

ABIOMED INC
Form DEF 14A
July 09, 2008

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

SCHEDULE 14A INFORMATION

**Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)**

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only** (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

ABIOMED, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing party:

(4) Date filed:

ABIOMED, Inc.

22 Cherry Hill Drive

Danvers, Massachusetts 01923

Notice of Annual Meeting of Stockholders

To Be Held on August 13, 2008

The Annual Meeting of Stockholders of ABIOMED, Inc. will be held on August 13, 2008 at 8:00 a.m. at the offices of Foley Hoag LLP, Seaport World Trade Center West, 155 Seaport Boulevard, Boston, Massachusetts, for the following purposes:

1. To consider and vote upon the election of three Class I directors;
2. To consider and vote upon the approval of our 2008 Stock Incentive Plan;
3. To consider and vote upon ratification of the appointment of our independent registered public accounting firm; and

4. To consider and act upon any other matter which may properly come before the Annual Meeting or any adjourned session thereof. Our Board of Directors has fixed the close of business on June 25, 2008 as the record date for determining the stockholders entitled to notice of, and to vote at, the Annual Meeting. Accordingly, only stockholders of record at the close of business on June 25, 2008 will be entitled to vote at the Annual Meeting or any adjournments thereof.

By order of the Board of Directors

Peter M. Rosenblum, Secretary

Boston, Massachusetts

July 9, 2008

YOUR VOTE IS IMPORTANT

TO ASSURE YOUR REPRESENTATION AT THE MEETING, YOU ARE URGED TO VOTE, SIGN, DATE AND RETURN THE ENCLOSED PROXY AS PROMPTLY AS POSSIBLE IN THE POSTAGE-PAID ENVELOPE ENCLOSED FOR THAT PURPOSE. EVEN IF YOU HAVE GIVEN YOUR PROXY, THE PROXY MAY BE REVOKED AT ANY TIME PRIOR TO EXERCISE BY FILING WITH OUR SECRETARY A WRITTEN REVOCATION, BY EXECUTING A PROXY WITH A LATER DATE, OR BY ATTENDING AND VOTING AT THE MEETING.

ABIOMED, Inc.

PROXY STATEMENT

FOR THE ANNUAL MEETING OF STOCKHOLDERS

To be held on August 13, 2008

This proxy statement is furnished in connection with the solicitation of proxies by and on behalf of our Board of Directors for use at our Annual Meeting of Stockholders to be held at the offices of Foley Hoag LLP, Seaport World Trade Center West, 155 Seaport Boulevard, Boston, Massachusetts on August 13, 2008 and at any adjournment or adjournments thereof. We are a Delaware corporation and our principal executive offices are located at 22 Cherry Hill Drive, Danvers, Massachusetts 01923.

We will bear any cost of solicitation. Some of our officers and employees may solicit proxies by correspondence, telephone or in person, without extra compensation. We may also pay to banks, brokers, nominees and other fiduciaries their reasonable charges and expenses incurred in forwarding proxy material to their principals. It is expected that this proxy statement and the accompanying proxy will be mailed to our stockholders on or about July 16, 2008.

We have fixed the close of business on June 25, 2008 as the record date for the Annual Meeting. Only stockholders of record at the close of business on June 25, 2008 will be entitled to receive notice of, and to vote at, the Annual Meeting. As of June 25, 2008, there were outstanding and entitled to vote 33,339,123 shares of our common stock, \$.01 par value per share. Our by-laws require that a majority in interest of all stock issued, outstanding and entitled to vote at a meeting shall constitute a quorum. Abstentions and broker non-votes will be counted as present or represented for purposes of determining the existence of a quorum. A non-vote occurs when a broker or nominee holding shares for a beneficial owner does not vote on a proposal because the broker or nominee does not have discretionary voting power and has not received instructions from the beneficial owner.

Proposal no. 1 (election of directors) requires the affirmative vote of a plurality of the votes cast by holders of our common stock entitled to vote thereon, provided that a quorum is present. Abstentions and broker non-votes will not be included in calculating the number of votes cast on Proposal no. 1. Proposal no. 2 (approval of our 2008 Stock Incentive Plan) and Proposal no. 3 (ratification of the appointment of our independent registered public accounting firm) require the affirmative vote of a majority of the votes cast by holders of our common stock entitled to vote thereon, provided that a quorum is present. Abstentions and broker non-votes will not be included in calculating the number of votes cast on Proposal no. 2 and Proposal no. 3. Votes will be tabulated by American Stock Transfer & Trust Company, our transfer agent.

THE ENCLOSED PROXY, IF EXECUTED AND RETURNED, WILL BE VOTED AS DIRECTED ON THE PROXY OR, IN THE ABSENCE OF SUCH DIRECTION, FOR THE NOMINEES FOR DIRECTOR (PROPOSAL NO. 1), FOR THE APPROVAL OF OUR 2008 STOCK INCENTIVE PLAN (PROPOSAL NO. 2), AND FOR THE RATIFICATION OF THE APPOINTMENT OF OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM (PROPOSAL NO. 3). IF ANY OTHER MATTERS PROPERLY COME BEFORE THE MEETING, THE SHARES REPRESENTED BY THE PROXY WILL BE VOTED BY THE HOLDERS OF THE PROXIES IN ACCORDANCE WITH THEIR BEST JUDGMENT. THE PROXY MAY BE REVOKED AT ANY TIME PRIOR TO EXERCISE BY FILING WITH OUR SECRETARY A WRITTEN REVOCATION, BY EXECUTING A PROXY WITH A LATER DATE, OR BY ATTENDING AND VOTING AT THE MEETING.

Our annual report to stockholders for the fiscal year ended March 31, 2008, including financial statements audited by Deloitte & Touche LLP, our independent registered public accounting firm, is being mailed to each of our stockholders simultaneously with this proxy statement.

PROPOSAL NO. 1

ELECTION OF DIRECTORS

Our Board of Directors currently consists of nine directors and is divided into three classes. We refer to these classes as Class I, Class II and Class III. The term of one class of directors expires each year at the annual meeting of stockholders. Each director also continues to serve as a director until his or her successor is duly elected and qualified. This year, the term of the Class I directors is expiring.

Our Board of Directors has nominated Ronald W. Dollens, Desmond H. O'Connell, Jr. and Dorothy E. Puhly, each to serve as a Class I director for a three-year term, until the 2011 Annual Meeting of Stockholders, and until their respective successors have been duly elected and qualified.

Each of these nominees is currently serving on our Board of Directors. Mr. Dollens was elected by our Board of Directors as a Class I director in January 2006. Mr. O'Connell and Ms. Puhly were elected by our stockholders as Class I directors at our Annual Meeting of Stockholders in August 2005. The term of each of Messrs. Dollens and O'Connell and Ms. Puhly will expire at the upcoming annual meeting.

If any nominee at the time of the election is unable or unwilling to serve or is otherwise unavailable for election, and our Board of Directors designates another nominee, the persons named as proxies will vote the proxy for such substitute, if any. Our Board of Directors has no reason to believe that any of the proposed nominees will be unable or unwilling to serve. The proposed nominees are not being nominated pursuant to any arrangement or understanding with any person.

Our Board of Directors recommends that you vote *FOR* the election of Ronald W. Dollens, Desmond H. O'Connell, Jr. and Dorothy E. Puhly.

PROPOSAL NO. 2

APPROVAL OF OUR

2008 STOCK INCENTIVE PLAN

On July 8, 2008, our Board of Directors adopted, subject to stockholder approval, our 2008 Stock Incentive Plan. Approval of our 2008 Stock Incentive Plan requires the vote of a majority of the shares of our common stock present or represented at the meeting and voting on the 2008 Stock Incentive Plan.

Reasons underlying Proposal No. 2

Our Board of Directors adopted the 2008 Stock Incentive Plan in order to ensure that we will have adequate shares available to attract, retain, and motivate our management and other employees with equity incentives. As of June 25, 2008, only 308,688 shares of our common stock remain available for issuance under our current equity incentive plans, consisting of 22,188 shares of common stock available under our 1989 Non-Qualified Stock Option Plan for Non-Employee Directors, 177,325 shares of common stock available under our 1998 Equity Incentive Plan and 109,175 shares of common stock available under our 2000 Stock Incentive Plan. Under these plans, there are 314,001 unvested shares of restricted stock outstanding as of June 25, 2008. In addition, under these plans, there are outstanding stock options to purchase 4,547,915 shares of our common stock at a weighted average exercise price of \$11.97 and with a weighted average term of 7.14 years.

Stockholder approval of our 2008 Stock Incentive Plan has certain tax benefits. Our 2008 Stock Incentive Plan allows us to award incentive stock options, which receive favorable tax treatment under the Internal Revenue Code. The stock option grants under our 2008 Stock Incentive Plan cannot qualify as incentive stock options unless the increase is approved by our stockholders.

Additionally, our 2008 Stock Incentive Plan is also specifically designed to preserve our ability to deduct the compensation we pay certain executive officers for income tax purposes. Section 162(m) of the Internal Revenue Code generally prevents us from deducting more than \$1.0 million in compensation each year for our chief executive officer and each of our three most highly compensated executive officers other than the chief executive officer or chief financial officer. Compensation treated as qualified performance-based compensation under Section 162(m) is not subject to this limitation. Any awards granted under our 2008 Stock Incentive Plan may be treated as qualified performance-based compensation only if the plan is approved by a majority vote of our stockholders.

Finally, as an issuer listed on the Nasdaq Global Market, we are required by the rules of the Nasdaq Stock Market to obtain stockholder approval of any stock option or purchase plan or other equity compensation arrangement under which our officers, directors, employees or consultants may acquire shares of our common stock, prior to our issuance of securities under such a plan.

Summary of our 2008 Stock Incentive Plan

The following is a summary of certain of the key provisions of our 2008 Stock Incentive Plan. The full text of our 2008 Stock Incentive Plan is set forth at Appendix A.

Purpose of the plan

The purpose of our 2008 Stock Incentive Plan is to encourage and enable our officers, directors, employees, and other persons providing services to us to acquire a proprietary interest in our company. It is anticipated that providing such persons with a direct stake in our welfare will assure a closer identification of their interests with our interests and those of our stockholders, thereby stimulating their efforts on our behalf and strengthening their desire to remain associated with us.

Types of awards authorized by the plan

Our 2008 Stock Incentive Plan authorizes the grant of the following types of incentive and performance awards to our officers, employees, and other persons providing services to us or our subsidiaries:

options to purchase shares of our common stock intended to qualify as incentive stock options, as defined in Section 422 of the Internal Revenue Code;

non-statutory options, which do not qualify as incentive stock options;

restricted stock awards consisting of shares of our common stock subject to restrictions;

unrestricted stock awards, consisting of shares of our common stock issued or sold without any restrictions under the plan;

performance share awards, entitling the recipient to acquire shares of our common stock upon the attainment of specified performance goals; and

stock appreciation rights, entitling the recipient, upon exercise of the rights, to receive from us a number of shares of our common stock having an aggregate fair market value equal to the difference in the fair market value of the stock on the exercise date and the exercise price of the right.

As of June 25, 2008, eight directors (excluding Mr. Minogue, who is also an officer), five executive officers and approximately 375 non-executive officer employees were eligible to participate in the 2008 Stock Incentive Plan.

Shares subject to the plan

All of the shares issued under our 2008 Stock Incentive Plan or by which awards granted under the plan are measured are shares of our authorized but unissued common stock. The maximum number of shares issuable under the plan is 2,000,000 (counted as further described below). The plan increases this maximum, but not by more than a total of 4,500,000 additional shares, for each share that is:

available for future awards under our 1989 Non-Qualified Stock Option Plan for Non-Employee Directors, our 1998 Equity Incentive Plan and our 2000 Stock Incentive Plan as of the date our stockholders approve the 2008 Stock Incentive Plan; or

issued under our 1989 Non-Qualified Stock Option Plan for Non-Employee Directors, our 1998 Equity Incentive Plan and our 2000 Stock Incentive Plan and forfeited after the date as of the date our stockholders approve the 2008 Stock Incentive Plan.

Each share of stock issued pursuant to a stock option or stock appreciation right counts as one share against the maximum number of shares issuable under our 2008 Stock Incentive Plan, while each share of stock issued pursuant to any other type of award counts as 1.5 shares against the maximum number of shares issuable under the plan. The plan adjusts the maximum number of shares if we effect a capital readjustment or pay a stock dividend without receiving compensation in return. Whenever any outstanding award under the plan expires or terminates other than by exercise or payment (with the exception of any shares used to pay the exercise price of a stock option or to pay withholding taxes with respect to an award under the plan), the corresponding shares of common stock may again be the subject of plan awards. However, shares used to pay the exercise price of a stock option, to pay withholding taxes, and shares subject to stock appreciation rights that are not issued upon the exercise of such stock appreciation rights are not available for future plan awards. Our 2008 Stock Incentive Plan authorizes awards of up to an aggregate of 300,000 shares of common stock to any one participant per year.

The last sales price of our common stock on June 25, 2008, as reported on the Nasdaq Global Market, was \$18.73 per share.

Effect on our other incentive plans

Following the approval of the 2008 Stock Incentive Plan by our stockholders, we will no longer grant awards under our 1989 Non-Qualified Stock Option Plan for Non-Employee Directors, our 1998 Equity Incentive Plan and our 2000 Stock Incentive Plan. All unexpired awards under these plans will continue in full force and operation except as they may be exercised, be terminated or lapse, by their own terms and conditions.

Administration of the plan

Our 2008 Stock Incentive Plan is administered by the Compensation Committee of our Board of Directors, all of whose members qualify both as non-employee directors within the meaning of Section 16b-3 under the Securities Exchange Act of 1934 and as outside directors within the meaning of Section 162(m) of the Internal Revenue Code. In addition, the Compensation Committee may establish an additional single-member committee (consisting of an executive officer) that may grant awards to non-executive officers and make all other determinations under the 2008 Stock Incentive Plan with respect to such awards. The Board of Directors has established such a single-member committee, consisting of Mr. Minogue.

The Compensation Committee or the single-member committee selects the individuals who receive awards and determines the terms of each award, subject to the provisions of the 2008 Stock Incentive Plan. The Compensation Committee also has the power to make changes to outstanding awards under the 2008 Stock Incentive Plan, including the power to accelerate the vesting schedule of any award and to extend the expiration date of any option or stock appreciation right. However, the Compensation Committee does not have authority to reduce the exercise price of any stock option or stock appreciation right after the date of grant.

Upon granting an award under our 2008 Stock Incentive Plan, the Compensation Committee may require the award recipient to agree to enter into a standard lock-up agreement, which would prevent the recipient from disposing of any shares issued under the award for a period of not more than 215 days following the effective date of our registering any of our securities with the Securities and Exchange Commission.

Stock Options

Our 2008 Stock Incentive Plan authorizes the grant of options to purchase our common stock intended to qualify as incentive stock options, as defined in Section 422 of the Internal Revenue Code, and options that do not so qualify, which are non-statutory options. Incentive options may be granted under our 2008 Stock Incentive Plan to our employees or the employees of any of our subsidiaries, including directors and officers who are our employees or employees of any of our subsidiaries. Non-statutory options may be granted under our 2008 Stock Incentive Plan to our employees, or any employees of our subsidiaries, and to directors, consultants and other persons who render services to us or our subsidiaries, regardless of whether they are our employees or employees of any subsidiary.

The exercise price of any option granted under our 2008 Stock Incentive Plan must equal or exceed the fair market value of our common stock on the date of grant. The exercise price of incentive options granted under the 2008 Stock Incentive Plan to a person who owns more than 10% of the combined voting power of all classes of our outstanding capital stock or the capital stock of any of our subsidiaries, referred to as a greater-than-ten-percent stockholder, must equal or exceed 110% of the fair market value of our common stock on the date of grant.

Each option expires no later than ten years after the date of grant or, in the case of an incentive option granted to a greater-than-ten-percent stockholder, five years after the date of grant. The aggregate fair market value, at the time of grant, of shares issuable pursuant to incentive options that are exercisable for the first time in any calendar year may not exceed \$100,000, unless a greater amount is permitted by law.

Except as otherwise provided by the Compensation Committee with respect to non-statutory options, options are not transferable except by will or by laws of descent and distribution, and during the holder's lifetime are exercisable only by the holder. The Compensation Committee determines, in its discretion, how and when non-statutory options will terminate. Incentive stock options will terminate as follows:

If the option holder's employment with us terminates because of death, his or her incentive option may be exercised, to the extent exercisable at the time of termination, for a period of 180 days from the date of termination of employment or the stated expiration date of the option, whichever is earlier.

If the option holder's employment with us terminates because of disability, as defined in the 2008 Stock Incentive Plan, his or her incentive option may be exercised, to the extent exercisable at the time of termination, for a period of 90 days from the date of termination of employment or the stated expiration date of the option, whichever is earlier.

If the option holder's employment with us terminates because of retirement in accordance with our normal retirement policies, his or her incentive option is exercisable for a period of 90 days from the date of termination of the option holder's employment or the stated expiration date of the option, whichever is earlier.

If the option holder's employment is terminated by us for cause, as defined in our 2008 Stock Incentive Plan, his or her incentive option will immediately terminate.

If the option holder's employment with us terminates for any reason other than those listed above, his or her incentive option may be exercised, to the extent it was exercisable at the time of termination, for a period of 30 days from the date of termination of employment or until the stated expiration date of the option, whichever is earlier.

The holder of an option may pay the exercise price for the shares subject to the option (a) in cash or by bank check in an amount equal to the exercise price for such shares, or (b) to the extent provided in the applicable agreement setting forth the terms and conditions of the option, by any one or more of the following: (i) in shares of our common stock having a fair market value equal to the aggregate exercise price of the option being exercised, (ii) by delivery of irrevocable instructions to a broker to deliver to us cash or a check payable to us for the aggregate exercise price, provided that the holder and the broker enter into an indemnity agreement or any other agreement that the Compensation Committee requires as a prerequisite to this method of payment, (iii) by reducing the number of shares that would otherwise be issued upon option exercise by a number of shares of common stock having a fair market value equal to the aggregate exercise price of the option being exercised, or (iv) by any combination of such methods of payment.

Restricted Stock Awards

The Compensation Committee may grant awards of restricted stock on the terms, conditions and restrictions it designates in an award agreement. The recipient of a restricted stock award is issued shares of our common stock subject to the forfeiture, transferability and other restrictions, if any, set forth in our 2008 Stock Incentive Plan and the award agreement. The forfeiture and transferability restrictions are removed as the award vests based on a pre-determined period provided in the award agreement, or based on pre-established performance goals, objectives and other conditions provided in the award agreement.

A recipient of a restricted stock award acquires all of the rights of a holder of our common stock with respect to the restricted shares issued pursuant to the award, whether vested or not, including the right to vote and to receive dividends. However, we may hold certificates representing the recipient's restricted shares until all applicable restrictions lapse or are released. The recipient must forfeit all unvested restricted shares when the recipient's employment with or provision of services to us terminates for any reason. The Compensation Committee may waive any terms and conditions set forth in any restricted stock award agreement, subject to the terms of the 2008 Stock Incentive Plan.

Unrestricted Stock Awards

The Compensation Committee may also grant awards of unrestricted stock, which are free of any restrictions under the 2008 Stock Incentive Plan. These may be granted or sold at a purchase price determined by the Compensation Committee, including in respect of past services or other valid consideration.

Performance Share Awards

The Compensation Committee may grant a performance share award to any of our officers, directors, employees, or other persons providing services to us. The Compensation Committee may determine whether and to whom performance share awards may be made, the periods during which the performance is to be measured and any other limitations and conditions applicable to the award, or to common stock issuable under the award. If the recipient of a performance share award attains the performance goals described in the performance share award agreement, we will issue the common stock to the participant as soon as practicable thereafter, but in no event later than two and one-half months after the calendar year in which the performance goal is attained.

Stock Appreciation Rights

The Compensation Committee may grant stock appreciation rights to any of our officers, directors, employees, or other persons providing services to us. A stock appreciation right entitles the recipient, upon exercise of the rights, to receive from us a number of shares of our common stock having an aggregate fair market value equal to the difference in the fair market value of the stock on the exercise date and the exercise price stated in the right agreement provided to the participant by the Compensation Committee (which exercise price will equal or exceed the fair market value of our common stock on the date of grant of the right). Each stock appreciation right expires no later than ten years after the date of grant.

Federal Income Tax Information with Respect to our 2008 Stock Incentive Plan

The holder of a non-statutory option recognizes no income for federal tax purposes on the grant of the option. On the exercise of such non-statutory option, the difference between the fair market value of the underlying shares of common stock on the exercise date and the option exercise price is treated as compensation to the holder of the option taxable as ordinary income in the year of exercise. Such fair market value becomes the basis for the underlying shares which will be used in computing any capital gain or loss upon disposition of such shares. The capital gain or loss will be long-term capital gain or loss if the shares were held for more than one year after exercise of the option.

The holder of an incentive option recognizes no income for federal income tax purposes on the grant of the option. Except as provided below with respect to the alternative minimum tax, there is no tax upon exercise of an incentive option. If the holder does not dispose of the shares acquired upon exercise of the incentive option within two years from the date of the grant of the incentive option or within one year after exercise of the incentive option, any gain realized by the option holder on the subsequent sale of those shares will be treated for federal income tax purposes. If the holder sells the shares before the expiration of such two-year and one-year periods, known as a disqualifying disposition, the difference between the lesser of the value of the shares at the date of exercise or at the date of sale and the exercise price of the incentive option will be treated as compensation to the option holder taxable as ordinary income and the excess gain, if any, will be treated as capital gain. The capital gain will be long-term capital gain if the shares were held for more than one year after the exercise of the option.

The excess of the fair market value of the underlying shares of common stock over the exercise price at the time of exercise of an incentive option will constitute an item of tax preference for purposes of the alternative minimum tax. Taxpayers who will incur the alternative minimum tax will be allowed a credit which may be carried forward indefinitely to be used as a credit against the taxpayer's regular tax liability in a later year; however, the alternative minimum tax credit cannot reduce the regular tax below the alternative minimum tax for that carryover year.

The recipient of a restricted stock award usually recognizes ordinary income only as the shares of restricted stock issued in connection with the award vest. Upon vesting, the recipient recognizes ordinary income in an amount equal to the excess, if any, of the fair market value of the vested shares at the time of vesting over any amount paid by the recipient for the vested shares. Upon the subsequent resale of such vested shares, the recipient will recognize capital gain or loss, as the case may be, in an amount equal to the difference between the amount the recipient receives in exchange for the vested shares and the fair market value of the vested shares at the time of vesting. The gain or loss will be long-term capital gain or loss, if more than one year has passed since the shares vested.

However, the recipient of a restricted stock award may elect to recognize ordinary income upon the receipt, not the vesting, of shares of restricted stock in connection with the award in accordance with Section 83(b) of the Internal Revenue Code. In this case, the recipient recognizes ordinary income in an amount equal to the excess, if any, of the fair market value of the shares at the time the recipient received the shares over the amount the recipient paid for the shares. Upon the subsequent resale of such vested shares, the recipient will recognize capital gain or loss, as the case may be, in an amount equal to the difference between the amount the recipient receives in exchange for the vested shares and the fair market value of the vested shares at the time the recipient received the shares. The gain or loss will be long-term capital gain or loss, if at the time of such resale more than one year has passed since the recipient received the shares.

The recipient of an unrestricted stock award will recognize as ordinary income the difference between the fair market value of the common stock granted pursuant to the unrestricted stock award and the amount, if any, the recipient paid for such stock in the taxable year the recipient receives the common stock. The recipient's basis in any common stock received pursuant to the grant of an unrestricted stock award will be equal to the fair market value of the common stock on the date of receipt of the common stock. Any gain realized by the recipient of an unrestricted stock award upon a subsequent disposition of such common stock will be treated as long-term capital gain, if at the time of such disposition more than one year has passed since the recipient received the shares.

The recipient of a performance share award recognizes no income until the recipient receives shares of our common stock in connection with the award. Upon the receipt of shares, the recipient recognizes ordinary income in an amount equal to the fair market value of the common stock issued pursuant to the award. The recipient's basis in common stock received pursuant to a performance share award will be equal to the fair market value of the common stock on the date of receipt of the common stock. Any gain realized by the recipient of a performance share award upon a subsequent disposition of such common stock will be treated as long-term capital gain if at the time of such disposition more than one year has passed since the recipient received the shares.

The recipient of a stock appreciation right recognizes no income until the recipient receives shares of our common stock in connection with the right. Upon the receipt of shares, the recipient recognizes ordinary income in an amount equal to the fair market value of the common stock issued pursuant to the award. The recipient's basis in common stock received pursuant to a stock appreciation right will be equal to the fair market value of the common stock on the date of receipt of the common stock. Any gain realized by the recipient of a stock appreciation right upon a subsequent disposition of such common stock will be treated as long-term capital gain, if at the time of such disposition more than one year has passed since the recipient received the shares.

Subject to certain limitations, we may generally deduct on our corporate income tax returns an amount equal to the amount recognized as ordinary income by a recipient of an award under our 2008 Stock Incentive Plan in the year in which the recipient recognizes ordinary income upon the exercise of a non-statutory stock option, the disqualifying disposition of an incentive stock option, the receipt or vesting of shares of stock in connection with a restricted stock award, or the receipt of shares of stock in connection with an unrestricted stock award, a performance share award or a stock appreciation right.

Section 162(m) of the Internal Revenue Code generally prevents us from deducting more than \$1.0 million in compensation each year for our chief executive officer and each of our three most highly compensated executive officers other than the chief executive officer or chief financial officer. Performance-based compensation that meets criteria established by the Internal Revenue Service, however, is not subject to this limitation. Some of the awards that we grant under our 2008 Stock Incentive Plan may not qualify as such performance-based compensation. Accordingly, we may be unable to deduct some or all of the amounts that may be recognized as ordinary income by our five most highly compensated executive officers.

New Plan Benefits. We are unable to determine the dollar value and number of awards that may be received by or allocated to any of the persons who are eligible to participate in our 2008 Stock Incentive Plan because awards are granted by the Compensation Committee and the single-member committee on a discretionary basis. However, we anticipate that upon approval of the plan, our Compensation Committee will make some performance based awards of restricted stock to our employees, including our executive officers, based on revenue and profitability milestones over the next three fiscal years. The exact details and amounts of these awards are still being determined.

Our 2008 Stock Incentive Plan is not subject to the provisions of the Employee Retirement Income Security Act of 1974, nor is the 2008 Stock Incentive Plan qualified under Section 401(a) of the Internal Revenue Code.

Our Board of Directors recommends that you vote *FOR* the approval of our 2008 Stock Incentive Plan.

PROPOSAL NO. 3

**RATIFICATION OF APPOINTMENT OF OUR
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

Proposal no. 3 concerns the ratification of the appointment by our audit committee of Deloitte & Touche LLP (Deloitte & Touche) to be our independent registered public accounting firm for the fiscal year ending March 31, 2009.

Change in Independent Registered Public Accountants

Deloitte & Touche was engaged on November 9, 2006 as our independent registered public accounting firm to audit our financial statements. During fiscal 2005, fiscal 2006, and the subsequent interim period through November 9, 2006, neither we nor anyone on our behalf consulted Deloitte & Touche regarding any of the matters referred to in Item 304(a)(2) of Regulation S-K. The decision to change independent registered public accounting firms was approved by our audit committee.

We and PricewaterhouseCoopers LLP, our independent registered public accounting firm before Deloitte & Touche, mutually agreed that PricewaterhouseCoopers would not continue as our independent registered public accounting firm. Accordingly, on November 9, 2006, we dismissed PricewaterhouseCoopers.

PricewaterhouseCoopers' report on our financial statements for fiscal 2006 did not contain an adverse opinion or a disclaimer of opinion and was not qualified or modified as to uncertainty, audit scope or accounting principles. Moreover, during fiscal 2006, and the subsequent interim period through November 9, 2006, there were no disagreements between PricewaterhouseCoopers and us on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreement, if not resolved to the satisfaction of PricewaterhouseCoopers, would have caused it to make reference to the subject matter of the disagreement in connection with its report.

We have given each of PricewaterhouseCoopers and Deloitte & Touche an opportunity to review the foregoing disclosures, and neither believes the disclosures are incorrect or incomplete.

Ratification of Appointment for Fiscal 2009

Under rules of the Securities and Exchange Commission, or SEC, and the Nasdaq Stock Market, the appointment of our independent registered public accounting firm is the direct responsibility of our Audit Committee. Although ratification by our stockholders of this appointment is not required by law, our Board believes that seeking stockholder ratification is a good practice, which provides stockholders an avenue to express their views on this important matter.

Our Audit Committee has reappointed Deloitte & Touche as our independent registered public accounting firm for the fiscal year ending March 31, 2009. Our Board of Directors recommends that stockholders vote to ratify the appointment. If our stockholders do not ratify the appointment of Deloitte & Touche, the Audit Committee may reconsider its decision. In any case, the Audit Committee may, in its discretion, appoint a new independent registered public accounting firm at any time during the year if it believes that such change would be in our best interest and the best interest of our stockholders. We expect that representatives of Deloitte & Touche will be present at the Annual Meeting. They will have an opportunity to make a statement if they wish and will be available to respond to appropriate questions from stockholders.

Our Board of Directors recommends that you vote *FOR* the proposal to ratify the appointment by our Audit Committee of Deloitte & Touche as our independent registered public accounting firm for fiscal 2009.

EXECUTIVE OFFICERS AND DIRECTORS

Our executive officers and directors as of July 9, 2008 are as follows:

Name	Age	Position
Michael R. Minogue (1)(2)	41	Chairman of the Board of Directors, President and Chief Executive Officer
W. Gerald Austen (1)(3)	78	Director
Ronald W. Dollens (3)	61	Director
Louis E. Lataif (4)	69	Director
Desmond H. O'Connell, Jr. (4)(5)	72	Director
Dorothy E. Puhly (4)(5)	56	Director
Eric A. Rose (5)	57	Director
Martin P. Sutter	53	Director
Henri A. Termeer (1)(3)	62	Director
Daniel J. Sutherby	43	Chief Financial Officer and Treasurer
David M. Weber	46	Chief Operating Officer
William J. Bolt	56	Senior Vice President, Global Quality, Regulatory and Engineering
Andrew Greenfield	35	Vice President, Healthcare Solutions

- (1) Member of the Executive Committee
- (2) Member of the Special Stock Option Committee
- (3) Member of the Compensation Committee
- (4) Member of the Audit Committee
- (5) Member of the Governance and Nominating Committee

Our Board of Directors is divided into three classes. The term of one class of directors expires each year at our annual meeting of stockholders. Each director also continues to serve as a director until his or her successor is duly elected and qualified. Ms. Puhly and Messrs. O'Connell and Dollens currently serve as Class I directors; their term of office expires in 2008. Messrs. Termeer and Lataif and Dr. Rose currently serve as Class II directors; their term of office expires in 2009. Messrs. Minogue and Sutter and Dr. Austen currently serve as Class III directors; their term of office expires in 2010. Our executive officers are elected by, and serve at the discretion of, our Board of Directors. There are no family relationships among our directors and executive officers.

Mr. Michael R. Minogue joined Abiomed as Chief Executive Officer, President and a Director in April 2004. In June 2005 he was also appointed Chairman of our Board of Directors. Prior to joining us, Mr. Minogue had a twelve-year career at GE Medical Systems. Most recently, Mr. Minogue was Vice President and General Manager of Americas Sales and Marketing for GE Medical Systems Information Technology. From 1998 to 2003 Mr. Minogue held various positions at GE including General Manager for the Global Positron Emission Technology Business, General Manager, Americas Cardiology & IT Sales and General Manager, Global Installed Base. Prior to joining GE, Mr. Minogue served on active duty for four years as an infantry officer in the U.S. Army and received multiple awards. Mr. Minogue received his Bachelor's degree in Engineering Management from the United States Military Academy at West Point and his MBA from the University of Chicago. Mr. Minogue currently serves on the board of directors of AdvaMed, the Advanced Medical Technology Association.

Dr. W. Gerald Austen, M.D., has served as a director since 1985. Since 1974, he has been the Edward D. Churchill professor of surgery at Harvard Medical School and at Massachusetts General Hospital. From 1969 to 1997, Dr. Austen was chief of the surgical services at Massachusetts General Hospital. Dr. Austen is the former President of the American College of Surgeons, the American Association for Thoracic Surgery, the American Surgical Association and the Massachusetts and American Heart Associations. Dr. Austen is a member emeritus

of the Institute of Medicine of the National Academy of Sciences, a fellow of the American Academy of Arts and Sciences, a life member emeritus of the corporation of the Massachusetts Institute of Technology and Chairman of the board of trustees of the John S. and James L. Knight Foundation.

Mr. Ronald W. Dollens has served as a director since January 2006. Mr. Dollens was the President and Chief Executive Officer of Guidant Corporation from 1994 until his retirement from Guidant in November 2005. Previously, he served as President of Eli Lilly and its Medical Devices and Diagnostic Division from 1991 until 1994, and also held the position of President and Chief Executive Officer of Guidant's subsidiary, Advanced Cardiovascular Systems, Inc. Mr. Dollens' involvement in health policy includes serving as Chairman of the Healthcare Leadership Council, Chairman of the Advanced Medical Technology Association, and serving on the board of the Alliance for Aging Research. Mr. Dollens was also a member of the New York Stock Exchange Listed Company Advisory Board. Recently, he served on the Advisory Committee for Regulatory Reform appointed by US Health and Human Services Secretary Tommy G. Thompson. Mr. Dollens is the non-executive chairman and a director of Kinetic Concepts, Inc.

Mr. Louis E. Lataif has served as a director since September 2005. Since 1991, Mr. Lataif has served as Dean of the Boston University School of Management. Prior to joining Boston University in 1991, Mr. Lataif worked with Ford Motor Company for more than 27 years and had retired as a corporate officer. He had also served as President of Ford of Europe, with extensive global experience. He earned a BS from Boston University and his MBA from Harvard University. In addition, he holds three honorary doctoral degrees. Mr. Lataif is a director of Magna International Corp., Group I Automotive, Inc., Interaudi Bank and CannonDesign. He is also a trustee of the Iacocca Foundation.

Mr. Desmond H. O'Connell, Jr. has served as a director since 1995. Mr. O'Connell is currently a director of Stemcells, Inc, and will serve in this capacity until July 2008. Until July 2006, he served as a director for Serologicals Corporation. He was interim Chief Executive Officer of Serologicals Corporation from September 1999 to June 2000 and its Chairman from 2000 to May 2006. From December 1992 until December 1993, he served as the Chairman, Management Committee, of Pharmakon Research International, Inc. During 1991, he briefly served as Chairman of the Board and Chief Executive Officer of Osteotech, Inc. Mr. O'Connell was with the BOC Group, PLC in senior management positions from 1983 to 1990. From April 1990 until September 1990, Mr. O'Connell was President and Chief Executive Officer of BOC Health Care. From 1986 to April 1990, he was group managing director of BOC Group, PLC. Prior to joining BOC, Mr. O'Connell held various positions at Baxter Laboratories, Inc., including Chief Executive of the Therapeutic and Diagnostic Division and Vice President, Corporate Development.

Ms. Dorothy E. Puhly has served as a director since 2003 and as our Lead Director since October 2005. Ms. Puhly is currently Executive Vice President, Chief Financial Officer and Assistant Treasurer for the Dana-Farber Cancer Institute. Ms. Puhly has served as the Chief Financial Officer of Dana-Farber since 1994 and has served as its Assistant Treasurer since 1995. From 1985 to 1994 Ms. Puhly held various financial positions at the New England Medical Center Hospitals, Inc., including Chief Financial Officer from 1989 to 1994. Ms. Puhly is also a director of Eaton Vance Corp.

Dr. Eric A. Rose, M.D. has served as a director since May 2007. Dr. Rose has been serving since March 2007 as Executive Vice President for Life Sciences at MacAndrews & Forbes and CEO of Siga Technologies, Inc., a developer of anti-viral drugs directed at potential agents of bioterror. From 1994-2007, he was Surgeon in Chief at New York-Presbyterian Hospital/Columbia and Chairman of the Department of Surgery at the Columbia University College of Physicians and Surgeons. A heart surgeon, researcher and entrepreneur, Dr. Rose has helped grow Columbia's Department of Surgery over the past 25 years while investigating, managing and developing complex medical technologies such as technologies for heart transplantation and new approaches to Alzheimer's disease and bioterrorism. He has authored or co-authored more than 300 scientific publications and has received more than \$25 million in NIH support for his research. Dr. Rose pioneered heart transplantation in children, performing the first successful pediatric heart transplant in 1984, and has investigated many alternatives to heart transplantation, including cross-species transplantation and man-made heart pumps. He received both his undergraduate and medical degrees from Columbia University.

Mr. Martin P. Sutter has served as a director since May 2008. Since 1994, Mr. Sutter has been a managing director of Essex Woodlands Health Ventures, a healthcare focused venture capital firm he co-founded. Mr. Sutter has more than 30 years of management experience in operations, marketing, finance and venture capital. Mr. Sutter currently serves on the Board of Directors of BioForm Medical, and LaJolla Pharmaceuticals. Mr. Sutter holds a B.S. from Louisiana State University and an M.B.A. from the University of Houston.

Mr. Henri A. Termeer has served as a director since 1987. Mr. Termeer has been the President and a director of Genzyme Corporation since 1983, its Chief Executive Officer since 1985, and its Chairman since 1988. Mr. Termeer is a member of the Board of Directors of the Massachusetts Institute of Technology, the Federal Reserve Bank of Boston and the Massachusetts General Hospital and is a member of the board of fellows of Harvard Medical School. He also serves on the Board of Directors of the Biotechnology Industry Organization and the Pharmaceutical Research and Manufacturers of America.

Our executive officers who are not also directors are listed below:

Mr. Daniel J. Sutherby joined us in January 2006 as our Chief Financial Officer and Treasurer. From August 1998 to December 2005, Mr. Sutherby was employed by PerkinElmer, Inc. in a number of management positions, serving as Corporate Director of Global Accounting & Finance from August 1998 to September 2000, Acting Corporate Controller from September 2000 to June 2001, Director of Global Finance for PerkinElmer's Life and Analytical Sciences Unit from June 2001 to January 2003, and Corporate Vice President, Investor Relations, Corporate Communications and Risk Management from January 2003 to December 2005. Mr. Sutherby is a Certified Public Accountant, and has a bachelor's degree in accounting and a master's of science in finance from Bentley College.

Dr. David M. Weber joined us in April 2007 as our Chief Operating Officer. Prior to joining us, Dr. Weber served as General Manager, Aviation Business at GE Security Homeland Protection from April 2005 until April 2007 where he led GE Security's Aviation and Transportation Business and was responsible for product development, marketing and sales. From June 2004 until April 2005, he served as General Manager, MRI Marketing at General Electric Healthcare where he was responsible for strategic product planning, go-to-market and product launch activities including developing product roadmaps and introducing new product technologies to the market, and from March 2001 until June 2004, he served as Manager, Global High Field MRI Business, General Electric Medical Systems where he was responsible for new product planning and development. Dr. Weber has a B.S. in physics from Denison University, a B.S. in Nuclear Engineering from Columbia University, a masters in Medical Physics from the University of Wisconsin Madison, and a PhD in Medical Physics from the University of Wisconsin Madison.

Mr. William J. Bolt joined us in 1982 and has been our Senior Vice President for Global Quality, Regulatory and Engineering since September 2007. From 2003-2006 he was responsible for our quality and service functions. In 2006 he received responsibility for our regulatory function as well. He is currently responsible for all our engineering, quality and regulatory activities. He was responsible for all product development and the AbioCor program from 2000-2003, and for BVS and AB5000 development from 1999-2003. From 1994 to 1999, he was President of our dental subsidiary, ABIODENT. From 1982 to 1994, he served in various roles, from Vice President of Engineering to Vice President of Operations. Mr. Bolt has a B.S. in electrical engineering and an MBA from Northeastern University.

Mr. Andrew Greenfield joined us in January 2005 as our Vice President of Healthcare Solutions. Prior to joining us, Mr. Greenfield held multiple positions at GE Healthcare since October 1999, including consulting with large U.S. health systems in the Enterprise Client Group from November 2003 to January 2005, Six Sigma Master Black Belt from January 2002 to November 2003, and Finance Manager from October 1999 to January 2002. Prior to GE Healthcare, he held multiple positions in marketing and sales management at the Boeing Company, including Project Manager and European Country Manager. He received his bachelor's degree in finance from the University of Illinois and an MBA from St. Louis University.

CORPORATE GOVERNANCE

Director Independence

Our Board of Directors has determined that, with the exception of Mr. Minogue who is our employee, all of the members of our Board of Directors are independent directors under the applicable rules of the Nasdaq Stock Market. Our Board of Directors has also determined that each member of our Audit Committee, Compensation Committee and Governance and Nominating Committee is an independent director under the rules of the Nasdaq Stock Market. applicable to such committees.

Attendance at Annual Meeting of Stockholders

It is our policy that, to the extent reasonably practicable, directors should attend our Annual Meeting of Stockholders. Except for David Gottlieb, whose service as a director expired at our 2007 Annual Meeting of Stockholders, all of our directors who were serving on our board at the time of our 2007 Annual Meeting of Stockholders attended the meeting.

Meetings of the Board of Directors

Board Meetings. The Board of Directors held four meetings during the fiscal year ended March 31, 2008 and acted three times by written consent. During the fiscal year ended March 31, 2008, except for David Gottlieb whose term as a director expired at our 2007 Annual Meeting of Stockholders, each of our directors during fiscal 2008 attended at least 75% of the aggregate number of meetings of the Board of Directors and Committees of which he or she was a member held during the period in which he or she was a director.

Meetings of Independent Directors. Our independent directors are expected to meet without management present at least twice per year.

Lead Director. In October 2005, our Board of Directors designated Dorothy Puhly as its first Lead Director. The position of Lead Director is to be held by one of our independent directors and carries with it responsibilities beyond that of the other directors, including but not limited to: organizing and chairing a session with our independent directors to occur once each board meeting; working with the Compensation Committee to set performance goals for our chief executive officer and to evaluate the chief executive officer's performance for the prior year; working with the Chairman to formulate the agenda for board meetings; acting as a liaison between the Chairman and the Board of Directors; and leading with the chief executive officer an annual discussion of succession planning.

Executive Committee Meetings. The Board of Directors has an Executive Committee, which is currently composed of W. Gerald Austen, Michael R. Minogue and Henri A. Termeer. The Executive Committee has, and may exercise, all the powers and authority of the Board of Directors, except those which by law may not be delegated to it by the Board of Directors. The Executive Committee did not act during the fiscal year ended March 31, 2008.

Audit Committee Meetings. Our Board of Directors has an Audit Committee, which is currently composed of Louis E. Lataif, Desmond H. O'Connell, Jr. and Dorothy E. Puhly (Chair). Our Board of Directors has determined that all members of the Audit Committee are financially sophisticated within the meaning of the Nasdaq listing standards and our Board has also determined that Ms. Puhly, who serves as Chair of the Committee, qualifies as an Audit Committee financial expert within the meaning of the applicable SEC rules and regulations. The responsibilities of the Audit Committee are detailed in our audit committee charter, as amended in June 2004, a copy of which is available through the Our Company Corporate Governance section of our website, located at www.abiomed.com. The Audit Committee is directly responsible for the appointment, compensation and oversight of the work of our independent registered public accounting firm. In addition, the

Audit Committee's responsibilities include reviewing the adequacy and effectiveness of accounting and financial controls, reviewing our financial reporting practices, meeting with our independent accountants to review the results of the annual audit and quarterly reviews and reviewing the implementation by management of recommendations made by the independent accountants. During the fiscal year ended March 31, 2008, the Audit Committee held five meetings.

Compensation Committee Meetings. Our Compensation Committee is currently composed of W. Gerald Austen, Ronald W. Dollens (Chair) and Henri A. Termeer. Our Lead Director, Dorothy E. Puhly, participates in meetings of the Compensation Committee as described above under *Lead Director*. The responsibilities of the Compensation Committee are detailed in our compensation committee charter, adopted in November 2006, a copy of which is available through the *Our Company Corporate Governance* section of our website, located at www.abiomed.com. The Compensation Committee is responsible for establishing the compensation and bonuses of executive officers, determining the persons to whom both incentive stock options and non-qualified stock options will be granted, other than to the extent that the grant of options has been delegated by the committee to the Special Stock Option Committee, and adopting rules and making other determinations with respect to the administration of our equity incentive plans, employee stock purchase plan and 401(k) plan. During the fiscal year ended March 31, 2008, the Compensation Committee held four meetings.

Governance and Nominating Committee Meetings. Our Governance and Nominating Committee is currently composed of Desmond H. O'Connell, Jr. (Chair), Eric Rose, and Dorothy E. Puhly. The responsibilities of the Governance and Nominating Committee are detailed in our governance and nominating committee charter, a copy of which is available through the *Our Company Corporate Governance* section of our website, located at www.abiomed.com. The Governance and Nominating Committee is responsible for leading the search for individuals qualified to become members of our Board of Directors, including the review of candidates recommended by our stockholders. Our stockholders may propose nominees for consideration by the Governance and Nominating Committee by submitting names and supporting information in writing to: Corporate Secretary, ABIOMED, Inc., 22 Cherry Hill Drive, Danvers, Massachusetts 01923. Supporting information should include all information relating to such person that would be required to be disclosed pursuant to Regulation 14A under the Securities Exchange Act of 1934. Nominations must be received not less than 45 days nor more than 60 days prior to any meeting of our stockholders called for the election of directors. Candidates who are recommended by our stockholders will be considered on the same basis as candidates from other sources. For all potential candidates, the Governance and Nominating Committee will consider all factors it deems relevant, including at a minimum those listed under *Director Qualification Standards* below. During the fiscal year ended March 31, 2008, the Governance and Nominating Committee held three meetings.

Director Qualification Standards

Candidates for membership to our Board of Directors should be individuals who possess the highest personal and professional ethics and integrity and have demonstrated professional achievement and leadership capabilities. Each should have knowledge, experience and demonstrated expertise in an area or areas of importance to our company, such as management, finance, marketing, technology, medicine, human resources, public policy and law. Candidates must evidence a commitment to devote the substantial time and energy required of productive board members.

Code of Conduct

All of our directors, officers and employees must act ethically, legally and with integrity at all times and are required to comply with our Code of Conduct, which is titled *Guidelines of Company Principles and Practices*, as well as our other policies and standards of conduct. Our Code of Conduct, in addition to our Code of Ethics that applies to our principal executive officer, principal financial officer, principal accounting officer or controller and persons performing similar functions, may be obtained, without charge, by written request to our Compliance Officer at ABIOMED, Inc., 22 Cherry Hill Drive, Danvers, Massachusetts 01923.

Communications with Directors

Stockholders and other interested persons may send communications to the directors. Written correspondence should be addressed to the director or directors in care of the Compliance Officer at ABIOMED, Inc., 22 Cherry Hill Drive, Danvers, Massachusetts 01923. Stockholders and other interested persons may also send email to the directors at directors@abiomed.com. All communications will be received and reviewed by our Compliance Officer. Complaints or concerns relating to our financial reporting, accounting, internal accounting controls or auditing will be referred to the chair of the Audit Committee. Other communications may be referred to the directors as a group, or to an individual director, as appropriate.

Compensation of Directors

Directors who are not our employees receive an annual retainer of \$15,000 or an equivalent value of our Common Stock, at the individual's option, and \$1,200 for attendance at in-person meetings of our Board of Directors, \$1,000 for attendance at meetings of Committees of our Board of Directors and \$600 for attendance at all telephonic meetings. Our Lead Director receives an additional \$20,000 annually. The Chair of our Audit Committee receives \$1,500 for attendance at meetings of our Audit Committee.

We are able to award non-qualified stock options to our non-employee directors under any of our three active stock option plans with shares remaining available for future issuance: our 1989 Non-Qualified Stock Option Plan for non-employee directors, our 1998 Equity Incentive Plan and our 2000 Stock Incentive Plan. The currently eligible non-employee directors are Drs. Austen and Rose, Ms. Puhly, and Messrs. Dollens, Lataif, O'Connell, Sutter and Termeer. It is currently our policy to grant each non-employee director who continues to be a director following our annual meeting of stockholders a stock option to purchase 12,000 shares of our common stock and in the case of our Lead Director, 13,500 shares of our common stock, with an exercise price equal to the fair market value of our common stock on the date of grant, and vesting in full one year after the date of grant. It is also currently our policy to grant a stock option to purchase 25,000 shares of our common stock upon the appointment of new non-employee directors, with an exercise price equal to the fair market value of our common stock on the date of grant, and vesting annually over five years. Each of Dr. Austen, Ms. Puhly, and Messrs. O'Connell, Lataif, Dollens and Termeer was granted an option to purchase 8,000 shares of our common stock under our 2000 Stock Incentive Plan on August 8, 2007. These options have an exercise price of \$12.69 per share and vest in full on August 13, 2008. Mr. Sutter was granted an option to purchase 25,000 shares of our common stock under our 2000 Stock Incentive Plan upon his appointment to our board on May 20, 2008. This option has an exercise price of \$13.91 per share and vests annually over five years.

Our directors are also eligible for additional compensation in the event that they perform additional services for us in excess of the normal time commitments we expect of our directors. In fiscal 2008, we made no such payments.

The following table provides information regarding the compensation earned by our non-employee directors with respect to fiscal 2008. The compensation of Michael R. Minogue, our Chairman of the Board, is reported below under the heading Executive Compensation.

Compensation of Non-Employee Directors

for Fiscal 2008

Name	Fees Earned or Paid in Cash (\$)(1)	Option Awards \$(2)(3)(4)	Total (\$)
W. Gerald Austen	23,600	62,870	86,470
Ronald W. Dollens	21,200	89,834	111,034
David Gottlieb	15,543	36,205	51,748
Louis E. Lataif	24,000	96,285	120,285
Desmond H. O'Connell, Jr.	25,400	62,870	88,270
Dorothy E. Puhly	51,200	67,667	118,867
Eric A. Rose	17,100	66,114	83,214
Martin P. Sutter			
Henri A. Termeer	20,800	62,870	83,670

- (1) Ronald W. Dollens, Louis E. Lataif, Desmond H. O'Connell, Jr., Dorothy Puhly and Henri A. Termeer elected to receive their \$15,000 annual retainer in shares of our common stock. We issued 1,141 shares of common stock to each of such directors on March 31, 2008.
- (2) Amounts shown do not reflect compensation actually received by the director. Instead, the amounts shown reflect the compensation expense recognized in our financial statements in fiscal 2008 that was computed in accordance with Statement of Financial Accounting Standards No. 123(R), *Share-Based Compensation* (SFAS No. 123(R)). The specific assumptions used in the valuation of these options are summarized below:

	Grant Date	Term	Volatility	Risk Free Rate	Dividend
W. Gerald Austen	8/10/2006	6.25	65%	4.86%	0%
	8/8/2007	6.25	59%	4.48%	0%
Ronald W. Dollens	1/13/2006	6.76	76%	4.86%	0%
	8/10/2006	6.25	65%	4.86%	0%
	8/8/2007	6.25	59%	4.48%	0%
David Gottlieb	2/23/2004	7.56	83%	2.80%	0%
	8/10/2006	6.25	65%	4.86%	0%
Louis E. Lataif	9/29/2005	7.31	60%	4.18%	0%
	8/10/2006	6.25	65%	4.86%	0%
	8/8/2007	6.25	59%	4.48%	0%
Desmond H. O'Connell, Jr.	8/10/2006	6.25	65%	4.86%	0%
	8/8/2007	6.25	59%	4.48%	0%
Dorothy E. Puhly	6/26/2003	5.00	86%	2.40%	0%
	8/10/2006	6.25	65%	4.86%	0%
	8/8/2007	6.25	59%	4.48%	0%
Henri A. Termeer	8/10/2006	6.25	65%	4.86%	0%
	8/8/2007	6.25	59%	4.48%	0%
Eric A. Rose	5/30/2007	6.25	57%	4.68%	0%
	8/8/2007	6.25	59%	4.48%	0%

Pursuant to SEC rules, the amounts shown above exclude the impact of estimated forfeitures related to service-based vesting conditions.

- (3) The annual stock options granted in fiscal 2008 on August 8, 2007 had a grant date fair value of \$60,898 computed in accordance with SFAS No. 123(R) for each of the following directors: W. Gerald Austen, Ronald W. Dollens, Louis E. Lataif, Desmond H. O'Connell, Jr., Dorothy Puhly, Henri A. Termeer and Eric A. Rose. The stock options granted on May 30, 2007 to Eric A. Rose had a grant date fair value of \$164,995 computed in accordance with SFAS 123(R). Generally, the grant date fair value is the full amount that we would expense in our financial statements over the vesting schedule of the award. In calculating these values, we used the assumptions described in Note 11 to our consolidated financial statements included in our annual report on Form 10-K filed with the SEC for the year ended March 31, 2008. For stock options, fair value is calculated using the Black-Scholes value on the grant date. Pursuant to SEC rules, the amounts shown above exclude the impact of estimated forfeitures related to service-based vesting conditions.
- (4) As of March 31, 2008, our non-employee directors held the following numbers of options:

Name	Number of Options Held as of March 31, 2008
W. Gerald Austen	52,000
Ronald W. Dollens	41,000
David Gottlieb	49,000
Louis E. Lataif	41,000
Desmond H. O'Connell, Jr.	77,000
Dorothy E. Puhly	57,000
Eric A. Rose	33,000
Martin P. Sutter	
Henri A. Termeer	52,000

Compensation Committee Interlocks and Insider Participation

Our Compensation Committee consists of Ronald W. Dollens (Chair), W. Gerald Austen and Henri A. Termeer. No member of our Compensation Committee is a former or current officer or employee. Mr. Minogue, while not a member of the Compensation Committee, makes recommendations to the Compensation Committee regarding the compensation of executive officers other than himself, including the awards of stock options and restricted stock, and often participates in the Committee's deliberations but does not vote on such matters. None of our executive officers serves as a member of the Board of Directors or Compensation Committee of any entity that has one or more executive officers serving as members of our Board of Directors or Compensation Committee.

Certain Relationships and Related-Person Transactions

There were no related-person transactions in fiscal 2008. Under its charter, the Audit Committee of the Board of Directors is responsible for reviewing any proposed related-party transaction, as defined under the rules of the Nasdaq Stock Market, and, if appropriate, approving such transaction. In addition, our conflict of interest policy provides that specified conflict of interest transactions are either prohibited or require the prior approval of our President. Examples of these conflict of interest transactions include serving as a director, officer or employee of or consultant to any competitor or any entity that does business with us or having a substantial direct or indirect interest in any entity that does business with us. Other than the foregoing, we have no established policies or procedures, written or otherwise, for the review, approval or ratification of transactions with related persons.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

This compensation discussion and analysis describes the material elements of our compensation programs as they relate to our executive officers who are listed in the following compensation tables, who are sometimes referred to as the named executive officers. This compensation discussion and analysis focuses on the information contained in the following tables and related footnotes, but also describes other arrangements and actions taken since the end of fiscal 2008 to the extent such discussion enhances the understanding of our executive compensation for fiscal 2008.

Overview

The Compensation Committee oversees and administers our executive compensation program. The primary objectives of the compensation programs are to attract, retain and motivate key executives and to reward executives for achieving our objectives. The compensation program is designed to reward superior financial, strategic and operational performance that is achieved in a manner consistent with our team-oriented values. Our executive officers are assessed and ranked on the basis of demonstrated results relative to pre-established goals, as well as subjective leadership qualities. The ranking that an executive officer receives each year generally has a direct and material impact on the cash bonus, option and equity grants that such executive officer receives as well as his or her annual increase in base salary. The compensation of executive officers in fiscal 2008 consisted of base salary, cash bonus, the grant of options and restricted stock and participation in benefit plans generally available to all employees. The largest component of our annual compensation program is base salary, followed by cash bonuses. Equity incentives offer the opportunity to be a more substantial component of compensation provided that the management team is successful in achieving the corporate goals and the price of our stock appreciates. As of March 31, 2008, equity incentives have been awarded to our executives in the form of grants of stock options and restricted stock awards under our 2000 Stock Incentive Plan. To assist us in making our compensation determinations in fiscal 2008, we were advised by the compensation consultant Dolmat Connell & Partners.

Compensation Program Elements

Base Salary

We pay our named executive officers base salary to provide a baseline level of compensation that is both competitive with the external market and commensurate with each employee's past performance, experience, responsibilities and skills. We generally target base salaries for our named executive officers around the median of our external market peers located in our geographic area and then make adjustments based on the factors described above. The focus on peers in our geographic area was intended to adjust for the relatively higher cost-of-living in the greater Boston area where we are located. The CEO recommended and the Compensation Committee approved base salary increases for fiscal 2009 for all of our named executive officers, other than our CEO, in the range of 3% to 12%, based on performance and the prior year's salary. Our Compensation Committee approved a base salary increase of 5% for fiscal 2009 for our CEO. These increases came a year after we had limited salary increases to a modest 2% for all of our named executive officers.

Cash Bonus

We maintain an annual cash bonus program, the purpose of which is to motivate and reward the attainment of our annual financial, strategic and operational goals.

The Compensation Committee establishes and approves all Company focused goals based on recommendations made by management. Individual performance goals for named executive officers are recommended by Mr. Minogue and approved by the Compensation Committee, with those for Mr. Minogue approved by the Compensation Committee and the Lead Director.

Actual incentive awards can range from zero to more than target levels, depending on the degree to which the Company and the individual attain the pre-established goals for the particular year. Based on Company and individual performance toward specified goals, an individual leadership assessment and an executive's base salary relative to market, total cash compensation may be above or below market median.

For all named executive officers, annual incentive opportunities for fiscal 2008 were targeted at a level that represents a meaningful portion of our executive's current base salary. For fiscal 2008, target bonus opportunities for our named executive officers other than Mr. Minogue ranged from 40% to 48% of base salary. Mr. Minogue's fiscal 2008 target bonus opportunity was equal to 100% of his base salary, which the Compensation Committee believes is a standard level in the industry. For fiscal 2008, the Compensation Committee (and, in the case of Mr. Minogue, the Compensation Committee and the Lead Director) selected goals that were intended to strike a balance among fiscal, strategic and operational performance. The Compensation Committee believes that the selected goals were challenging for the management team and the Company to achieve. The Compensation Committee believes that the challenging nature and the balance of performance goals most effectively align management incentives with enhancement of long-term stockholder value. For each named executive officer, 80% of the officer's fiscal 2008 target bonus opportunity was based on progress toward achievement of both objective and subjective corporate goals, such as meeting revenue targets, reducing expenses, achieving regulatory milestones, improving product performance, and improving manufacturing processes. These performance goals varied by individual based on their respective areas of responsibility and were weighted according to the importance of the goal to our overall strategic objectives for the fiscal year. The remaining 20% of each officer's fiscal 2008 target bonus opportunity was based on a subjective assessment of the officer's overall leadership performance. The Committee has the discretion to alter actual bonus awards from the CEO's recommendation.

For fiscal 2008, the Committee endorsed, and did not alter, the bonus amounts proposed by the CEO for the other named executive officers. Actual bonus awards made to our named executive officers other than Mr. Minogue for fiscal 2008 ranged from approximately 75% of the officer's target bonus to 110% of the officer's target bonus, with an average award equal to approximately 96% of the target bonus. Mr. Minogue was awarded 100% of his target bonus. These variations from target were reflections of each individual's degree of success in meeting his performance goals as well as his contribution to our meeting our objectives for the year.

Equity Incentives

Equity Incentives are available to the majority of employees to foster a culture of ownership, align compensation with stockholder interests and promote long-term retention and affiliation with the organization. Each year, the Compensation Committee determines the types and sizes of awards to be used for delivering such incentives. In doing so, the Compensation Committee considers the ability of each type and size of award to achieve key compensation objectives (such as employee retention, motivation and attraction), the needs of the business, competitive market practices, dilution and expense constraints, as well as tax and accounting implications.

For fiscal 2008, the Compensation Committee approved a program awarding stock options and restricted stock awards. The Committee believes that stock options and restricted stock align management incentives with enhancement of long-term stockholder value and also serve as a valuable retention tool for our executive officers. Our stock option grants made during fiscal 2008 vest 25% annually on each anniversary of the date of grant. These stock option grants are qualified as performance-based pay under Section 162(m) of the Internal Revenue Code. Restricted stock awards made in fiscal 2008 were granted under our 2000 Stock Incentive Plan and vest on the third anniversary of the date of grant. These restricted stock grants are not qualified as performance-based pay under Section 162(m) of the Internal Revenue Code; accordingly, compensation expense associated with these restricted stock will be subject to the \$1 million limitation on deductibility for tax purposes for the compensation of certain executive officers. The Compensation Committee adopted a program containing both stock options and restricted stock because it believes that each form of compensation has strengths and

weaknesses in supporting our compensation program objectives and that those objectives are best served by a mixture of the two forms of compensation. In addition to their strong retention value, we feel that stock options and restricted stock support an ownership mentality, encouraging our executives to act in a manner consistent with our long-term interests and those of our stockholders.

In determining the level of stock option awards to grant for fiscal 2008, the Compensation Committee followed a process similar to that employed for prior fiscal years. The Compensation Committee set target levels for annual stock option grants which reflect an executive officer's experience, level of responsibility and skills. The Compensation Committee subsequently approves stock option awards based on individual performance ranking in an effort to ensure that top performing employees receive larger awards than those with average performance. The Compensation Committee believes that the use of a strong performance management system combined with the retention attributes of stock options and restricted stock allows us to effectively retain those employees who have the potential to make the greatest contributions to our long-term success.

Our Compensation Committee recently made our annual equity grants for fiscal 2009. The grants made for fiscal 2009 were a combination of stock options and restricted stock. The stock options vest 25% annually on each anniversary of the date of grant. Half of the restricted stock vests 25% annually on each anniversary of the date of grant, while the other half of the restricted stock grants vest upon the achievement of an objective corporate milestone. Our Compensation Committee is also currently considering an additional equity grant to be made during fiscal 2009 upon stockholder approval of our 2008 Stock Incentive Plan at our Annual Meeting, which will be based on the achievement of objective corporate revenue and profitability targets over the next three fiscal years.

Since 1998, we have made our annual merit equity grants in conjunction with our annual performance appraisal process, which takes place after the close of our fiscal year. Establishing a consistent annual grant pattern has allowed us to develop a schedule of events for setting our annual grant date and price. These events include incorporating the results of our internal performance reviews and rankings. The date of each annual merit grant is the date upon which the Compensation Committee approves the individual grants. It has been our practice to hold this Compensation Committee meeting after the announcement of year-end results. Consistent with our historical stock option grant practice, the exercise price of stock options granted as part of the annual merit grant is the closing price of our common stock on the date of grant. Stock options granted to new hires are ordinarily granted and priced on the date of hire.

Other Compensation

The amounts shown in the Summary Compensation Table under the heading *All Other Compensation* represent the value of certain other compensation received, which are described in detail in the accompanying footnotes. Our Chief Executive Officer and our executive officers received the following such benefits in fiscal 2008: matching contributions to our 401(k) plan, which are available to substantially all of our employees, life insurance premiums and long-term disability insurance premiums. We believe that such perquisites represent standard parts of executive compensation.

Compensation Committee Report

The Compensation Committee has reviewed and discussed with management the contents of the Compensation Discussion and Analysis set forth above. Based on its review and discussion, the Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this Proxy Statement and incorporated by reference into the Company's Annual Report on Form 10-K for the year ended March 31, 2008.

Compensation Committee

Ronald W. Dollens (Chair)

W. Gerald Austen

Henri A. Termeer

Summary Compensation

The following table provides a summary of all compensation earned with respect to fiscal 2008 and 2007 by Michael R. Minogue, our President, Chief Executive Officer and Chairman of the Board, Daniel J. Sutherby, our Chief Financial Officer and Treasurer, and our three most highly compensated executive officers other than our Chief Executive Officer and Chief Financial Officer who were serving as executive officers at the end of our most recently completed fiscal year.

Summary Compensation Table

Name and Principal Position	Fiscal Year	Salary (\$)	Stock Awards (\$)(1)	Option Awards (\$)(2)	Non-Equity Incentive Plan Compensation (\$)(3)	All Other Compensation (\$)(4)	Total Salary and Incentive Compensation (\$)
Michael R. Minogue President, Chief Executive Officer and Chairman of the Board	2008	352,500	79,200	994,719	354,000	3,815	1,784,234
	2007	341,667	86,400	1,117,023	278,000	3,596	1,826,686
Daniel J. Sutherby Chief Financial Officer and Treasurer	2008	228,750	15,733	181,857	75,000	2,996	504,336
	2007	225,000		286,556	40,000	2,970	554,526
Andrew Greenfield Vice President, Healthcare Solutions	2008	168,592	28,319	190,345	75,000	2,552	464,808
	2007	160,500		240,640	35,000	2,474	438,614
David M. Weber Chief Operating Officer	2008	234,936		249,121	122,000	8,181	614,238
William J. Bolt Senior Vice President, Engineering and Quality Assurance	2008	202,436	25,172	107,327	110,000	4,222	449,157

- (1) The amounts shown do not reflect compensation actually received by the executive officer. Instead, the amount shown reflects the compensation expense recognized in our financial statements in fiscal 2007 and fiscal 2008 based on the number of shares of restricted stock that vested in fiscal 2007 and fiscal 2008. The compensation expense is based on the closing price of our common stock on the applicable grant date. Pursuant to SEC rules, the amount shown excludes the impact of estimated forfeitures related to service-based vesting conditions.

- (2) The amounts shown do not reflect compensation actually received by the executive officers. Instead, the amounts shown reflect the compensation expense recognized in our financial statements in fiscal 2008 that was computed in accordance with SFAS No. 123(R). The specific assumptions used in the valuation of these options are summarized in the table below:

	Grant Date	Term	Volatility (%)	Risk Free Rate (%)	Dividend
Michael R. Minogue	4/5/2004	7.46	83%	3.92%	0%
	6/8/2005	7.52	79%	3.90%	0%
	6/1/2006	6.25	65%	5.02%	0%
	5/30/2007	6.25	57%	4.68%	0%
Daniel J. Sutherby	1/3/2006	6.76	76%	4.86%	0%
	6/1/2006	6.25	65%	5.02%	0%
	5/30/2007	6.25	57%	4.68%	0%
Andrew Greenfield	1/4/2005	7.19	80%	4.40%	0%
	6/8/2005	7.52	79%	3.90%	0%
	11/16/2005	6.96	74%	4.36%	0%
	6/1/2006	6.25	65%	5.02%	0%
	5/30/2007	6.25	57%	4.68%	0%
David M. Weber	4/23/2007	6.25	57%	4.60%	0%
William J. Bolt	6/28/2003	5.00	86%	2.40%	0%
	6/22/2004	7.46	83%	3.92%	0%
	6/25/2003	5.00	86%	2.40%	0%
	6/25/2004	7.46	83%	3.92%	0%
	7/1/2004	7.76	84%	3.45%	0%
	6/8/2005	7.52	79%	3.90%	0%
	6/1/2006	6.25	65%	5.02%	0%
	5/30/2007	6.25	57%	4.68%	0%

Pursuant to SEC rules, the amounts shown above exclude the impact of estimated forfeitures related to service-based vesting conditions.

- (3) Reflects amounts that were earned under our management bonus plan for fiscal 2007 and fiscal 2008 performance and that were determined and paid on June 1, 2007 and June 13, 2008, respectively.
- (4) Reflects: (a) \$1,500 matching contribution to the ABIOMED Retirement Savings Plan for each fiscal year; (b) the following long-term disability (LTD.) and life insurance (G.T.L.) premiums for fiscal 2008: Mr. Minogue LTD. \$1,536 and G.T.L. \$777; Mr. Sutherby LTD. \$1,007 and G.T.L. \$489; Dr. Weber LTD. \$596 and G.T.L. \$776; Mr. Greenfield LTD. \$742 and G.T.L. \$310; and Mr. Bolt LTD. \$891 and G.T.L. \$1,831, and (c) the following long-term disability and life insurance premiums for fiscal 2007: Mr. Minogue \$1,430 and G.T.L. \$666; Mr. Sutherby LTD. \$990 and G.T.L. \$480; and Mr. Greenfield LTD. \$706 and G.T.L. \$268 and (d) a relocation payment to Dr. Weber of \$5,309 for fiscal 2008.

Plan-Based Awards

The following table provides information regarding grants of plan-based awards to the named executive officers during fiscal 2008.

**Grants of Plan-Based Awards
for Fiscal 2008**

Name	Grant Date (1)	Estimated Future Payouts Under Non-Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units (#)(3)	All Other Option Awards: Number of Securities Underlying Options (#)(4)	Exercise or Base Price of Option Awards (\$/Sh)(5)	Grant Date Fair Value of Stock and Option Awards \$(6)
		Threshold \$(2)	Target \$(2)	Maximum \$(2)				
Michael R. Minogue	5/30/2007		354,000			85,000	11.27	564,383
Daniel J. Sutherby	5/30/2007		100,000		5,000	5,000	11.27	89,549
Andrew Greenfield	5/30/2007		75,000		9,000	10,000	11.27	167,828
David M. Weber	5/30/2007		100,000					
William J. Bolt	5/30/2007		100,000		8,000	8,000	11.27	143,278

- (1) Reflects the dates on which the grants of stock options were approved by the Compensation Committee. No executive officer paid any amount to us in consideration for the grant of any stock options.
- (2) Amounts reported in these columns represent potential payouts set at the beginning of the fiscal year. The amounts actually paid with respect to fiscal 2008 are reported in the Summary Compensation Table under the heading Non-Equity Incentive Plan Compensation. There are no established thresholds or maximums in the plan.
- (3) Represent shares of our common stock subject to restricted stock awards granted under our 2000 Stock Incentive Plan. These shares vest on the third anniversary of the date of grant.
- (4) All awards of stock options were made under our 2000 Stock Incentive Plan. All of the stock options reported in the table vest 25% annually beginning on the first anniversary of the date of grant.
- (5) The exercise price of each stock option reported in the table is equal to the closing market price of our common stock on the grant date.
- (6) Amounts shown do not reflect compensation actually received by the executive officer. Instead, the amounts shown reflect the grant date fair values of the awards computed in accordance with SFAS No. 123(R). Generally, the grant date fair value is the full amount that we would expense in our financial statements over the vesting schedule of the award. For stock options, fair value is calculated using the Black-Scholes value on the grant date. In calculating these values, we used the assumptions described in Note 11 to our consolidated financial statements included in our annual report on Form 10-K filed with the SEC for the year ended March 31, 2008. Pursuant to SEC rules, the amounts shown exclude the impact of estimated forfeitures related to service-based vesting conditions. The actual amount of compensation that may be earned by the executive officer will depend on the extent to which the awards vest and the price of our common stock at the time of exercise or vesting.

Outstanding Equity Awards at Fiscal Year-End

The following table provides information regarding outstanding equity awards held by the named executive officers on March 31, 2008.

Outstanding Equity Awards

on March 31, 2008

Name	Option Awards				Stock Awards	
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable (1)	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)(2)
Michael R. Minogue	300,000	100,000	9.05	4/5/2014		
	50,000	50,000	9.36	6/8/2015		
	65,000	195,000	13.57	6/1/2016		
		85,000	11.27	5/30/2017		
Daniel J. Sutherby	40,000	40,000	9.35	1/3/2016	5,000	65,700
	5,000	15,000	13.57	6/1/2016		
		5,000	11.27	5/30/2017		
Andrew Greenfield	22,500	7,500	14.98	1/4/2015	9,000	118,260
	10,000	10,000	9.36	6/8/2015		
	7,500	7,500	8.77	11/16/2015		
	10,000	30,000	13.57	6/1/2016		
		10,000	11.27	5/30/2017		
David M. Weber		130,000	13.88	4/23/2017		
William J. Bolt	20,000		6.69	7/1/2009	8,000	105,120
	40,000		15.56	6/28/2010		
	25,000		24.12	6/22/2011		
	50,000		6.75	6/25/2012		
	16,000		5.11	6/26/2013		
	13,500	4,500	12.30	7/1/2014		
	15,000	15,000	9.36	6/8/2015		
	5,000	15,000	13.57	6/1/2016		
	8,000	11.27	5/30/2017			

(1) These options vest 25% annually for four years on the anniversary of the date of grant.

(2) The market value of unvested shares of restricted stock is based on \$13.14, the closing market price of our common stock on March 31, 2008, the last trading date of fiscal 2008.

Option Exercises and Vesting of Stock

The following table provides information regarding the exercise of stock options by our executive officers and the vesting of stock awards during fiscal 2008. None of our named executive officers exercised any stock options during fiscal 2008.

Stock Vested during Fiscal 2008

Name	Stock Awards	
	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting \$(1)
Michael R. Minogue	8,000	114,400
Daniel J. Sutherby		
David		