

Fiscal 2009 Second Quarter  
Earnings Highlights

October 27, 2008

# Safe Harbor Statement

---

**This presentation contains forward-looking statements that involve risks and uncertainties which are detailed in the Company's filings with the Securities and Exchange Commission. The forward looking statements are based on estimates and assumptions made by management of the Company and are believed to be reasonable, though are inherently uncertain and difficult to predict. Actual results could differ materially from the forward-looking statements. Please see the Company's 10K for the full cautionary statement.**

**The subsequent slides highlight financial expectations outlined by Haemonetics at its Q2FY09 earnings conference call and press release on October 27, 2008. All guidance given on the slides is good as of October 27, 2008 unless subsequently affirmed.**

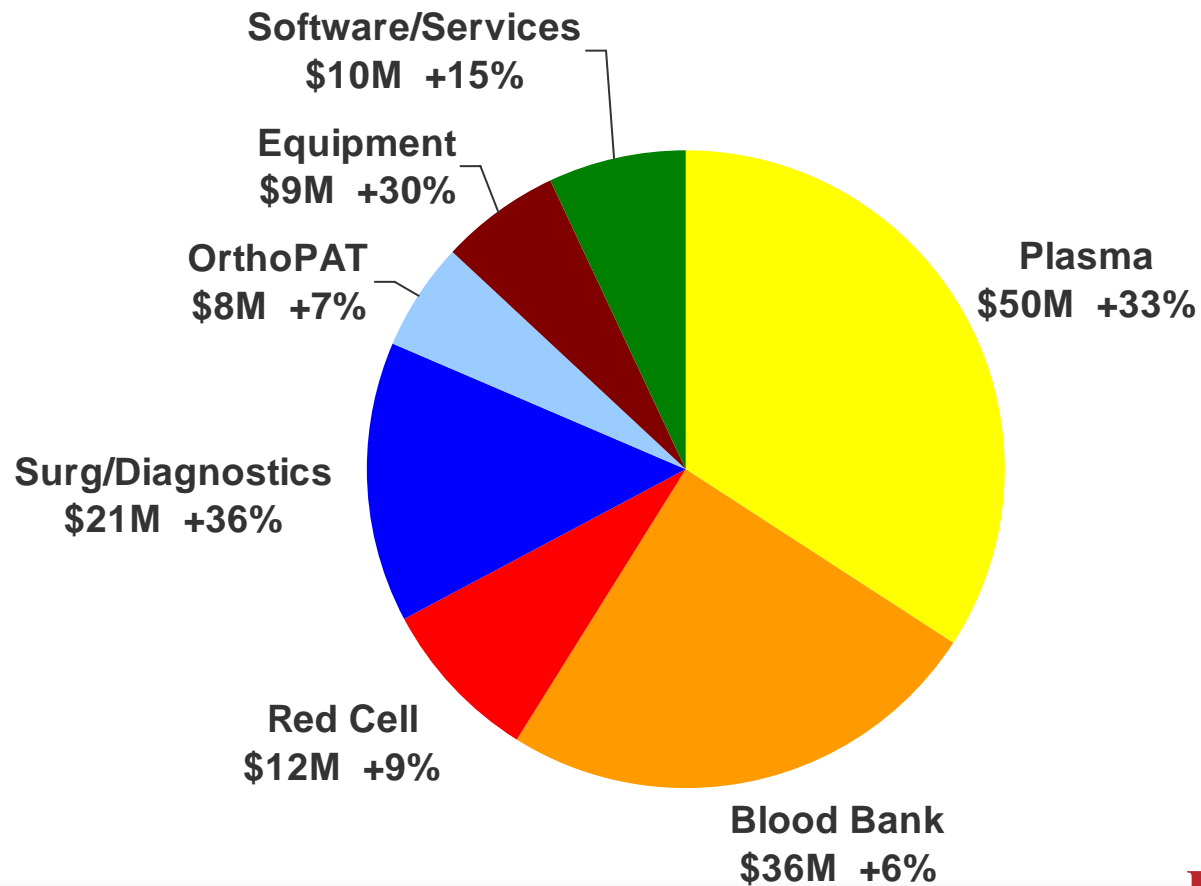
# Our business is running on all cylinders

	Q2FY09 Non-GAAP*	Increase over Q2FY08	1HFY09 Non-GAAP*	Increase over 1HFY08
Revenue	\$146M	20%	\$290M	19%
Gross profit	\$75M	25%	\$148M	22%
Operating expenses	\$51M	15%	\$103M	16%
Operating income	\$24M	52%	\$45M	36%
Net income	\$15M	26%	\$31M	19%
Earnings per share	\$0.58	28%	\$1.17	22%
Gross margin	51.2%	180 bps	50.9%	100 bps
Operating margin	16.4%	340 bps	15.6%	200 bps

\*See slide 9 for Non-GAAP reconciliation

# All product lines contributed to growth

## Q2FY09 Revenue Analysis



# We are investing for growth

<i>\$s in millions</i>	<b>Three Months Ended</b>	
	9-27-08	9-29-07
<b>GAAP CASH FLOW FROM OPERATIONS</b>	<b>\$27,936</b>	<b>\$6,697</b>
Capital expenditures, net	(16,359)	(15,150)
<b>FREE CASH FLOW</b>	<b>\$11,577</b>	<b>\$8,453</b>

# Fundamentals of the business and prospects for growth are stronger than ever

	FY08 Actual	1HFY09 Actual	Full Year 09 Updated Guidance
Revenue	\$516M	+19%	12-14%
Gross Margin	49.9%	50.9%	+120 bps
Operating Income	\$77M	+36%	21-25%
Operating Margin	14.8%	15.6%	+120 bps
EPS	\$2.10	\$1.17	\$2.38-\$2.44

# Fundamentals of the business and prospects for growth are stronger than ever

	<b>FY08 Actual</b>	<b>FY09 \$2.38* Scenario</b>	<b>FY09 \$2.44* Scenario</b>	<b>Guidance Updated 10/27/08</b>
<i>\$s in millions</i>				
Sales	\$516	\$578	\$589	12% to 14%
Gross Profit	258	296	300	
Operating Expense	181	204	205	
Operating Income	77	92	95	21% to 25%
Other Income	7	1	1	
Pretax Income	84	93	96	
Income Tax Rate	32.8%	33.5%	34.0%	
Net Income	\$56.2	\$62	\$64	
Earnings Per Share	\$ 2.10	\$2.38	\$2.44	\$2.38-\$2.44
Shares Outstanding (M)	27	26	26	
<u>Profit Margins (%)</u>				
Gross Profit	49.9%	51.2%	51.0%	+120 bps
Operating Income	14.8%	16.0%	16.2%	+120 bps
Net Income	10.9%	10.7%	10.8%	

\*Scenarios are not intended to be guidance, but rather to give examples of potential full year outcomes

# Fundamentals of the business and prospects for growth are stronger than ever

<i>\$s in millions</i>	<b><u>FY08 Actual</u></b>	<b><u>FY09 12% Growth Scenario</u></b>	<b><u>FY09 14% Growth Scenario</u></b>	<b><u>Updated 10/27/08</u></b>
Total Revenue	\$516	\$578	\$589	+12% to 14%
Donor Disposables				
Plasma	155	187	194	+20% to 25%
Blood Bank	136	142	143	+4-5%
Red Cells	46	50	51	~10%
Patient Disposables				
Surgical/Diagnostics	73	87	88	+~18%
OrthoPAT	34	37	38	+8%-12%
Equipment	33	32	33	0 to (-5%)
Software & Services	39	43	43	+~10%

\*Scenarios are not intended to be guidance, but rather to give examples of potential full year outcomes

# Reconciliation of GAAP to Reported Financial Results – Q2FY09

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

# Reconciliation of GAAP to Reported Financial Results – 1H FY09

	09/27/08	09/29/07
<b>Non-GAAP Gross Profit</b>		
GAAP Gross Profit	\$147,726	\$121,383
Restructuring Costs	72	0
Non-GAAP Gross Profit	<u>\$147,798</u>	<u>\$121,383</u>
<b>Non-GAAP S,G&amp;A</b>		
GAAP S,G&A	\$93,722	\$77,985
Restructuring Costs	(2,100)	(2,784)
Non-GAAP S,G&A	<u>\$91,622</u>	<u>\$75,201</u>
<b>Non-GAAP Operating Expenses</b>		
GAAP Operating Expenses	\$104,783	\$90,988
Restructuring Costs	(2,100)	(2,784)
Non-GAAP Operating Expenses	<u>\$102,683</u>	<u>\$88,204</u>
<b>Non-GAAP Operating Income</b>		
GAAP Operating Income	\$42,943	\$30,395
Restructuring Costs	2,172	2,784
Non-GAAP Operating Income	<u>\$45,115</u>	<u>\$33,179</u>
<b>Non-GAAP Income Before Taxes</b>		
GAAP Income Before Taxes	\$43,148	\$35,040
Restructuring Costs	2,172	2,784
Non-GAAP Income Before Taxes	<u>\$45,320</u>	<u>\$37,824</u>
<b>Non-GAAP Net Income</b>		
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	<u>\$30,558</u>	<u>\$25,673</u>
<b>Non-GAAP Net Income Per Common Share Assuming Dilution</b>		
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
In-Process Research and Development per common share assuming dilution	\$0.00	

# 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.