

Haemonetics Corporation Financial Summary
(Unaudited data in thousands, except per share data)

Consolidated Statements of Income for the Second Quarter FY09

	9/27/08 As Reported	9/29/07 As Reported	% Inc/(Dec) vs Prior Year
NET REVENUES	<u>\$145,919</u>	<u>\$121,179</u>	<u>20.4%</u>
Gross profit	74,689	59,889	24.7%
R&D	5,217	6,727	(22.4%)
S,G&A	<u>45,863</u>	<u>38,546</u>	19.0%
Operating expenses	<u>51,080</u>	<u>45,273</u>	12.8%
Operating income	23,609	14,616	61.5%
Interest expense	(16)	(153)	(89.5%)
Interest income	506	1,414	(64.2%)
Other income/(expense), net	<u>(1,290)</u>	<u>731</u>	(276.5%)
Income before taxes	22,809	16,608	37.3%
Tax expense	8,002	5,441	47.1%
NET INCOME	<u><u>\$14,807</u></u>	<u><u>\$11,167</u></u>	32.6%
Net income per common share assuming dilution	\$0.57	\$0.42	35.3%
Weighted average number of shares			
Basic	25,038	25,609	
Diluted	25,917	26,461	
Profit Margins:			Inc/(Dec) vs prior year profit margin %
Gross profit	51.2%	49.4%	<u>1.8%</u>
R&D	3.6%	5.6%	(2.0%)
S,G&A	31.4%	31.8%	(0.4%)
Operating income	16.2%	12.1%	4.1%
Income before taxes	15.6%	13.7%	1.9%
Net income	10.1%	9.2%	0.9%

Consolidated Statements of Income FY09 Year-To-Date

	9/27/08 As Reported	9/29/07 As Reported	% Inc/(Dec) vs Prior Year
NET REVENUES	<u>\$290,035</u>	<u>\$243,115</u>	<u>19.3%</u>
Gross profit	147,726	121,383	21.7%
R&D	11,061	13,003	(14.9%)
S,G&A	93,722	77,985	20.2%
Operating expenses	<u>104,783</u>	<u>90,988</u>	15.2%
Operating income	42,943	30,395	41.3%
Interest expense	(40)	(360)	(88.9%)
Interest income	1,160	3,317	(65.0%)
Other income/(expense), net	<u>(915)</u>	<u>1,688</u>	(154.2%)
Income before taxes	43,148	35,040	23.1%
Tax expense	14,000	11,196	25.0%
NET INCOME	<u><u>\$29,148</u></u>	<u><u>\$23,844</u></u>	22.2%
Net income per common share assuming dilution	\$1.11	\$0.89	25.6%
Weighted average number of shares			
Basic	25,323	26,072	
Diluted	26,218	26,934	
Profit Margins:			Inc/(Dec) vs prior year profit margin %
Gross profit	50.9%	49.9%	<u>1.0%</u>
R&D	3.8%	5.3%	(1.5%)
S,G&A	32.3%	32.1%	0.2%
Operating income	14.8%	12.5%	2.3%
Income before taxes	14.9%	14.4%	0.5%
Net income	10.0%	9.8%	0.2%

Revenue Analysis for the Second Quarter and Year-To-Date FY09

	Second Quarter		
	9/27/08 As Reported	9/29/07 As Reported	% Increase vs. Prior Year
Revenues by Geography			
United States	\$66,511	\$53,773	23.7%
International	\$79,408	\$67,406	17.8%
Net Revenues	<u>\$145,919</u>	<u>\$121,179</u>	20.4%
Disposable Revenues by Product Family			
Donor:			
Plasma	\$49,924	\$37,581	32.8%
Blood Bank	\$36,294	\$34,160	6.2%
Red Cell	\$11,758	\$10,835	8.5%
	<u>\$97,976</u>	<u>\$82,576</u>	18.6%
Patient:			
Surgical / Diagnostic	\$20,747	\$15,232	36.2%
OrthoPAT	\$8,393	\$7,849	6.9%
	<u>\$29,140</u>	<u>\$23,081</u>	26.3%
Subtotal	\$127,116	\$105,657	20.3%
Equipment	\$8,853	\$6,833	29.6%
Software & Services	\$9,950	\$8,689	14.5%
Net Revenues	<u>\$145,919</u>	<u>\$121,179</u>	20.4%

	Six Months Ended		
	9/27/08 As Reported	9/29/07 As Reported	% Increase vs. Prior Year
Revenues by Geography			
United States	\$132,300	\$108,604	21.8%
International	\$157,735	\$134,511	17.3%
Net Revenues	<u>\$290,035</u>	<u>\$243,115</u>	19.3%
Disposable Revenues by Product Family			
Donor:			
Plasma	\$96,792	\$73,536	31.6%
Blood Bank	\$71,953	\$67,192	7.1%
Red Cell	\$23,600	\$21,779	8.4%
	<u>\$192,345</u>	<u>\$162,507</u>	18.4%
Patient:			
Surgical / Diagnostic	\$43,110	\$31,926	35.0%
OrthoPAT	\$17,189	\$16,036	7.2%
	<u>\$60,299</u>	<u>\$47,962</u>	25.7%
Subtotal	\$252,644	\$210,469	20.0%
Equipment	\$17,142	\$13,801	24.2%
Software & Services	\$20,249	\$18,845	7.5%
Net Revenues	<u>\$290,035</u>	<u>\$243,115</u>	19.3%

Consolidated Balance Sheets

	Period ending	
	9/27/08	3/29/08
<u>Assets</u>		
Cash & cash equivalents	\$111,331	\$133,553
Accounts receivable, net	122,500	120,252
Inventories, net	73,181	65,388
Other current assets	34,456	40,241
Total current assets	341,468	359,434
Net PP&E	124,905	116,484
Other assets	134,337	133,032
 Total assets	 \$600,710	 \$608,950

	Period ending	
	9/27/08	3/29/08
<u>Liabilities & Stockholders' Equity</u>		
S/T debt & current maturities	\$8,055	\$6,326
Other current liabilities	79,131	91,351
Total current liabilities	87,186	97,677
Long-term debt	5,697	6,037
Other long-term liabilities	11,012	11,048
Stockholders' equity	496,815	494,188
 Total liabilities & equity	 \$600,710	 \$608,950

FREE CASH FLOW RECONCILIATION

	Three Months Ended	
	<u>9/27/08</u>	<u>9/29/07</u>
GAAP CASH FLOW FROM OPERATIONS	<u>\$27,936</u>	<u>\$6,697</u>
Capital expenditures	(16,380)	(15,807)
Proceeds from sale of property, plant and equipment	<u>21</u>	<u>657</u>
Net investment in property, plant and equipment	<u>(16,359)</u>	<u>(15,150)</u>
Free Cash Flow	<u><u>\$11,577</u></u>	<u><u>(\$8,453)</u></u>

	Six Months Ended	
	<u>9/27/08</u>	<u>9/29/07</u>
GAAP CASH FLOW FROM OPERATIONS	<u>\$41,777</u>	<u>\$20,878</u>
Capital expenditures	(28,775)	(27,255)
Proceeds from sale of property, plant and equipment	<u>2,497</u>	<u>1,962</u>
Net investment in property, plant and equipment	<u>(26,278)</u>	<u>(25,293)</u>
Free Cash Flow	<u><u>\$15,499</u></u>	<u><u>(\$4,415)</u></u>

Haemonetics Corporation Financial Summary

Reconciliation of Non-GAAP Measures

Haemonetics has presented supplemental non-GAAP financial measures as part of this earnings release. A reconciliation is provided below that reconciles each non-GAAP financial measure with the most comparable GAAP measure. The presentation of non-GAAP financial measures should not be considered in isolation from, or as a substitute for, the most directly comparable GAAP measures. There are material limitations to the usefulness of non-GAAP measures on a standalone basis, including the lack of comparability to the GAAP financial results of other companies.

These measures are used by management to monitor the financial performance of the business, inform business decision making, and forecast future results. Performance targets for management are established based upon these non-GAAP measures. In the reconciliations below, we have removed restructuring costs from our GAAP expenses. These restructuring costs result from a significant transformation of our business during the second quarter and first six months of our fiscal years 2009 and 2008. This transformation resulted in the formation of a shared service center in Europe, exiting various offices across Europe and Japan and, most recently, in repositioning our technical operations organization. We believe this information is useful for investors because it allows for an evaluation of the Company with a focus on the performance of our core operations.

Non-GAAP Gross Profit

The use of these non-GAAP measures allows management to monitor the level of total gross profits without the costs of our business transformation. We establish our budgets, forecasts, and performance targets on this basis.

Non-GAAP S,G&A and Non-GAAP Operating Expenses

The use of this non-GAAP measure allows management to monitor the ongoing level of spend that is necessary to support the business in a period when we are not transforming our business or completing an acquisition of in-process research and development. We establish our budgets, forecasts, and performance targets excluding these costs.

Non-GAAP Operating Income and Non-GAAP Income Before Income Taxes

The use of these non-GAAP measures allows management to monitor the level of operating and total pre-tax profits without the costs of our business transformation. We establish our budgets, forecasts, and performance targets on this basis.

Non-GAAP Net Income and Earnings Per Share

The use of these non-GAAP measures allows management to monitor the level of net income and earnings per share excluding both the costs of our business transformation, as well as any related tax effects. We establish our budgets, forecasts, and performance targets on this basis.

Reconciliation of Non-GAAP Measures for the Second Quarter of FY09 and FY08

	09/27/08	09/29/07
Non-GAAP Gross Profit		
GAAP Gross Profit	\$74,689	\$59,889
Restructuring Costs	0	0
Non-GAAP Gross Profit	\$74,689	\$59,889
 Non-GAAP S,G&A		
GAAP S,G&A	\$45,863	\$38,546
Restructuring Costs	(319)	(1,155)
Non-GAAP S,G&A	\$45,544	\$37,391
 Non-GAAP Operating Expenses		
GAAP Operating Expenses	\$51,080	\$45,273
Restructuring Costs	(319)	(1,155)
Non-GAAP Operating Expenses	\$50,761	\$44,118
 Non-GAAP Operating Income		
GAAP Operating Income	\$23,609	\$14,616
Restructuring Costs	319	1,155
Non-GAAP Operating Income	\$23,928	\$15,771
 Non-GAAP Income Before Taxes		
GAAP Income Before Taxes	\$22,809	\$16,608
Restructuring Costs	319	1,155
Non-GAAP Income Before Taxes	\$23,128	\$17,763
 Non-GAAP Net Income		
GAAP Net Income	\$14,807	\$11,167
Restructuring Costs	319	1,155
Tax Benefit Associated With Restructuring Costs	(112)	(397)
Non-GAAP NET INCOME	\$15,014	\$11,925
 Non-GAAP Net Income Per Common Share Assuming Dilution		
GAAP Net Income Per Common Share Assuming Dilution	\$0.57	\$0.42
Restructuring Costs After Tax Per Common Share Assuming Dilution	\$0.01	\$0.03
Non-GAAP Net Income Per Common Share Assuming Dilution	\$0.58	\$0.45

Reconciliation of Non-GAAP Measures for the First Six Months of FY09 and FY08

	09/27/08	09/29/07
Non-GAAP Gross Profit		
GAAP Gross Profit	\$147,726	\$121,383
Restructuring Costs	72	0
Non-GAAP Gross Profit	\$147,798	\$121,383
 Non-GAAP S,G&A		
GAAP S,G&A	\$93,722	\$77,985
Restructuring Costs	(2,100)	(2,784)
Non-GAAP S,G&A	\$91,622	\$75,201
 Non-GAAP Operating Expenses		
GAAP Operating Expenses	\$104,783	\$90,988
Restructuring Costs	(2,100)	(2,784)
Non-GAAP Operating Expenses	\$102,683	\$88,204
 Non-GAAP Operating Income		
GAAP Operating Income	\$42,943	\$30,395
Restructuring Costs	2,172	2,784
Non-GAAP Operating Income	\$45,115	\$33,179
 Non-GAAP Income Before Taxes		
GAAP Income Before Taxes	\$43,148	\$35,040
Restructuring Costs	2,172	2,784
Non-GAAP Income Before Taxes	\$45,320	\$37,824
 Non-GAAP Net Income		
GAAP Net Income	\$29,148	\$23,844
Restructuring Costs	2,172	2,784
Tax Benefit Associated With Restructuring Costs	(762)	(955)
Non-GAAP NET INCOME	\$30,558	\$25,673
 Non-GAAP Net Income Per Common Share Assuming Dilution		
GAAP Net Income Per Common Share Assuming Dilution	\$1.11	\$0.89
Restructuring Costs After Tax Per Common Share Assuming Dilution	\$0.05	\$0.07
Non-GAAP Net Income Per Common Share Assuming Dilution	\$1.17	\$0.95