below, and the grantee shall be required, as a condition of the grant, to deliver to the Company such instruments of transfer as the Administrator may prescribe.

(c) Restrictions. Restricted Stock may not be sold, assigned, transferred, pledged or otherwise encumbered or disposed of except as specifically provided herein or in the Restricted Stock Award Certificate. Except as may otherwise be provided by the Administrator either in the Award Certificate or, subject to Section 16 below, in writing after the Award is issued, if any, if a grantee's employment (or other service relationship) with the Company and its Subsidiaries terminates for any reason, any Restricted Stock that has not vested at the time of termination shall automatically and without any requirement of notice to such grantee from or other action by or on behalf of, the Company be deemed to have been reacquired by the Company at its original purchase price from such grantee or such grantee's legal representative simultaneously with such termination of employment (or other service relationship), and thereafter shall cease to represent any ownership of the Company by the grantee or rights of the grantee as a stockholder. Following such deemed reacquisition of unvested Restricted Stock that are represented by physical certificates, a grantee shall surrender such certificates to the Company upon request without consideration.

(d) Vesting of Restricted Stock. The Administrator at the time of grant shall specify the date or dates and/or the attainment of pre-established performance goals, objectives and other conditions on which the non-transferability of the Restricted Stock and the Company's right of repurchase or forfeiture shall lapse. Subsequent to such date or dates and/or the attainment of such pre-established performance goals, objectives and other conditions, the shares on which all restrictions have lapsed shall no longer be Restricted Stock and shall be deemed "vested." Except as may otherwise be provided by the Administrator either in the Award Certificate or, subject to Section 16 below, in writing after the Award is issued, a grantee's rights in any shares of Restricted Stock that have not vested shall automatically terminate upon the grantee's termination of employment (or other service relationship) with the Company and its Subsidiaries and such shares shall be subject to the provisions of Section 7(c) above.

SECTION 8. RESTRICTED STOCK UNITS

(a) Nature of Restricted Stock Units. The Administrator shall determine the restrictions and conditions applicable to each Restricted Stock Unit at the time of grant. Conditions may be based on continuing employment (or other service relationship) and/or achievement of pre-established performance goals and objectives. The terms and conditions of each such Award Certificate shall be determined by the Administrator, and such terms and conditions may differ among individual Awards and grantees. At the end of the deferral period, the Restricted Stock Units, to the extent vested, shall be settled in the form of shares of Stock. To the extent that an award of Restricted Stock Units is subject to Section 409A, it may contain such additional terms and conditions as the Administrator shall determine in its sole discretion in order for such Award to comply with the requirements of Section 409A.

(b) Election to Receive Restricted Stock Units in Lieu of Compensation. The Administrator may, in its sole discretion, permit a grantee to elect to receive a portion of future cash compensation otherwise due to such grantee in the form of an award of Restricted Stock Units. Any such election shall be made in writing and shall be delivered to the Company no later than the date specified by the Administrator and in accordance with Section 409A and such other rules and procedures established by the Administrator. Any such future cash compensation that the grantee elects to defer shall be converted to a fixed number of Restricted Stock Units based on the Fair Market Value of Stock on the date the compensation would otherwise have been paid to the grantee if such payment had not been deferred as provided herein. The Administrator shall have the sole right to determine whether and under what circumstances to permit such elections and to impose such limitations and other terms and conditions thereon as the Administrator deems appropriate. Any Restricted Stock Units that are elected to be received in lieu of cash compensation shall be fully vested, unless otherwise provided in the Award Certificate.

(c) Rights as a Stockholder. A grantee shall have the rights as a stockholder only as to shares of Stock acquired by the grantee upon settlement of Restricted Stock Units.

(d) Termination. Except as may otherwise be provided by the Administrator either in the Award Certificate or, subject to Section 16 below, in writing after the Award is issued, a grantee's right in all Restricted Stock Units that have not vested shall automatically terminate upon the grantee's termination of employment (or cessation of service relationship) with the Company and its Subsidiaries for any reason.

SECTION 9. UNRESTRICTED STOCK AWARDS

Grant or Sale of Unrestricted Stock. The Administrator may, in its sole discretion, grant (or sell at par value or such higher purchase price determined by the Administrator) an Unrestricted Stock Award to any grantee pursuant to which such grantee may receive shares of Stock free of any restrictions ("Unrestricted Stock") under the Plan. Unrestricted Stock Awards may be granted in respect of past services or other valid consideration, or in lieu of cash compensation due to such grantee.

SECTION 10. CASH-BASED AWARDS

The Administrator may, in its sole discretion, grant Cash-Based Awards to any grantee in such number or amount and upon such terms, and subject to such conditions, as the Administrator shall determine at the time of grant. The Administrator shall determine the maximum duration of the Cash-Based Award, the amount of cash to which the Cash-Based Award pertains, the conditions upon which the Cash-Based Award shall become vested or payable, and such other provisions as the Administrator shall determine. Each Cash-Based Award shall specify a cash-denominated payment amount, formula or payment ranges as determined by the Administrator. Payment, if any, with respect to a Cash-Based Award shall be made in accordance with the terms of the Award and may be made in cash or in shares of Stock, as the Administrator determines.

SECTION 11. PERFORMANCE-BASED AWARDS TO COVERED EMPLOYEES

Notwithstanding anything to the contrary contained herein, if any Restricted Stock Award, Restricted Stock Units or Cash-Based Award granted to a Covered Employee is intended to qualify as "Performance-based Compensation" under Section 162(m) of the Code and the regulations promulgated thereunder (a "Performance-based Award"), such Award shall comply with the provisions set forth below:

(a) Performance Criteria. The performance criteria used in performance goals governing Performance-based Awards granted to Covered Employees may include any or all of the following: (i) the Company's return on equity, assets, capital or investment: (ii) pre-tax or after-tax profit levels of the Company or any Subsidiary, a division, an operating unit or a business segment of the Company, or any combination of the foregoing; (iii) net sales, gross margin, operating income, cash flow, funds from operations or similar measures; (iv) total stockholder return; (v) changes in the market price of the Stock; (vi) sales or market share; (vii) earnings per share, (viii) status of clinical studies and other regulatory approvals and milestones, (ix) manufacturing developments and/or progress, (x) achievement of sales milestones, and (xi) other operational objectives of the Company.

(b) Grant of Performance-based Awards. With respect to each Performance-based Award granted to a Covered Employee, the Committee shall select, within the first 90 days of a Performance Cycle (or, if shorter, within the maximum period allowed under Section 162(m) of the Code) the performance criteria for such grant, and the achievement targets with respect to each performance criterion (including a threshold level of performance below which no amount will become payable with respect to such Award). Each Performance-based Award will specify the amount payable, or the formula for determining the amount payable, upon achievement of the various applicable performance targets. The performance criteria established by the Committee may be (but need not be) different for each Performance Cycle and different goals may be applicable to Performance-based Awards to different Covered Employees.

(c) Payment of Performance-based Awards. Following the completion of a Performance Cycle, the Committee shall meet to review and certify in writing whether, and to what extent, the performance criteria for the Performance Cycle have been achieved and, if so, to also calculate and certify in writing the amount of the Performance-based Awards earned for the

Performance Cycle. The Committee shall then determine the actual size of each Covered Employee's Performance-based Award, and, in doing so, may reduce or eliminate the amount of the Performance-based Award for a Covered Employee if, in its sole judgment, such reduction or elimination is appropriate.

(d) Maximum Award Payable. The maximum Performance-based Award payable to any one Covered Employee under the Plan for a Performance Cycle is 1,500,000 Shares (subject to adjustment as provided in Section 3(b) hereof) or $2,000,000 in the case of a Performance-based award that is a Cash-Based Award.

SECTION 12. TRANSFERABILITY OF AWARDS

(a) Transferability. Except as provided in Section 12(b) below, during a grantee's lifetime, his or her Awards shall be exercisable only by the grantee, or by the grantee's legal representative or guardian in the event of the grantee's incapacity. No Awards shall be sold, assigned, transferred or otherwise encumbered or disposed of by a grantee other than by will or by the laws of descent and distribution or a domestic relations order. No Awards shall be subject, in whole or in part, to attachment, execution, or levy of any kind, and any purported transfer in violation hereof shall be null and void.

(b) Committee Action. Notwithstanding Section 12(a), the Administrator, in its discretion, may provide either in the Award Certificate regarding a given Award or by subsequent written approval that the grantee (who is an employee or director) may transfer his or her Awards (other than any Incentive Stock Options) to his or her immediate family members, to trusts for the benefit of such family members, or to partnerships in which such family members are the only partners, provided that the transferee agrees in writing with the Company to be bound by all of the terms and conditions of this Plan and the applicable Award.

(c) Family Member. For purposes of Section 12(b), "family member" shall mean a grantee's child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, including adoptive relationships, any person sharing the grantee's household (other than a tenant of the grantee), a trust in which these persons (or the grantee) have more than 50 percent of the beneficial interest, a foundation in which these persons (or the grantee) control the management of assets, and any other entity in which these persons (or the grantee) own more than 50 percent of the voting interests.

(d) Designation of Beneficiary. Each grantee to whom an Award has been made under the Plan may designate a beneficiary or beneficiaries to exercise any Award or receive any payment under any Award payable on or after the grantee's death. Any such designation shall be on a form provided for that purpose by the Administrator and shall not be effective until received by the Administrator. If no beneficiary has been designated by a deceased grantee, or if the designated beneficiaries have predeceased the grantee, the beneficiary shall be the grantee's estate.

SECTION 13. TAX WITHHOLDING

(a) Payment by Grantee. Each grantee shall, no later than the date as of which the value of an Award or of any Stock or other amounts received thereunder first becomes includable in the gross income of the grantee for Federal income tax purposes, pay to the Company, or make arrangements satisfactory to the Administrator regarding payment of, any Federal, state, or local taxes of any kind required by law to be withheld by the Company with respect to such income. The Company and its Subsidiaries shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the grantee. The Company's obligation to deliver evidence of book entry (or stock certificates) to any grantee is subject to and conditioned on tax withholding obligations being satisfied by the grantee.

(b) Payment in Stock. Subject to approval by the Administrator, a grantee may elect to have the Company's minimum required tax withholding obligation satisfied, in whole or in part, by (i) authorizing the Company to withhold from shares of Stock to be issued pursuant to any Award a number of shares with an aggregate Fair Market Value (as of the date the withholding is effected) that would satisfy the withholding amount due, or (ii) transferring to the Company shares of Stock owned by the grantee with an aggregate Fair Market Value (as of the date the withholding is effected) that would satisfy the withholding amount due.

SECTION 14. SECTION 409A AWARDS.

To the extent that any Award is determined to constitute "nonqualified deferred compensation" within the meaning of Section 409A (a "409A Award"), the Award shall be subject to such additional rules and requirements as specified by the Administrator from time to time in order to comply with Section 409A. In this regard, if any amount under a 409A Award is payable upon a "separation from service" (within the meaning of Section 409A) to a grantee who is then considered a "specified employee" (within the meaning of Section 409A), then no such payment shall be made prior to the date that is the earlier of (i) six months and one day after the grantee's separation from service, or (ii) the grantee's death, but only to the extent such delay is necessary to prevent such payment from being subject to interest, penalties and/or additional tax imposed pursuant to Section 409A. Further, the settlement of any such Award may not be accelerated except to the extent permitted by Section 409A.

SECTION 15. TRANSFER, LEAVE OF ABSENCE, ETC.

For purposes of the Plan, the following events shall not be deemed a termination of employment:

(a) a transfer to the employment of the Company from a Subsidiary or from the Company to a Subsidiary, or from one Subsidiary to another; or

(b) an approved leave of absence for military service or sickness, or for any other purpose approved by the Company, if the employee's right to re-employment is guaranteed either by a statute or by contract or under the policy pursuant to which the leave of absence was granted or if the Administrator otherwise so provides in writing.

SECTION 16. AMENDMENTS AND TERMINATION

The Board may, at any time, amend or discontinue the Plan and the Administrator may, at any time, amend or cancel any outstanding Award for the purpose of satisfying changes in law or for any other lawful purpose, but no such action shall adversely affect rights under any outstanding Award without the holder's consent. Except as provided in Section 3(b) or 3(c), in no event may the Administrator exercise its discretion to reduce the exercise price of outstanding Stock Options or Stock Appreciation Rights or effect repricing through cancellation and re-grants without shareholder approval. Any material Plan amendments (other than amendments that curtail the scope of the Plan), including any Plan amendments that (i) increase the number of shares reserved for issuance under the Plan, (ii) expand the type of Awards available under, materially expand the eligibility to participate in, or materially extend the term of, the Plan, or (iii) materially change the method of determining Fair Market Value, shall be subject to approval by the Company stockholders entitled to vote at a meeting of stockholders. In addition, to the extent determined by the Administrator to be required by the Code to ensure that Incentive Stock Options granted under the Plan are qualified under Section 422 of the Code or to ensure that compensation earned under Awards qualifies as performance-based compensation under Section 162(m) of the Code, Plan amendments shall be subject to approval by the Company stockholders entitled to vote at a meeting of stockholders. Nothing in this Section 16 shall limit the Administrator's authority to take any action permitted pursuant to Section 3(c).

SECTION 17. STATUS OF PLAN

With respect to the portion of any Award that has not been exercised and any payments in cash, Stock or other consideration not received by a grantee, a grantee shall have no rights greater than those of a general creditor of the Company unless the Administrator shall otherwise expressly determine in connection with any Award or Awards. In its sole discretion, the Administrator may authorize the creation of trusts or other arrangements to meet the Company's obligations to deliver Stock or make payments with respect to Awards hereunder, provided that the existence of such trusts or other arrangements is consistent with the foregoing sentence.

SECTION 18. GENERAL PROVISIONS

(a) No Distribution; Compliance with Legal Requirements. The Administrator may require each person acquiring Stock pursuant to an Award to represent to and agree with the Company in writing that such person is acquiring the shares without a view to distribution thereof.

No shares of Stock shall be issued pursuant to an Award until all applicable securities law and other legal and stock exchange or similar requirements have been satisfied. The Administrator may require the placing of such stop-orders and restrictive legends on certificates for Stock and Awards as it deems appropriate.

(b) Delivery of Stock Certificates. Stock certificates to grantees under this Plan shall be deemed delivered for all purposes when the Company or a stock transfer agent of the Company shall have mailed such certificates in the United States mail, addressed to the grantee, at the grantee's last known address on file with the Company. Uncertificated Stock shall be

deemed delivered for all purposes when the Company or a Stock transfer agent of the Company shall have given to the grantee by electronic mail (with proof of receipt) or by United States mail, addressed to the grantee, at the grantee's last known address on file with the Company, notice of issuance and recorded the issuance in its records (which may include electronic "book entry" records).

(c) Other Compensation Arrangements; No Employment Rights . Nothing contained in this Plan shall prevent the Board from adopting other or additional compensation arrangements, including trusts, and such arrangements may be either generally applicable or applicable only in specific cases. The adoption of this Plan and the grant of Awards do not confer upon any employee any right to continued employment with the Company or any Subsidiary.

(d) Trading Policy Restrictions. Option exercises and other Awards under the Plan shall be subject to such Company's insider trading policy and procedures, as in effect from time to time.

(e) Forfeiture of Awards under Sarbanes-Oxley Act . If the Company is required to prepare an accounting restatement due to the material noncompliance of the Company, as a result of misconduct, with any financial reporting requirement under the securities laws, then any grantee who is one of the individuals subject to automatic forfeiture under Section 304 of the Sarbanes-Oxley Act of 2002 shall reimburse the Company for the amount of any Award received by such individual under the Plan during the 12-month period following the first public issuance or filing with the United States Securities and Exchange Commission, as the case may be, of the financial document embodying such financial reporting requirement.

SECTION 19. EFFECTIVE DATE OF PLAN

This Plan shall become effective upon approval by the holders of a majority of the votes cast at a meeting of stockholders at which a quorum is present. No grants of Stock Options and other Awards may be made hereunder after the tenth (10th) anniversary of the Effective Date and no grants of Incentive Stock Options may be made hereunder after the tenth (10th) anniversary of the date the Plan is approved by the Board.

SECTION 20. GOVERNING LAW

This Plan and all Awards and actions taken thereunder shall be governed by, and construed in accordance with, the laws of the State of Delaware, applied without regard to conflict of law principles.

DATE APPROVED BY BOARD OF DIRECTORS: April 22, 2009

DATE APPROVED BY STOCKHOLDERS: June 18, 2009

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(s) 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 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(s) 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

Date: August 14, 2009

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(s) 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 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(s) 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

Date: August 14, 2009

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 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 to deemed 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
August 14, 2009

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 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 to deemed 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
August 14, 2009