

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

**Consolidated Statements of Income for the Second Quarter FY10**

	9/26/09 As Reported	9/27/08 As Reported	% Inc/(Dec) vs Prior Year
<b>NET REVENUES</b>	<u>\$157,070</u>	<u>\$145,919</u>	7.6%
Gross profit	80,967	74,689	8.4%
R&D	6,475	5,217	24.1%
S,G&A	47,469	45,863	3.5%
Operating expenses	<u>53,944</u>	<u>51,080</u>	5.6%
Operating income	27,023	23,609	14.5%
Interest expense	(255)	(16)	1493.8%
Interest income	103	506	(79.6%)
Other (expense)/income, net	<u>(801)</u>	<u>(1,290)</u>	(37.9%)
Income before taxes	26,070	22,809	14.3%
Tax expense	8,020	8,002	0.2%
<b>NET INCOME</b>	<u><u>\$18,050</u></u>	<u><u>\$14,807</u></u>	21.9%
<b>Net income per common share assuming dilution</b>	\$0.69	\$0.57	20.1%
Weighted average number of shares			
Basic	25,685	25,038	
Diluted	26,321	25,917	
<b>Profit Margins:</b>			Inc/(Dec) vs prior year profit margin %
Gross profit	51.5%	51.2%	<u>0.3%</u>
R&D	4.1%	3.6%	0.5%
S,G&A	30.2%	31.4%	(1.2%)
Operating income	17.2%	16.2%	1.0%
Income before taxes	16.6%	15.6%	1.0%
Net income	11.5%	10.1%	1.4%

## Consolidated Statements of Income for FY10 Year-To-Date

	9/26/09 As Reported	9/27/08 As Reported	% Inc/(Dec) vs Prior Year
<b>NET REVENUES</b>	<u>\$311,158</u>	<u>\$290,035</u>	7.3%
Gross profit	163,910	147,726	11.0%
R&D	13,252	11,061	19.8%
S,G&A	<u>97,308</u>	<u>93,722</u>	3.8%
Operating expenses	<u>110,560</u>	<u>104,783</u>	5.5%
Operating income	53,350	42,943	24.2%
Interest expense	(463)	(40)	1057.5%
Interest income	253	1,160	(78.2%)
Other (expense)/income, net	<u>(1,135)</u>	<u>(915)</u>	24.0%
Income before taxes	52,005	43,148	20.5%
Tax expense	15,882	14,000	13.4%
<b>NET INCOME</b>	<u><u>\$36,123</u></u>	<u><u>\$29,148</u></u>	23.9%
<b>Net income per common share assuming dilution</b>	\$1.37	\$1.11	23.7%
Weighted average number of shares			
Basic	25,671	25,323	
Diluted	26,273	26,218	
<b>Profit Margins:</b>			Inc/(Dec) vs prior year profit margin %
Gross profit	52.7%	50.9%	<u>1.8%</u>
R&D	4.3%	3.8%	0.5%
S,G&A	31.3%	32.3%	(1.0%)
Operating income	17.1%	14.8%	2.3%
Income before taxes	16.7%	14.9%	1.8%
Net income	11.6%	10.0%	1.6%

## Revenue Analysis for the Second Quarter and Year-To-Date FY10

	Second Quarter		
	9/26/09	9/27/08	% Inc/(Dec)
	As Reported	As Reported	vs Prior Year
<b>Revenues by geography</b>			
United States	\$74,856	\$66,511	12.5%
International	\$82,214	\$79,408	3.5%
Net revenues	<u>\$157,070</u>	<u>\$145,919</u>	7.6%
<b>Disposable revenues</b>			
Plasma disposables	\$59,423	\$49,924	19.0%
Blood bank disposables			
Platelet	\$37,250	\$36,294	2.6%
Red cell	\$11,484	\$11,758	(2.3%)
	<u>\$48,734</u>	<u>\$48,052</u>	1.4%
Hospital disposables			
Surgical	\$16,631	\$15,984	4.0%
OrthoPAT	\$8,678	\$8,393	3.4%
Diagnostics	\$4,282	\$4,763	(10.1%)
	<u>\$29,591</u>	<u>\$29,140</u>	1.5%
Subtotal	\$137,748	\$127,116	8.4%
Software solutions	\$9,100	\$7,079	28.5%
Equipment & other	\$10,222	\$11,724	(12.8%)
Net revenues	<u>\$157,070</u>	<u>\$145,919</u>	7.6%
<b>Six Months Ended</b>			
	9/26/09	9/27/08	% Inc/(Dec)
	As Reported	As Reported	vs Prior Year
<b>Revenues by geography</b>			
United States	\$149,869	\$132,300	13.3%
International	\$161,289	\$157,735	2.3%
Net revenues	<u>\$311,158</u>	<u>\$290,035</u>	7.3%
<b>Disposable revenues</b>			
Plasma disposables	\$118,293	\$96,792	22.2%
Blood bank disposables			
Platelet	\$71,557	\$71,953	(0.6%)
Red cell	\$23,263	\$23,600	(1.4%)
	<u>\$94,820</u>	<u>\$95,553</u>	(0.8%)
Hospital disposables			
Surgical	\$34,056	\$33,253	2.4%
OrthoPAT	\$17,262	\$17,189	0.4%
Diagnostics	\$9,279	\$9,857	(5.9%)
	<u>\$60,597</u>	<u>\$60,299</u>	0.5%
Subtotal	\$273,710	\$252,644	8.3%
Software solutions	\$17,554	\$14,337	22.4%
Equipment & other	\$19,894	\$23,054	(13.7%)
Net revenues	<u>\$311,158</u>	<u>\$290,035</u>	7.3%

## Consolidated Balance Sheets

	Period ending	
	9/26/09	3/28/09
<b><u>Assets</u></b>		
Cash & cash equivalents	\$178,322	\$156,721
Accounts receivable, net	118,668	113,598
Inventories, net	77,136	76,522
Other current assets	31,999	35,552
Total current assets	406,125	382,393
Net PP&E	152,954	137,807
Other assets	155,215	129,493
Total assets	<u>\$714,294</u>	<u>\$649,693</u>

	Period ending	
	9/26/09	3/28/09
<b><u>Liabilities &amp; Stockholders' Equity</u></b>		
S/T debt & current maturities	\$15,181	\$695
Other current liabilities	97,642	92,168
Total current liabilities	112,823	92,863
Long-term debt	4,974	5,343
Other long-term liabilities	17,065	11,603
Stockholders' equity	579,432	539,884
Total liabilities & equity	<u>\$714,294</u>	<u>\$649,693</u>

## Free Cash Flow Reconciliation

	Three Months Ended	
	9/26/09	9/27/08
GAAP cash flow from operations	<u>\$35,773</u>	<u>\$27,935</u>
Capital expenditures	(11,676)	(16,380)
Proceeds from sale of property, plant and equipment	<u>182</u>	<u>321</u>
Net investment in property, plant and equipment	<u>(11,494)</u>	<u>(16,059)</u>
Free cash flow	<u><u>\$24,279</u></u>	<u><u>\$11,876</u></u>

	Six Months Ended	
	9/26/09	9/27/08
GAAP cash flow from operations	<u>\$61,479</u>	<u>\$41,777</u>
Capital expenditures	(32,880)	(28,775)
Proceeds from sale of property, plant and equipment	<u>383</u>	<u>2,797</u>
Net investment in property, plant and equipment	<u>(32,497)</u>	<u>(25,978)</u>
Free cash flow	<u><u>\$28,982</u></u>	<u><u>\$15,799</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 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 FY10 and FY09

	09/26/09	09/27/08
<b>Non-GAAP gross profit</b>		
GAAP gross profit	\$80,967	\$74,689
Restructuring costs	0	0
<b>Non-GAAP gross profit</b>	<b>\$80,967</b>	<b>\$74,689</b>
 <b>Non-GAAP S,G&amp;A</b>		
GAAP S,G&A	\$47,469	\$45,863
Restructuring costs	0	(319)
<b>Non-GAAP S,G&amp;A</b>	<b>\$47,469</b>	<b>\$45,544</b>
 <b>Non-GAAP operating expenses</b>		
GAAP operating expenses	\$53,944	\$51,080
Restructuring costs	0	(319)
<b>Non-GAAP operating expenses</b>	<b>\$53,944</b>	<b>\$50,761</b>
 <b>Non-GAAP operating income</b>		
GAAP operating income	\$27,023	\$23,609
Restructuring costs	0	319
<b>Non-GAAP operating income</b>	<b>\$27,023</b>	<b>\$23,928</b>
 <b>Non-GAAP income before taxes</b>		
GAAP income before taxes	\$26,070	\$22,809
Restructuring costs	0	319
<b>Non-GAAP income before taxes</b>	<b>\$26,070</b>	<b>\$23,128</b>
 <b>Non-GAAP net income</b>		
GAAP net income	\$18,050	\$14,807
Restructuring costs	0	319
Tax benefit associated with restructuring costs	0	(112)
<b>Non-GAAP net income</b>	<b>\$18,050</b>	<b>\$15,014</b>
 <b>Non-GAAP net income per common share assuming dilution</b>		
GAAP net income per common share assuming dilution	\$0.69	\$0.57
Restructuring costs after tax per common share assuming dilution	\$0.00	\$0.01
<b>Non-GAAP net income per common share assuming dilution</b>	<b>\$0.69</b>	<b>\$0.58</b>

## Reconciliation of Non-GAAP Measures for the First Six Months of FY10 and FY09

	09/26/09	09/27/08
<b>Non-GAAP gross profit</b>		
GAAP gross profit	\$163,910	\$147,726
Restructuring costs	0	72
<b>Non-GAAP gross profit</b>	<u>\$163,910</u>	<u>\$147,798</u>
<b>Non-GAAP S,G&amp;A</b>		
GAAP S,G&A	\$97,308	\$93,722
Restructuring costs	0	(2,100)
<b>Non-GAAP S,G&amp;A</b>	<u>\$97,308</u>	<u>\$91,622</u>
<b>Non-GAAP operating expenses</b>		
GAAP operating expenses	\$110,560	\$104,783
Restructuring costs	0	(2,100)
<b>Non-GAAP operating expenses</b>	<u>\$110,560</u>	<u>\$102,683</u>
<b>Non-GAAP operating income</b>		
GAAP operating income	\$53,350	\$42,943
Restructuring costs	0	2,172
<b>Non-GAAP operating income</b>	<u>\$53,350</u>	<u>\$45,115</u>
<b>Non-GAAP income before taxes</b>		
GAAP income before taxes	\$52,005	\$43,148
Restructuring costs	0	2,172
<b>Non-GAAP income before taxes</b>	<u>\$52,005</u>	<u>\$45,320</u>
<b>Non-GAAP net income</b>		
GAAP net income	\$36,123	\$29,148
Restructuring costs	0	2,172
Tax benefit associated with restructuring costs	0	(762)
<b>Non-GAAP net income</b>	<u>\$36,123</u>	<u>\$30,558</u>
<b>Non-GAAP net income per common share assuming dilution</b>		
GAAP net income per common share assuming dilution	\$1.37	\$1.11
Restructuring costs after tax per common share assuming dilution	\$0.00	\$0.05
<b>Non-GAAP net income per common share assuming dilution</b>	<u>\$1.37</u>	<u>\$1.17</u>