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

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarter ended: October 2, 2010

Commission File Number: 1-14041

HAEMONETICS CORPORATION

(Exact name of registrant as specified in its charter)

Massachusetts	**04-2882273**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

400 Wood Road, Braintree, MA 02184
(Address of principal executive offices)

Registrant's telephone number, including area code: **(781) 848-7100**

Indicate by check mark whether the registrant (1.) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) (2.) has been subject to the filing requirements for at least the past 90 days.

Yes ☑ No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes ☑ No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act (Check one):

Large accelerated filer ☑	Accelerated filer o	Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act.)

Yes o No ☑

The number of shares of $.01 par value common stock outstanding as of October 2, 2010:

24,746,788

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ITEM 1. FINANCIAL STATEMENTS

HAEMONETICS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited in thousands, except per share data)

	Three months ended		Six months ended	
	October 2, 2010	September 26, 2009	October 2, 2010	September 26, 2009
Net revenues	$ 166,833	$ 157,070	$ 329,872	$ 311,158
Cost of goods sold	79,078	76,103	155,655	147,248
Gross profit	87,755	80,967	174,217	163,910
Operating expenses:				
Research, development and engineering	7,954	6,475	15,875	13,252
Selling, general and administrative	52,790	47,469	107,144	97,308
Contingent consideration income	(1,894)	—	(1,894)	—
Total operating expenses	58,850	53,944	121,125	110,560
Operating income	28,905	27,023	53,092	53,350
Interest expense	(23)	(255)	(40)	(463)
Interest income	493	103	460	253
Other income/(expense), net	(216)	(801)	22	(1,135)
Income before provision for income taxes	29,159	26,070	53,534	52,005
Provision for income taxes	7,821	8,020	14,277	15,882
Net income	**$** 21,338	**$** 18,050	**$** 39,257	**$** 36,123
Basic income per common share				
Net income	$ 0.86	$ 0.70	$ 1.58	$ 1.41
Income per common share assuming dilution				
Net income	$ 0.85	$ 0.69	$ 1.54	$ 1.37
Weighted average shares outstanding				
Basic	24,686	25,685	24,913	25,671
Diluted	25,228	26,321	25,459	26,273

The accompanying notes are an integral part of these consolidated financial statements

HAEMONETICS CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in thousands, except per share data)

	October 2, 2010 (Unaudited)	April 3, 2010
ASSETS		
Current assets:		
Cash and cash equivalents	$ 115,049	$ 141,562
Accounts receivable, less allowance of $2,068 at October 2, 2010 and $2,554 at April 3, 2010	121,767	118,684
Inventories, net	86,009	79,953
Deferred tax asset, net	13,880	10,985
Prepaid expenses and other current assets	25,517	34,959
Total current assets	362,222	386,143
Property, plant and equipment:		
Land, building and building improvements	50,969	49,292
Plant equipment and machinery	126,351	113,534
Office equipment and information technology	80,824	75,235
Haemonetics equipment	211,355	206,267
Total property, plant and equipment	469,499	444,328
Less: accumulated depreciation	(312,202)	(289,803)
Net property, plant and equipment	157,297	154,525
Other assets:		
Intangible assets, less amortization of $38,977 at October 2, 2010 and $32,693 at April 3, 2010	94,544	97,160
Goodwill	112,383	110,261
Deferred tax asset, long term	1,372	910
Other long-term assets	9,919	9,664
Total other assets	218,218	217,995
Total assets	$ 737,737	$ 758,663
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Notes payable and current maturities of long-term debt	$ 11,702	$ 16,062
Accounts payable	21,628	25,590
Accrued payroll and related costs	30,330	39,046
Accrued income taxes	4,679	5,092
Deferred tax liability	1,131	68
Other liabilities	44,281	48,772
Total current liabilities	113,751	134,630
Long-term debt, net of current maturities	4,423	4,589
Long-term deferred tax liability	12,681	13,405
Other long-term liabilities	12,490	12,915
Commitments and contingencies (Note 12)		
Stockholders' equity:		
Common stock, $0.01 par value; Authorized — 150,000,000 shares; Issued and outstanding — 24,746,788 shares at October 2, 2010 and 25,440,856 shares at April 3, 2010	248	255
Additional paid-in capital	256,071	252,323
Retained earnings	332,907	334,641
Accumulated other comprehensive income	5,166	5,905
Total stockholders' equity	594,392	593,124
Total liabilities and stockholders' equity	$ 737,737	$ 758,663

The accompanying notes are an integral part of these consolidated financial statements.

HAEMONETICS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY AND OTHER COMPREHENSIVE INCOME
(Unaudited in thousands)

	Common Stock Shares	Common Stock $'s	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income / (Loss)	Total Stockholders' Equity	Comprehensive Income
Balance, April 3, 2010	25,441	$ 255	$ 252,323	$ 334,641	$ 5,905	$ 593,124	
Employee stock purchase plan	36	—	1,645	—	—	1,645	
Exercise of stock options and related tax benefit	173	2	7,014	—	—	7,016	
Shares repurchased	(907)	(9)	(9,000)	(40,991)	—	(50,000)	
Issuance of restricted stock, net of cancellations	4	—	—	—	—	—	
Stock compensation expense	—	—	4,089	—	—	4,089	
Net income	—	—	—	39,257	—	39,257	$ 39,257
Net change in minimum pension liability	—	—	—	—	(22)	(22)	(22)
Foreign currency translation adjustment	—	—	—	—	3,234	3,234	3,234
Unrealized loss on hedges, net of tax	—	—	—	—	(4,069)	(4,069)	(4,069)
Reclassification of hedge gain to earnings, net of tax	—	—	—	—	118	118	118
Comprehensive income	—	—	—	—	—	—	$ 38,518
Balance, October 2, 2010	24,747	$ 248	$ 256,071	$ 332,907	$ 5,166	$ 594,392	

The accompanying notes are an integral part of these consolidated financial statements.

HAEMONETICS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited in thousands)

	Six Months Ended	
	October 2, 2010	September 26, 2009
Cash Flows from Operating Activities:		
Net income	$ 39,257	$ 36,123
Adjustments to reconcile net income to net cash provided by operating activities:		
Non cash items:		
Depreciation and amortization	24,690	20,699
Stock compensation expense	4,089	4,992
(Gain)/Loss on sales of property, plant and equipment	316	147
Unrealized loss/(gain) from hedging activities	1,133	(2,145)
Contingent consideration income	(1,894)	—
(Reversal)/accretion of interest expense on contingent consideration	(493)	408
Change in operating assets and liabilities:		
Decrease in accounts receivable, net	(837)	1,786
(Increase)/decrease in inventories	(3,900)	2,071
Decrease in prepaid income taxes	6,849	5,907
Decrease in other assets and other long-term liabilities	(3,727)	(1,204)
Tax benefit of exercise of stock options	946	177
Decrease in accounts payable and accrued expenses	(22,143)	(7,482)
Net cash provided by operating activities	44,286	61,479
Cash Flows from Investing Activities:		
Capital expenditures on property, plant and equipment	(24,088)	(32,880)
Proceeds from sale of property, plant and equipment	262	383
Acquisition of SEBRA	—	(12,845)
Acquisition of Neoteric	—	(6,613)
Acquisition of Medicell	—	(306)
Net cash used in investing activities	(23,826)	(52,261)
Cash Flows from Financing Activities:		
Payments on long-term real estate mortgage	(166)	(369)
Net (decrease)/increase in short-term loans	(5,249)	13,578
Employee stock purchase plan	1,645	1,484
Exercise of stock options	5,841	3,388
Excess tax benefit on exercise of stock options	628	157
Share repurchase	(50,000)	(6,331)
Net cash (used in)/provided by financing activities	(47,301)	11,907
Effect of exchange rates on cash and cash equivalents	328	476
Net (Decrease)/Increase in Cash and Cash Equivalents	(26,513)	21,601
Cash and Cash Equivalents at Beginning of Year	141,562	156,721
Cash and Cash Equivalents at End of Period	$ 115,049	$ 178,322
Non-cash Investing and Financing Activities:		
Transfers from inventory to fixed assets for placements of Haemonetics equipment	$ 3,710	$ 2,809
Supplemental Disclosures of Cash Flow Information:		
Interest paid	$ 251	$ 283
Income taxes paid	$ 6,941	$ 6,360

The accompanying notes are an integral part of these consolidated financial statements

HAEMONETICS CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PRESENTATION

Our accompanying unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP") in the United States for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of our management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. All significant intercompany transactions have been eliminated. Certain reclassifications were made to prior year balances to conform with the presentation of the financial statements for the six months ended October 2, 2010. During the second quarter of fiscal year 2011, we received new information related to our Global Med acquisition which we have considered and estimated the effect on the carrying amount of certain assets and liabilities acquired. These adjustments are reflected accordingly in our financial information for the fiscal year ended April 3, 2010 and are discussed further in Note 9. Operating results for the six month period ended October 2, 2010 are not necessarily indicative of the results that may be expected for the full fiscal year ending April 2, 2011, or any other interim period. These unaudited consolidated financial statements should be read in conjunction with our audited consolidated financial statements and footnotes included in our annual report on Form 10-K for the fiscal year ended April 3, 2010.

The Company considers events or transactions that occur after the balance sheet date but prior to the issuance of the financial statements to provide additional evidence relative to certain estimates or to identify matters that require additional disclosure. Subsequent events have been evaluated, and these financial statements reflect those material items that arose after the balance sheet date but prior to the issuance of the financial statements that would be considered recognized subsequent events. There were no material recognized subsequent events recorded in the October 2, 2010 consolidated financial statements.

Our fiscal year ends on the Saturday closest to the last day of March. Fiscal year 2011 includes 52 weeks with all four quarters each having 13 weeks. Fiscal year 2010 included 53 weeks with each of the first three quarters having 13 weeks and the fourth quarter having 14 weeks.

Revenue Recognition

Our revenue recognition policy is to recognize revenues from product sales, software and services in accordance with ASC Topic 605, *Revenue Recognition*, and ASC Topic 985-605, *Software*. These standards require that revenues are recognized when persuasive evidence of an arrangement exists, product delivery, including customer acceptance, has occurred or services have been rendered, the price is fixed or determinable and collectibility is reasonably assured. When more than one element such as equipment, disposables and services are contained in a single arrangement, we allocate revenue between the elements based on each element's relative fair value, provided that each element meets the criteria for treatment as a separate unit of accounting. An item is considered a separate unit of accounting if it has value to the customer on a stand alone basis and there is objective and reliable evidence of the fair value of the undelivered items. The fair value of the undelivered elements is determined by the price charged when the element is sold separately, or in cases when the item is not sold separately, by using vendor specific objective evidenced under ASC Topic 985-605 or other objective evidence as defined in ASC Topic 605.

Product Revenues

Product sales consist of the sale of our equipment devices and the related disposables used with these devices. On product sales to end customers, revenue is recognized when both the title and risk of loss have transferred to the customer as determined by the shipping terms and all obligations have been completed. Examples of common post delivery obligations are installation and training. For product sales to distributors, we recognize revenue for both equipment and disposables upon shipment of these products to our distributors. Our standard contracts with our distributors state that title to the equipment passes to the distributors at point of shipment to a distributor's location. The distributors are responsible for shipment to the end customer along with installation, training and acceptance of the equipment by the end customer. All shipments to distributors are at contract prices and payment is not contingent upon resale of the product.

Software Solutions Revenues

Our software solutions include software products and support for our plasma, blood bank, and hospital customers. For our blood bank customers, these products span blood center operations and automate and track operations from the recruitment of the blood donor to the disposition of the blood product. For plasma customers, we also provide information technology platforms for managing distribution of plasma from collection centers to plasma fractionation facilities. We offer products to our hospital customers that manage blood product inventory and support patient cross matching and transfusion management. We also offer an analytical tool that monitors and measures a hospital's blood management practices. Software solution product offerings are sold both as a subscription, where license revenues are generally billed periodically, monthly, or quarterly, and recognized ratably over the term of the subscription, and as a perpetual license, which are billed up front. We recognize revenue from the sale of perpetual licenses when delivered, provided all other revenue recognition criteria are met and we have vendor specific objective evidence of fair value for undelivered elements sold with the license. Additionally, for certain software solutions products, we provide customized implementation services to our customer. For these arrangements, we recognize revenue on a percentage-of-completion basis. We also provide other services, including in some instances hosting, technical support, and maintenance, for the payment of periodic, monthly, or quarterly fees. We recognize these fees and charges as earned, typically as these services are provided during the contract period.

2. RECENT ACCOUNTING PRONOUNCEMENTS

In October 2009, the FASB issued Accounting Standards Update No. 2009-13, *Multiple-Deliverable Revenue Arrangements*, an amendment to FASB ASC topic 605, *Revenue Recognition*, and Update No. 2009-14, *Certain Revenue Arrangements That Include Software Elements*, an amendment to FASB ASC subtopic 985-605, *Software — Revenue Recognition* (the "Updates"). The Updates provide guidance on arrangements that include software elements, including tangible products that have software components that are essential to the functionality of the tangible product and will no longer be within the scope of the software revenue recognition guidance, and software-enabled products that will now be subject to other relevant revenue recognition guidance. The Updates provide authoritative guidance on revenue arrangements with multiple deliverables that are outside the scope of the software revenue recognition guidance. Under the new guidance, when vendor specific objective evidence or third party evidence of fair value for deliverables in an arrangement cannot be determined, a best estimate of the selling price is required to separate deliverables and allocate arrangement consideration using the relative selling price method. The Updates also include new disclosure requirements on how the application of the relative selling price method affects the timing and amount of revenue recognition. The Updates must be adopted in the same period using the same transition method and are effective prospectively, with retrospective adoption permitted, for revenue arrangements entered into or materially modified in fiscal years beginning on or after June 15, 2010. Early adoption is also permitted; however, early adoption during an interim period requires retrospective application from the beginning of the fiscal year. The Company will adopt the guidance on April 3, 2011, the first day of fiscal year 2012, and is currently assessing the possible impact of this guidance on its financial position and results of operations.

In December 2009, the FASB issued Accounting Standards Update No. 2009-17, *Improvements to Financial Reporting by Enterprises Involved with Variable Interest Entities*, an amendment to FASB ASC Topic 810, *Consolidations*. ASU No. 2009-17 requires an enterprise to perform an analysis to determine whether the enterprise's variable interest or interests give it a controlling financial interest in a variable interest entity. Additionally, an enterprise is required to assess whether it has an implicit financial responsibility to ensure that a variable interest entity operates as designed when determining whether it has the power to direct the activities of the variable interest entity that most significantly impact the entity's economic performance. The update became effective for our fiscal year 2011 and there was no impact to our consolidated financial statements for the first six months ended October 2, 2010.

3. EARNINGS PER SHARE ("EPS")

The following table provides a reconciliation of the numerators and denominators of the basic and diluted earnings per share computations. Basic EPS is computed by dividing net income by weighted average shares outstanding. Diluted EPS includes the effect of potentially dilutive common shares.

	For the Three Months Ended	
	October 2, 2010	September 26, 2009
	(in thousands, except per share amounts)	
Basic EPS		
Net income	$ 21,338	$ 18,050
Weighted average shares	24,686	25,685
Basic income per share	$ 0.86	$ 0.70
Diluted EPS		
Net income	$ 21,338	$ 18,050
Basic weighted average shares	24,686	25,685
Net effect of common stock equivalents	542	636
Diluted weighted average shares	25,228	26,321
Diluted income per share	$ 0.85	$ 0.69

	For the Six Months Ended	
	October 2, 2010	September 26, 2009
	(in thousands, except per share amounts)	
Basic EPS		
Net income	$ 39,257	$ 36,123
Weighted average shares	24,913	25,671
Basic income per share	$ 1.58	$ 1.41
Diluted EPS		
Net income	$ 39,257	$ 36,123
Basic weighted average shares	24,913	25,671
Net effect of common stock equivalents	546	602
Diluted weighted average shares	25,459	26,273
Diluted income per share	$ 1.54	$ 1.37

Weighted average shares outstanding, assuming dilution, excludes the impact of 1.1 million stock options for both the second quarter and the first six months of fiscal year 2011 and 0.8 million stock options for both the second quarter and the first six months of fiscal year 2010 because these securities were anti-dilutive during the noted periods.

4. STOCK-BASED COMPENSATION

Stock-based compensation expense of $4.1 million and $5.0 million was recognized for the six months ended October 2, 2010 and September 26, 2009, respectively. The related income tax benefit recognized was $1.3 million and $1.5 million for the six months ended October 2, 2010 and September 26, 2009, respectively. We recognize stock-based compensation on a straight line basis.

For a more detailed description of our stock-based compensation plans, see Note 11—Capital Stock to the Company's consolidated financial statements included in our Annual Report on Form 10-K for the year ended April 3, 2010. Our stock-based compensation plans currently consist of stock options, restricted stock awards, restricted stock units and an employee stock purchase plan. Options become exercisable in the manner specified by the Compensation Committee of our Board of Directors. All options, restricted stock awards, and restricted stock units granted to employees in the six months ended October 2, 2010 vest over a four year period of time and the options expire not more than 7 years from the date of grant, except for options granted to two employees which vest over a five year period.

Cash flows relating to the benefits of tax deductions in excess of compensation cost recognized are reported as a financing cash flow, rather than as an operating cash flow. This excess tax benefit was $0.6 million and $0.2 million for the three months ended October 2, 2010 and September 26, 2009, respectively.

The weighted average fair value for our options granted in the first six months of fiscal year 2011 and 2010 was $16.89 and $17.54, respectively. The assumptions utilized for estimating the fair value of option grants during the periods presented are as follows:

	Six Months Ended	
	October 2, 2010	September 26, 2009
Stock Options Black-Scholes assumptions (weighted average):		
Volatility	28.33%	28.29%
Expected life (years)	4.9	4.9
Risk-free interest rate	2.43%	2.71%
Dividend yield	0.00%	0.00%

As of October 2, 2010 and September 26, 2009, there was less than $0.1 million and $0.2 million, respectively, of total unrecognized compensation cost related to non vested restricted stock awards. That cost is expected to be recognized over a weighted average period of 0.6 years and 1.6 years, respectively. The total fair value of restricted stock awards vested was $0.1 million and less than $0.1 million for the six months ended October 2, 2010 and September 26, 2009, respectively.

As of October 2, 2010 and September 26, 2009, there was $3.6 million of total unrecognized compensation cost related to non vested restricted stock units. That cost is expected to be recognized over a weighted average period of 2.2 years and 2.3 years, respectively. The total fair value of shares fully vested was $0.2 million for the six months ended October 2, 2010 and for the same period ended September 26, 2009.

As of October 2, 2010 and September 26, 2009, there was less than $0.1 million of total unrecognized compensation expense, net of estimated forfeitures, related to the Employee Stock Purchase Plan ("ESPP") shares. That cost is recognized over the remaining purchase period.

During the six months ended October 2, 2010 and September 26, 2009, there were 35,992 and 33,183 shares, respectively, purchased under the ESPP. They were purchased at $45.70 and $43.89 per share, respectively, under the ESPP.

5. ACCOUNTING FOR SHIPPING AND HANDLING COSTS

Shipping and handling costs are included in cost of goods sold with the exception of $2.3 million and $4.6 million for the second quarter and six months ended October 2, 2010, respectively, and $2.9 million and $5.9 million for the same periods ended September 26, 2009 that are included in selling, general, and administrative expenses. Freight is classified in cost of goods sold when the customer is charged for freight and in selling, general and administration when the customer is not explicitly charged for freight.

6. PRODUCT WARRANTIES

We generally provide a warranty on parts and labor for one year after the sale and installation of each device. We also warrant our disposables products through their use or expiration. We estimate our potential warranty expense based on our historical warranty experience, and we periodically assess the adequacy of our warranty accrual and make adjustments as necessary.

	For the three months ended	
	October 2, 2010	September 26, 2009
	(in thousands)	
Warranty accrual as of the beginning of the period	$ 879	$ 1,875
Warranty provision	264	242
Warranty spending	(481)	(392)
Warranty accrual as of the end of the period	$ 662	$ 1,725

	For the six months ended	
	October 2, 2010	September 26, 2009
	(in thousands)	
Warranty accrual as of the beginning of the period	$ 903	$ 1,835
Warranty provision	699	633
Warranty spending	(940)	(743)
Warranty accrual as of the end of the period	$ 662	$ 1,725

7. COMPREHENSIVE INCOME

Comprehensive income is the total of net income and all other non-owner changes in stockholders' equity. Other non-owner changes are primarily foreign currency translation, the change in our net minimum pension liability, and the changes in fair value of the effective portion of our outstanding cash flow hedge contracts.

A summary of the components of other comprehensive income is as follows:

	For the three months ended	
(In thousands)	**October 2, 2010**	**September 26, 2009**
Net income	$ 21,338	$ 18,050
Other comprehensive income:		
Net change in minimum pension liability	27	—
Foreign currency translation	7,481	3,424
Unrealized loss on cash flow hedges, net of tax	(4,519)	(3,255)
Reclassifications into earnings of cash flow hedge losses, net of tax	149	106
Total comprehensive income	$ 24,476	$ 18,325

	For the six months ended	
(In thousands)	**October 2, 2010**	**September 26, 2009**
Net income	$ 39,257	$ 36,123
Other comprehensive income:		
Net change in minimum pension liability	(22)	—
Foreign currency translation	3,234	6,055
Unrealized loss on cash flow hedges, net of tax	(4,069)	(4,263)
Reclassifications into earnings of cash flow hedge losses/(gains), net of tax	118	(1,014)
Total comprehensive income	$ 38,518	$ 36,901

8. INVENTORIES

Inventories are stated at the lower of cost or market and include the cost of material, labor and manufacturing overhead. Cost is determined on the first-in, first-out method.

	October 2, 2010	April 3, 2010
	(in thousands)	
Raw materials	$ 31,202	$ 25,850
Work-in-process	4,073	3,825
Finished goods	50,734	50,278
	$ 86,009	$ 79,953

9. GOODWILL, OTHER INTANGIBLE ASSETS, AND ACQUISITIONS

Goodwill

The change in the carrying amount of our goodwill during the six months ended October 2, 2010 is as follows (in thousands):

Carrying amount as of April 3, 2010	$110,261
SEBRA (a)	163
Altivation (b)	228
Effect of change in rates used for translation	1,731
Carrying amount as of October 2, 2010	$112,383

(a) A description of the acquisition of SEBRA®, which occurred on September 4, 2009, is included later in this footnote.

(b) See Note 3, Acquisitions, in our fiscal year 2010 Form 10-K for a full description of the acquisition of Altivation Software ("Altivation"), which occurred on March 27, 2009.

Global Med Acquisition

On March 31, 2010 the Company completed its cash tender offer for the shares of Global Med Technologies, Inc. ("Global Med"). The total acquisition cost for the shares and outstanding warrants of Global Med was approximately $60.2 million.

Goodwill was preliminarily determined by comparing the purchase price with the preliminarily determined fair value of the assets and liabilities acquired. Once the purchase price allocation is finalized, the preliminary carrying value of the related goodwill may be adjusted accordingly. At October 2, 2010, goodwill recorded after our preliminary purchase price allocation was $39.8 million and is not tax deductible. Global Med has an in-place workforce with extensive knowledge and experience in the development and support of blood management software. The acquisition was a unique strategic fit for the Company given our global presence and customer relationships in blood management.

Preliminary Purchase Price Allocation

The following chart summarizes the preliminary purchase price allocation:

	(in thousands)
Goodwill	$ 39,827
Intangible assets subject to amortization	37,019
Trade accounts receivable	5,256
Other assets	10,240
Deferred taxes	(8,957)
Notes payable	(7,701)
Deferred revenue	(7,180)
Other liabilities	(8,325)
Total	$ 60,179

The Company is still in the process of obtaining and evaluating the information necessary to determine the allocation of fair value of the assets and liabilities acquired. The preliminary purchase price allocation will be finalized once the Company has received and completed this evaluation, which will occur not later than one year from the acquisition date. When finalized, the purchase price will be

more specifically allocated to identified intangible assets acquired, the value of tangible assets and liabilities acquired may be adjusted, and the value of the tax attributes acquired may change. Additionally, estimated intangible asset amortization expense recorded to date may also be adjusted. The impact of these adjustments may result in a change in the preliminary value attributed to goodwill. The results of Global Med's operations are included in our consolidated financial statements for the second quarter and the first six months of fiscal year 2011.

After the April 3, 2010 financial statements were issued, we received new information related to the fair value of the assets and liabilities acquired. After considering this new information, we have estimated the effect on the carrying amount of certain assets and liabilities acquired as follows:

- Increase of $11.1 million in intangible assets which resulted in a decrease in goodwill
- Increase of $3.9 million in deferred taxes resulting in an increase to goodwill
- $1.2 million increase in other assets resulting in a decrease in goodwill
- $1.9 million decrease in other liabilities which resulted in a decrease to goodwill.

The net effect of these estimated changes resulted in a corresponding net decrease to goodwill of $10.3 million. These estimated changes are reflected accordingly in the purchase price allocation table above.

Accordingly, amortization expense recorded reflects these revised fair value estimates and the present preliminary purchase price allocation.

SEBRA Acquisition

On September 4, 2009, Haemonetics acquired the assets of the blood collection and processing business unit ("SEBRA") of Engineering and Research Associates, Inc., a leading provider of blood and medical manufacturing technologies. SEBRA products, which include tubing sealers, blood shakers, sterile connection systems, mobile lounges and ancillary products used in blood collection and processing, complement Haemonetics' portfolio and add depth to Haemonetics' blood bank and plasma product lines. The purchase price of $12.8 million was allocated to core technology of $2.0 million, customer relationships of $4.6 million, trade name intangible of $0.4 million, trade accounts receivables of $1.0 million, inventory of $1.1 million, and goodwill of $3.7 million.

Neoteric Acquisition

On April 16, 2009, Haemonetics acquired the outstanding shares of Neoteric. Neoteric is a medical information management company that markets a full end-to-end suite of products to track, allocate, release, and dispense hospital blood units while controlling inventory and recording the disposition of blood. The acquisition strategically broadened Haemonetics' blood management solutions. The purchase price was $6.6 million plus contingent consideration of $5.0 million was allocated to other intangible assets of $5.0 million, deferred tax liabilities of $1.6 million, and goodwill of $8.2 million.

The contingent consideration is based upon estimated annual revenue growth for the three years following the acquisition, at established profitability thresholds, and is not limited. Using projected revenues for fiscal years 2010, 2011, and 2012, an analysis was performed that probability weighted three performance outcomes for the noted years. The Company is required to reassess the fair value of contingent consideration on a periodic basis. During fiscal year 2010, the Company reassessed the fair value of the contingent consideration as performance outcomes for 2010 were not met, which resulted in a reduction in the estimated liability. During the first six months of fiscal year 2011, the Company continued to reassess the fair value of the contingent consideration and further reduced the estimated liability based upon performance to date and expected performance outcomes for fiscal year 2011. The ending liability balance is $1.9 million at October 2, 2010.

Amortized Intangibles

As of October 2, 2010

	Gross Carrying Amount (in thousands)	Accumulated Amortization (in thousands)	Weighted Average Useful Life (in years)
Patents	$ 12,227	$ 6,296	11
Capitalized software	11,001	576	6
Other technology	45,285	17,478	11
Customer contracts and related relationships	59,827	13,827	11
Trade names	5,180	799	6
Total intangibles	$ 133,520	$ 38,976	10

As of April 3, 2010

	Gross Carrying Amount (in thousands)	Accumulated Amortization (in thousands)	Weighted Average Useful Life (in years)
Patents	$ 11,928	$ 5,801	11
Capitalized software	7,642	498	6
Other technology	43,182	14,187	11
Customer contracts and related relationships	61,919	11,549	11
Trade names	5,182	658	7
Total intangibles	$ 129,853	$ 32,693	10

Amortization expense for amortized intangible assets was $3.3 million and $1.8 million for the second quarter of fiscal year 2011 and 2010, respectively, and $6.5 million and $3.6 million for the six months ended October 2, 2010 and September 26, 2009, respectively. Annual amortization expense is expected to approximate $12.0 million for fiscal year 2011, $11.8 million for fiscal year 2012, $11.7 million for fiscal year 2013, $11.4 million for fiscal year 2014, and $10.2 million for fiscal year 2015.

In addition to the acquisitions of SEBRA, Neoteric, and Global Med discussed above, changes to the net carrying value of our intangible assets from April 3, 2010 to October 2, 2010 reflect the capitalization of software costs associated with our devices and software products (see Note 16), amortization expense and the effect of exchange rate changes in the translation of our intangible assets held by our international subsidiaries.

10. DERIVATIVES AND FAIR VALUE MEASUREMENTS

We manufacture, market and sell our products globally. Approximately 52% of our sales are generated outside the U.S. in local currencies. We also incur certain manufacturing, marketing and selling costs in international markets in local currency. Accordingly, our earnings and cash flows are exposed to market risk from changes in foreign currency exchange rates relative to the U.S. dollar, our reporting currency.

We have a program in place that is designed to mitigate our exposure to changes in foreign currency exchange rates. That program includes the use of derivative financial instruments to minimize for a period of time, the unforeseen impact on our financial results from changes in foreign exchange rates. We utilize forward foreign currency contracts to hedge the anticipated cash flows from transactions denominated in foreign currencies, primarily the Japanese Yen and the Euro, and to a lesser extent the Swiss Franc, British Pound Sterling and the Canadian Dollar. This does not eliminate the volatility of foreign exchange rates, but because we generally enter into forward contracts one year out, rates are fixed for a one-year period, thereby facilitating financial planning and resource allocation.

Designated Foreign Currency Hedge Contracts

All of our designated foreign currency hedge contracts as of October 2, 2010 and April 3, 2010 were cash flow hedges under ASC Topic 815, *Derivatives and Hedging*. We record the effective portion of any change in the fair value of designated

foreign currency hedge contracts in Other Comprehensive Income in the Statement of Stockholders' Equity until the related third-party transaction occurs. Once the related third-party transaction occurs, we reclassify the effective portion of any related gain or loss on the designated foreign currency hedge contracts to earnings. In the event the hedged forecasted transaction does not occur, or it becomes probable that it will not occur, we would reclassify the amount of any gain or loss on the related cash flow hedge to earnings at that time. We had designated foreign currency hedge contracts outstanding in the contract amount of $165.0 million as of October 2, 2010 and $135.4 million as of April 3, 2010.

During the second quarter of fiscal year 2011, we recognized net losses of $1.1 million in earnings on our cash flow hedges. All currency cash flow hedges outstanding as of October 2, 2010 mature within twelve months. For the quarter ended October 2, 2010, $4.1 million of losses, net of tax, were recorded in Other Comprehensive Income to recognize the effective portion of the fair value of any designated foreign currency hedge contracts that are, or previously were, designated as foreign currency cash flow hedges, as compared to net losses of $4.3 million as of September 26, 2009. At October 2, 2010, gains of $0.1 million, net of tax, may be reclassified to earnings within the next twelve months.

Non-designated Foreign Currency Contracts

We manage our exposure to changes in foreign currency on a consolidated basis to take advantage of offsetting transactions and balances. We use currency forward contracts as a part of our strategy to manage exposure related to foreign currency denominated monetary assets and liabilities. These currency forward contracts are not designated as cash flow or fair value hedges under ASC Topic 815. These forward contracts are marked-to-market with changes in fair value recorded to earnings; and are entered into for periods consistent with currency transaction exposures, generally one month. We had non-designated foreign currency hedge contracts under ASC Topic 815 outstanding in the contract amount of $31.4 million as of October 2, 2010 and $29.6 million as of April 3, 2010.

Fair Value of Derivative Instruments

The following table presents the effect of our derivative instruments designated as cash flow hedges and those not designated as hedging instruments under ASC Topic 815 in our consolidated statement of income for the six months ended October 2, 2010.

Derivative Instruments *(in thousands)*	Amount of Loss Recognized in OCI (Effective Portion)	Amount of Gain Reclassified from OCI into Earnings (Effective Portion)	Location in Statement of Operations	Amount Excluded from Effectiveness Testing (*)	Location in Statement of Operations
Designated foreign currency hedge contracts	$ (4,069)	$ (118)	Net revenues	$ (247)	Other income
Non-designated foreign currency hedge contracts	—	—		(365)	SG&A
	$ (4,069)	$ (118)		$ (612)	

(*) We exclude the difference between the spot rate and hedge forward rate from our effectiveness testing.

We did not have fair value hedges or net investment hedges outstanding as of October 2, 2010 or April 3, 2010.

ASC Topic 815 requires all derivative instruments to be recognized at their fair values as either assets or liabilities on the balance sheet. We determine the fair value of our derivative instruments using the framework prescribed by ASC Topic 820, *Fair Value Measurements and Disclosures*, by considering the estimated amount we would receive or pay to sell or transfer these instruments at the reporting date and by taking into account current interest rates, currency exchange rates, the creditworthiness of the counterparty for assets, and our creditworthiness for liabilities. In certain instances, we may utilize financial models to measure fair value. Generally, we use inputs that include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; other observable inputs for the asset or liability; and inputs derived principally from, or corroborated by, observable market data by correlation or other means. As of October 2, 2010, we have classified our derivative assets and liabilities within Level 2 of the fair value hierarchy prescribed by ASC Topic 815, as discussed below, because these observable inputs are available for substantially the full term of our derivative instruments.

The following tables present the fair value of our derivative instruments as they appear in our consolidated balance sheets as of October 2, 2010 by type of contract and whether it is a qualifying hedge under ASC Topic 815.

(in thousands)	Location in Balance Sheet	Balance as of October 2, 2010	Balance as of April 3, 2010
Derivative Assets:			
Designated foreign currency hedge contracts	Other current assets	$ 2,246	$ 4,407
		$ 2,246	**$ 4,407**
Derivative Liabilities:			
Designated foreign currency hedge contracts	Other accrued liabilities	$ 5,593	$ 1,747
		$ 5,593	**$ 1,747**

Other Fair Value Measurements

ASC Topic 820, *Fair Value Measurements and Disclosures*, defines fair value, establishes a framework for measuring fair value in accordance with U.S. GAAP, and expands disclosures about fair value measurements. ASC Topic 820 does not require any new fair value measurements; rather, it applies to other accounting pronouncements that require or permit fair value measurements. In accordance with ASC Topic 820, for the quarter and the six months ended October 2, 2010, we applied the requirements under ASC Topic 820 to our non-financial assets and non-financial liabilities. As we did not have an impairment of any non-financial assets or non-financial liabilities, there was no disclosure required relating to our non-financial assets or non-financial liabilities.

On a recurring basis, we measure certain financial assets and financial liabilities at fair value, including our money market funds, foreign currency derivative contracts, and contingent consideration. ASC Topic 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. We base fair value upon quoted market prices, where available. Where quoted market prices or other observable inputs are not available, we apply valuation techniques to estimate fair value.

ASC Topic 820 establishes a three-level valuation hierarchy for disclosure of fair value measurements. The categorization of assets and liabilities within the valuation hierarchy is based upon the lowest level of input that is significant to the measurement of fair value. The three levels of the hierarchy are defined as follows:

- Level 1 — Inputs to the valuation methodology are quoted market prices for identical assets or liabilities.
- Level 2 — Inputs to the valuation methodology are other observable inputs, including quoted market prices for similar assets or liabilities and market-corroborated inputs.
- Level 3 — Inputs to the valuation methodology are unobservable inputs based on management's best estimate of inputs market participants would use in pricing the asset or liability at the measurement date, including assumptions about risk.

Our money market funds carried at fair value are generally classified within Level 1 of the fair value hierarchy because they are valued using quoted market prices.

We recognize all derivative financial instruments in our consolidated financial statements at fair value in accordance with ASC Topic 815, *Derivatives and Hedging*. We determine the fair value of these instruments using the framework prescribed by ASC Topic 820 by considering the estimated amount we would receive or pay to terminate these agreements at the reporting date and by taking into account current spot rates, the creditworthiness of the counterparty for assets, and our creditworthiness for liabilities. We have classified our foreign currency hedge contracts within Level 2 of the fair value hierarchy because these observable inputs are available for substantially the full term of our derivative instruments. For the quarter and first six months ended October 2, 2010, we have classified our other liabilities — contingent consideration relating to our acquisition of Neoteric within Level 3 of the fair value hierarchy because the value is determined using significant unobservable inputs.

Fair Value Measured on a Recurring Basis

Financial assets and financial liabilities measured at fair value on a recurring basis consist of the following as of October 2, 2010:

(in thousands)	Quoted Market Prices for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Assets				
Money market funds	$66,012	$ —	$ —	$66,012
Forward currency exchange contracts	—	2,246	—	2,246
	$66,012	$2,246	$ —	$68,258
Liabilities				
Forward currency exchange contracts	$ —	$5,593	$ —	$ 5,593
Other liabilities — contingent consideration	—	—	1,899	1,899
	$ —	$5,593	$1,899	$ 7,492

A description of the methods used to determine the fair value of the Level 3 liabilities (other liabilities — contingent consideration) is included within Note 9 — Goodwill, Other Intangible Assets, and Acquisitions. The table below provides a reconciliation of the beginning and ending Level 3 liabilities for the six months ended October 2, 2010.

(in thousands)	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)
Beginning balance	$ 4,101
Accretion of interest expense on contingent consideration	(493)
Contingent consideration income	(1,894)
Currency translation adjustment	185
Ending balance	$ 1,899

Other Fair Value Disclosures

The fair value of our real estate mortgage obligation was $4.7 million and $5.1 million at October 2, 2010 and April 3, 2010, respectively.

11. INCOME TAXES

Our reported tax rate includes two principal components: an expected effective annual tax rate and discrete items resulting in additional provisions or benefits that are recorded in the quarter that an event arises or is resolved. Events or items that give rise to discrete recognition include finalizing audit examinations for open tax years, a statute of limitation's expiration, or a change in the statutory tax rate. The calculated tax rate is without any benefit from the research and development credit that could later become valid for our fiscal year 2011.

The reported tax rate was 26.8% and 26.7% for the second quarter and the six month period ended October 2, 2010, respectively. The reported tax rate includes:

- our expected effective annual tax rate of 29.8% comprised of the U.S. federal statutory tax rate of 35.0% reduced by tax benefits from foreign taxes (including our Swiss principal) and a domestic manufacturing deduction, plus the state tax provision and stock compensation expenses not deductible in all jurisdictions.

The following net discrete items were realized in the second quarter of fiscal year 2011:

- a $0.6 million benefit for the contingent consideration income that is not taxable,
- a $0.3 million benefit from the release of a transfer price reserve after completion of the fiscal year 2010 global transfer price study.

During the first quarter of fiscal year 2011, we recognized a $0.8 million discrete tax benefit from our Swiss principal ruling.

The reported tax rate was 30.8% and 30.5% for the second quarter and the six month period ended September 26, 2009, respectively. The reported tax rate includes:

- our expected effective annual tax rate of 31.1%, comprised of the U.S. federal statutory tax rate of 35.0% reduced by tax benefits from foreign taxes (including our Swiss principal) and a domestic manufacturing deduction, plus the state tax provision, and stock compensation expenses not deductible in all jurisdictions.

The following discrete items were realized during the first quarter of fiscal year 2010:

- a $0.7 million benefit (on an annual basis) from the remittance of Japanese earnings,
- a $0.1 million cost from foreign tax assessments.

We conduct business globally and, as a result, file consolidated federal and consolidated and separate state and foreign income tax returns in multiple jurisdictions. In the normal course of business, we are subject to examination by taxing authorities throughout the world in jurisdictions including the U.S., Japan, Germany, France, the United Kingdom, and Switzerland. With few exceptions, we are no longer subject to U.S. federal, state and local, or foreign income tax examinations for years before 2007.

12. COMMITMENTS AND CONTINGENCIES

We are presently engaged in various legal actions, and although ultimate liability cannot be determined at the present time, we believe, based on consultation with counsel, that any such liability will not materially affect our consolidated financial position or our results of operations.

13. DEFINED BENEFIT PENSION PLANS

Certain of the Company's foreign subsidiaries have defined benefit pension plans covering substantially all full time employees at those subsidiaries. Net periodic benefit costs for the plans in the aggregate include the following components:

	For the three months ended	
	October 2, 2010	September 26, 2009
	(in thousands)	
Service cost	$ 152	$ 124
Interest cost on benefit obligation	66	61
Expected return on plan assets	19	(15)
Amortization of unrecognized prior service cost, unrecognized gain and unrecognized initial obligation	(4)	(10)
Net periodic benefit cost	$ 233	$ 160

	For the six months ended	
	October 2, 2010	September 26, 2009
	(in thousands)	
Service cost	$ 304	$ 248
Interest cost on benefit obligation	133	122
Expected return on plan assets	38	(30)
Amortization of unrecognized prior service cost, unrecognized gain and unrecognized initial obligation	(8)	(20)
Net periodic benefit cost	$ 467	$ 320

14. SEGMENT INFORMATION

Segment Definition Criteria

We manage our business on the basis of one operating segment: the design, manufacture, and marketing of blood management solutions. Our chief operating decision-maker uses consolidated results to make operating and strategic decisions. Manufacturing processes, as well as the regulatory environment in which we operate, are largely the same for all product lines.

Enterprise Wide Disclosures about Product and Services

We have four global product families: plasma, blood bank, hospital, and software solutions.

Our products include equipment devices and the related disposables used with these devices. Disposables include the plasma, blood bank, and hospital product families. Plasma consists of the disposables used to perform apheresis for the separation of whole blood components and subsequent collection of plasma to be used as a raw material for biologically derived pharmaceuticals (also known as source plasma). Blood bank consists of disposables which separate whole blood for the subsequent collection of platelets, plasma, red cells, or a combination of these components for transfusion to patients. Hospital consists of surgical disposables (principally the Cell Saver® autologous blood recovery system targeted to procedures that involve rapid, high volume blood loss such as cardiovascular surgeries and the cardioPAT® cardiovascular perioperative autotransfusion system designed to remain with the patient following surgery to recover blood and the patient's red cells to prepare them for reinfusion), the OrthoPAT® orthopedic perioperative autotransfusion system designed to operate both during and after surgery to recover and wash the patient's red cells to prepare them for reinfusion, and diagnostics products (principally the TEG® Thrombelastograph® hemostasis analyzer used to help assess a surgical patient's hemostasis (blood clotting ability) during and after surgery).

Software solutions include information technology platforms that assist blood banks, plasma centers, and hospitals to more effectively manage regulatory compliance and operational efficiency.

Revenues from External Customers:

	Three Months Ended	
	October 2, 2010	September 26, 2009
	(in thousands)	
Disposable revenues		
Plasma disposables	$ 56,514	$ 59,423
Blood bank disposables		
Platelet	39,746	37,250
Red cell	11,294	11,484
	51,040	48,734
Hospital disposables		
Surgical	16,011	16,631
OrthoPAT	8,281	8,678
Diagnostics	4,647	3,745
	28,939	29,054
Disposables revenue	136,493	137,211
Software solutions	16,125	9,100
Equipment & other	14,215	10,759
Total revenues	$ 166,833	$ 157,070

	Six Months Ended	
	October 2, 2010	September 26, 2009
	(in thousands)	
Disposable revenues		
Plasma disposables	$ 112,431	$ 118,291
Blood bank disposables		
Platelet	76,063	71,556
Red cell	22,608	23,263
	98,671	94,819
Hospital disposables		
Surgical	32,362	34,056
OrthoPAT	17,238	17,262
Diagnostics	9,355	7,556
	58,955	58,874
Disposables revenue	270,057	271,984
Software solutions	32,585	17,554
Equipment & other	27,230	21,620
Total revenues	$ 329,872	$ 311,158

15. REORGANIZATION

On April 1, 2010, our Board of Directors approved transformation and restructuring plans, which include the integration of Global Med Technologies, Inc. As part of these plans, in fiscal year 2011, we expect to incur additional cash restructuring costs of $6.4 million for employee matters and facility closures.

The following summarizes the restructuring activity for the six months ended October 2, 2010 and September 26, 2009, respectively:

	Six Months Ended October 2, 2010				
(Dollars in thousands)	Balance at April 3, 2010	Cost Incurred	Payments	Asset Write down	Restructuring Accrual Balance at October 2, 2010
Employee-related costs	$ 9,761	$ 1,400	$ (5,529)	$ —	$ 5,632
	$ 9,761	$ 1,400	$ (5,529)	$ —	$ 5,632

	Six Months Ended September 26, 2009				
(Dollars in thousands)	Balance at March 28, 2009	Cost Incurred	Payments	Asset Write down	Restructuring Accrual Balance at September 26, 2009
Employee-related costs	$ 2,729	$ —	$ (483)	$ —	$ 2,246
Facility related costs	42	—	(42)	—	—
Other exit & termination costs	78	—	(78)	—	—
	$ 2,849	$ —	$ (603)	$ —	$ 2,246

Additionally, we expect to incur approximately $2.0 million of integration costs. For the six months ended October 2, 2010, we incurred $1.4 million of integration costs related to Global Med.

16. CAPITALIZATION OF SOFTWARE DEVELOPMENT COSTS

The cost of software that is developed or obtained for internal use is accounted for pursuant to ASC Topic 350, *Intangibles — Goodwill and Other*. Pursuant to ASC Topic 350, the Company capitalizes costs incurred during the application development stage of software developed for internal use, and expenses costs incurred during the preliminary project and the post-implementation operation stages of development. The Company capitalized $1.6 million and $4.9 million in costs incurred for acquisition of the software license and related software development costs for new internal software that was in the application development stage during the six month period ended October 2, 2010 and September 26, 2009, respectively. The capitalized costs are included as a component of property, plant and equipment in the consolidated financial statements.

For costs incurred related to the development of software to be sold, leased, or otherwise marketed, the Company applies the provisions of ASC Topic 985-20, *Software*, which specifies that costs incurred internally in researching and developing a computer software product should be charged to expense until technological feasibility has been established for the product. Once technological feasibility is established, all software costs should be capitalized until the product is available for general release to customers.

The Company capitalized $3.4 million and $2.5 million in software development costs for ongoing initiatives during the six month period ended October 2, 2010 and September 26, 2009, respectively. At October 2, 2010 and April 3, 2010, we have a total of $9.9 million and $7.6 million, respectively, of costs capitalized related to other in process software development initiatives. The costs capitalized for each project are included in intangible assets in the consolidated financial statements. We will begin to amortize these costs when the products are released for sale.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") should be read in conjunction with both our interim consolidated financial statements and notes thereto which appear elsewhere in this Quarterly Report on Form 10-Q and our annual consolidated financial statements, notes thereto, and the MD&A contained in our fiscal year 2010 Annual Report on Form 10-K filed with the Securities and Exchange Commission (the "SEC") on June 1, 2010. The following discussion may contain forward-looking statements and should be read in conjunction with the "**Cautionary Statement Regarding Forward-Looking Information**" beginning on page 34.

Our Business

Haemonetics is a blood management solutions company for our customers. Anchored by our reputable medical device systems, we also provide information technology platforms and value added services to provide customers with business solutions which support improved clinical outcomes for patients and efficiency in the blood supply chain.

Our systems automate the collection and processing of donated blood; assess likelihood for blood loss; salvage and process surgical patient blood; and dispense and track blood inventory in the hospital. These systems include devices and single-use, proprietary disposable sets ("disposables") that operate only with our specialized devices. Specifically, our plasma and blood bank systems allow users to collect and process only the blood component(s) they target — plasma, platelets, or red blood cells — increasing donor and patient safety as well as collection efficiencies. Our blood diagnostics system assesses hemostasis (a patient's clotting ability) to aid clinicians in assessing the cause of bleeding resulting in overall reductions in blood product usage. Our surgical blood salvage systems allow surgeons to collect the blood lost by a patient in surgery, cleanse the blood, and make it available for transfusion back to the patient. Our blood tracking systems automate the distribution of blood products in the hospital.

Our business services products include consulting, Six Sigma, and LEAN manufacturing offerings that support our customers' needs for regulatory compliance and operational efficiency in the blood supply chain.

We either sell our devices to customers (resulting in equipment revenue) or place our devices with customers subject to certain conditions. When the device remains our property, the customer has the right to use it for a period of time as long as the customer meets certain conditions we have established, which among other things, generally include one or more of the following:

- Purchase and consumption of a minimum level of disposables products;
- Payment of monthly rental fees; and
- An asset utilization performance metric, such as performing a minimum level of procedures per month per device.

Our disposables revenue stream, which includes the sales of disposables and fees for the use of our equipment, accounted for approximately 81.9% and 87.4% of our total revenues for the first six months of fiscal year 2011 and 2010, respectively.

The following table provides an overview of our financial results for the three and six months ended October 2, 2010 and the comparable three and six month periods in our prior fiscal year.

Financial Summary

(in thousands, except per share data)	For the three months ended October 2, 2010	For the three months ended September 26, 2009	% Increase/ (Decrease)	For the six months ended October 2, 2010	For the six months ended September 26, 2009	% Increase/ (Decrease)
Net revenues	$166,833	$157,070	6.2%	$329,872	$311,158	6.0%
Gross profit	$ 87,755	$ 80,967	8.4%	$174,217	$163,910	6.3%
% of net revenues	*52.6%*	*51.5%*		*52.8%*	*52.7%*	
Operating expenses	$ 58,850	$ 53,944	9.1%	$121,125	$110,560	9.6%
Operating income	$ 28,905	$ 27,023	7.0%	$ 53,092	$ 53,350	(0.5%)
% of net revenues	*17.3%*	*17.2%*		*16.1%*	*17.1%*	
Interest expense	$ (23)	$ (255)	(91.0%)	$ (40)	$ (463)	(91.4%)
Interest income	$ 493	$ 103	378.6%	$ 460	$ 253	81.8%
Other income, net	$ (216)	$ (801)	(73.0%)	$ 22	$ (1,135)	(101.9%)
Income before taxes	$ 29,159	$ 26,070	11.8%	$ 53,534	$ 52,005	2.9%
Provision for income tax	$ 7,821	$ 8,020	(2.5%)	$ 14,277	$ 15,882	(10.1%)
% of pre-tax income	*26.8%*	*30.8%*		*26.7%*	*30.5%*	
Net income	$ 21,338	$ 18,050	18.2%	$ 39,257	$ 36,123	8.7%
% of net revenues	*12.8%*	*11.5%*		*11.9%*	*11.6%*	
Earnings per share-diluted	$ 0.85	$ 0.69	23.2%	$ 1.54	$ 1.37	12.4%

Net revenues increased 6.2% and 6.0% for the second quarter and the first six months, respectively, of fiscal year 2011 over the comparable periods of fiscal year 2010. Foreign exchange accounted for a decrease of 0.4% and 1.4% for the second quarter and the first six months of fiscal year 2011, respectively. Without the effects of foreign exchange, net revenues increased 6.6% and 7.4% for the second quarter and the first six months of fiscal year 2011, respectively. This increase reflects the impact of recent acquisitions, which contributed 4.6% and 4.4% to revenue growth for the second quarter and first six months of fiscal year 2011, respectively, as well as strong year over year growth from our Russian distribution market and Asia businesses.

Gross profit increased 8.4% and 6.3% for the second quarter and first six months of fiscal year 2011, respectively, as compared to the second quarter and the first six months of fiscal year 2010. Without the effects of foreign exchange which remained flat for the quarter and accounted for a decrease of 3.4% for the first six months of fiscal year 2011, gross profit increased 8.4% for the quarter and 9.7% for the six months. The increase was largely due to favorable product mix as plasma sales declined. This improvement in product mix was offset by higher manufacturing variances and scrap rates resulting from lower than expected efficiency levels on our new plasma automation in our Pittsburgh plant.

Operating expenses increased 9.1% and 9.6% for the second quarter and the first six months of fiscal year 2011, respectively, over the comparable period of fiscal year 2010. Foreign exchange accounted for a decrease in operating expenses of 1.1% for the quarter and 0.6% for the six months. Without the effects of foreign exchange, operating expenses increased 10.2% in both the second quarter and the first six months of fiscal year 2011. The higher operating expenses are attributable to the newly acquired businesses, SEBRA and Global Med, restructuring and transaction costs related to the acquisition of Global Med, and research and development expenses related to the development of the automated whole blood collection system. The noted increases in operating expenses were offset by contingent consideration income associated with the Neoteric acquisition, cost reductions from planned synergies, and a reduction in the expense associated with cash bonus incentive compensation for this fiscal year.

Operating income increased 7.0% and decreased 0.5% for the second quarter and the first six months of fiscal year 2011, respectively, over the comparable periods of fiscal year 2010. Foreign exchange accounted for an increase of 2.5% and a decrease of 9.0% for the quarter and six months. Without the effects of foreign exchange, operating income increased 4.5%

and 8.5% for the second quarter and the first six months of fiscal year 2011, respectively. Our emerging international markets, software business, and equipment sales were significant contributors to the improvement in operating income which was partially offset by additional spending largely associated with our acquisitions and their integration. Additionally, we recognized income of $1.9 million resulting from the remeasurement of the fair value of contingent consideration from our Neoteric acquisition.

Net income increased 18.2% and 8.4% for the second quarter and the first six months of fiscal year 2011, respectively, over the comparable period of fiscal year 2010. Without the effects of foreign exchange which accounted for an increase of 0.7% for the quarter and a decrease of 10.8% for the six months, net income increased 17.5% and 19.2% for the second quarter and the first six months ended October 2, 2010, respectively. The increases in operating income, reduction in interest expense accrued on the contingent consideration associated with the Neoteric acquisition, lower foreign exchange losses, and a lower income tax rate were the principal reasons for the increase.

RESULTS OF OPERATIONS

Net Revenues by Geography

(in thousands)	For the three months ended October 2, 2010	For the three months ended September 26, 2009	% Increase	For the six months ended October 2, 2010	For the six months ended September 26, 2009	% Increase
United States	$ 78,740	$ 74,856	5.2%	$ 158,049	$ 149,869	5.5%
International	88,093	82,214	7.2%	171,823	161,289	6.5%
Net revenues	$ 166,833	$ 157,070	6.2%	$ 329,872	$ 311,158	6.0%

International Operations and the Impact of Foreign Exchange

Our principal operations are in the U.S., Europe, Japan and other parts of Asia. Our products are marketed in more than 80 countries around the world through a combination of our direct sales force and independent distributors and agents.

Our revenues generated outside the U.S. approximated 52% of total revenues for the first six months of both fiscal years 2011 and 2010. Revenues in Japan accounted for approximately 16.5% and 17.0% of total revenues for the first six months of fiscal year 2011 and 2010, respectively. Revenues in Europe accounted for approximately 26.8% and 27.3% of total revenues for the first six months of fiscal year 2011 and 2010, respectively. International sales are generally conducted in local currencies, primarily the Japanese Yen and the Euro. As discussed above, our results of operations are impacted by changes in the value of the Yen and the Euro relative to the U.S. Dollar.

Please see section entitled “Foreign Exchange” in this discussion for a more complete explanation of how foreign currency affects our business and our strategy for managing this exposure.

Net Revenues by Product Type

(in thousands)	For the three months ended October 2, 2010	For the three months ended September 26, 2009	% Increase/ (Decrease)	For the six months ended October 2, 2010	For the six months ended September 26, 2009	% Increase/ (Decrease)
Disposables	$ 136,493	$ 137,211	(0.5%)	$ 270,057	$ 271,984	(0.7%)
Software solutions	16,125	9,100	77.2%	32,585	17,554	85.6%
Equipment & other	14,215	10,759	32.1%	27,230	21,620	25.9%
Net revenues	$ 166,833	$ 157,070	6.2%	$ 329,872	$ 311,158	6.0%

Disposables Revenues by Product Type

(in thousands)	For the three months ended October 2, 2010	For the three months ended September 26, 2009	% Increase/ (Decrease)	For the six months ended October 2, 2010	For the six months ended September 26, 2009	% Increase/ (Decrease)
Plasma disposables	$ 56,514	$ 59,423	(4.9%)	$112,431	$118,291	(5.0%)
Blood bank disposables						
Platelet	39,746	37,250	6.7%	76,063	71,556	6.3%
Red cell	11,294	11,484	(1.7%)	22,608	23,263	(2.8%)
	51,040	48,734	4.7%	98,671	94,819	4.1%
Hospital disposables						
Surgical	16,011	16,631	(3.7%)	32,362	34,056	(5.0%)
OrthoPAT	8,281	8,678	(4.6%)	17,238	17,262	(0.1%)
Diagnostics	4,647	3,745	24.1%	9,355	7,556	23.8%
	28,939	29,054	(0.4%)	58,955	58,874	0.1%
Total disposables revenue	$136,493	$137,211	(0.5%)	$270,057	$271,984	(0.7%)

Disposables

Disposables include the Plasma, Blood Bank, and Hospital product lines. Disposables revenue decreased 0.5% and 0.7% for the second quarter and the first six months of fiscal year 2011, respectively, over the comparable periods of fiscal year 2010. Foreign exchange resulted in a 0.1% and 1.0% decrease for the second quarter and the first six months of fiscal year 2011, respectively. Without the effect of foreign exchange, disposables revenue decreased 0.4% and increased 0.3% for the second quarter and the first six months of fiscal year 2011, respectively, which were driven primarily by increases in the Platelet product line offset by the decreases in Plasma disposables revenue as discussed below.

Plasma

Plasma disposables revenue decreased 4.9% and 5.0% for the second quarter and the first six months of fiscal year 2011, respectively, compared to the same periods in fiscal year 2010. Foreign exchange accounted for a decrease of 1.3% for the quarter and 1.7% for the six months. The decrease in plasma disposables revenue of 3.6% and 3.3% is mostly attributable to fewer plasma collections in North America and Japan that were partially offset by increases in our distribution markets. Following several years of significant growth, our commercial plasma customers have slowed growth levels and in some cases reduced collections from last year's levels in the first half of fiscal year 2011. The non-commercial plasma business declined as a result of the Japan Red Cross sourcing more plasma from whole blood collections.

Blood Bank

Blood bank consists of disposables used to collect platelets, red cells, and plasma for transfusion.
Platelet disposables revenue increased 6.7% and 6.3% for the second quarter and the first six months of fiscal year 2011, respectively, compared to the same periods in fiscal year 2010. Comparing the second quarter and the first six months of fiscal year 2011 to that of fiscal year 2010, foreign exchange accounted for 2.2% and 0.6%, respectively, of this increase. Without the favorable effect of foreign exchange, the increase of 4.5% and 5.7% was the result of growth in our Asia Pacific region and the distribution markets and strength in sales of platelet products to therapeutic customers in North America, partly offset by sales declines in our European direct market.

Red cell disposables (used to collect two units of red cells or one unit of red cells and one unit of plasma for transfusion) revenue decreased 1.7% and 2.8% for the second quarter and the first six months of fiscal year 2011, respectively, compared to the same periods in fiscal year 2010. Foreign exchange accounted for a revenue decrease of 0.8% and 1.2% from the second quarter and the first six months of fiscal year 2010, respectively. The remaining decrease of 0.9% and 1.6% for the quarter and six months, respectively, was driven by lower demand for red cells as a result of fewer surgeries and a reduced demand for automated collection.

Hospital

Hospital consists of Surgical, OrthoPAT, and Diagnostics products.

Surgical disposables revenue consists principally of the Cell Saver and cardioPAT products. Revenues from our surgical disposables decreased 3.7% and 5.0% for the second quarter and the first six months of fiscal year 2011, respectively, compared to the same periods in fiscal year 2010. Foreign exchange resulted in an increase of less than 0.1% and a decrease of 1.7% in surgical disposables revenue for the quarter and six months, respectively. Without the effects of foreign currency, the decrease in surgical disposables revenue of 3.7% and 3.3% for the second quarter and six months, respectively, was the result of a decrease in demand across our European and North American markets driven by both competitive pressures and market conditions.

Revenues from our OrthoPAT disposables decreased 4.6% and 0.1% for the second quarter and the first six months of fiscal year 2011, respectively, compared to the same periods in fiscal year 2010. Foreign exchange resulted in a decrease in OrthoPAT disposables revenue of 0.6% and 1.1% for the quarter and six months, respectively. Without the unfavorable effect of foreign currency, OrthoPAT disposables revenue decreased by 4.0% for the second quarter and increased by 1.0% for the six months. The decline in the second quarter was driven by the frequency of the use of the OrthoPAT in part reflecting lower orthopedic procedure volume.

Diagnostics product revenue consists principally of the TEG products. Revenues from our diagnostics products increased 24.1% and 23.8% for the second quarter and the first six months of fiscal year 2011, respectively, compared to the same periods in fiscal year 2010. Foreign exchange accounted for a decrease of 2.2% and 0.6% for the quarter and six months, respectively. Without the effect of foreign currency, diagnostic product revenues increased by 26.3% and 24.4% for the quarter and six months, respectively. The revenue increase is due to new and continued adoption of this product as we continue to sell the TEG device to new customers.

Software Solutions

Our software solutions revenues include revenue from software sales and related services. Software solutions revenues increased 77.2% and 85.6% for the second quarter and the first six months of fiscal year 2011, respectively, over the comparable periods of fiscal year 2010. Foreign exchange resulted in 2.6% and 0.4% of this increase for the quarter and six months, respectively. The remaining increase of 74.6% and 85.2% for the second quarter and the first six months of fiscal year 2011, respectively, was driven primarily by software services revenues associated with the recent acquisition of Global Med partially offset by product rationalization and volume reductions from our plasma customers.

Equipment & Other

Our equipment & other revenues include revenue from equipment sales, repairs performed under preventive maintenance contracts or emergency service visits, spare part sales, and various service and training programs. Equipment & other revenues increased 32.1% and 26.0% for the second quarter and the first six months of fiscal year 2011, respectively, over the comparable periods of fiscal year 2010. Foreign exchange resulted in a 0.8% and 1.4% decrease for the quarter and six months, respectively. Without the unfavorable effect of currency exchange, the increase of 32.9% and 27.4% for the second quarter and the first six months of fiscal year 2011, respectively, was driven by growth in our distribution markets and strong sales to the U.S. military. Also contributing to this increase was the impact of the SEBRA acquisition. Irrespective of the increases noted, equipment sales continue to be adversely impacted by restricted hospital capital spending and macro economic trends impacting health care funding in our distributor markets.

Gross Profit

	For the three months ended			For the six months ended		
(in thousands)	October 2, 2010	September 26, 2009	% Increase	October 2, 2010	September 26, 2009	% Increase
Gross profit	$87,755	$80,967	8.4%	$174,217	$163,910	6.3%
% of net revenues	52.6%	51.5%		52.8%	52.7%	

Gross profit increased 8.4% and 6.3% in the second quarter and first six months of fiscal year 2011, respectively, as compared to the second quarter and the first six months of fiscal year 2010. Without the effects of foreign exchange which remained flat for the quarter and accounted for a decrease of 3.4% for the first six months of fiscal year 2011, gross profit increased 8.4% for the quarter and 9.7% for the six months. The increase was largely due to favorable product mix as plasma sales declined. This improvement in product mix was offset by higher manufacturing variances and scrap rates resulting from lower than expected efficiency levels on our new plasma automation in our Pittsburgh plant.

Operating Expenses

(in thousands)	For the three months ended October 2, 2010	For the three months ended September 26, 2009	% Increase	For the six months ended October 2, 2010	For the six months ended September 26, 2009	% Increase
Research, development and engineering	$ 7,954	$ 6,475	22.8%	$ 15,875	$ 13,252	19.8%
% of net revenues	4.8%	4.1%		4.8%	4.3%	
Selling, general and administrative	$ 52,790	$ 47,469	11.2%	$ 107,144	$ 97,308	10.1%
% of net revenues	31.6%	30.2%		32.5%	31.3%	
Contingent consideration income	$ (1,894)	$ —	n.m.	$ (1,894)	$ —	n.m.
% of net revenues	-1.1%	0.0%		-0.6%	0.0%	
Total operating expenses	$ 58,850	$ 53,944	9.1%	$ 121,125	$ 110,560	9.6%
% of net revenues	35.3%	34.3%		36.7%	35.5%	

Research, Development and Engineering

Research, development and engineering expenses increased 22.8% and 19.8% for the second quarter and the first six months of fiscal year 2011, respectively, as compared to the same period of fiscal year 2010. The increase is primarily related to the development of our automated whole blood collection system and the expansion of our software business.

Selling, General and Administrative

During the second quarter and the first six months of fiscal year 2011, selling, general and administrative expenses increased 11.2% and 10.1%, respectively. Foreign exchange resulted in an increase of 0.7% and 1.3% in selling, general and administrative expenses during the quarter and six months, respectively. Excluding the impact of foreign exchange, selling, general and administrative expense increased 10.5% and 8.8% for the second quarter and the first six months of fiscal year 2011 over the comparable periods of fiscal year 2010. The increase was attributable to newly acquired businesses, SEBRA and Global Med, and transformation costs including costs to integrate Global Med. The increase was partly offset by cost reductions from planned synergies and a reduction in the expense associated with cash bonus incentive compensation this fiscal year as the Company’s financial results were lower than the financial targets established.

Contingent Consideration Income

Under the accounting rules for business combinations (specifically, ASC Topic 805, *Business Combinations*), we established a liability for payments that we might make in the future to former shareholders of Neoteric that are tied to the performance of the Blood Track business for the first three years post acquisition, beginning with fiscal year 2010. We have reviewed the expected performance versus the necessary thresholds of performance for the former shareholders to receive additional performance payments and we recorded an adjustment to the fair value of the contingent consideration as contingent consideration income of $1.9 million.

Operating Income

(in thousands)	For the three months ended October 2, 2010	For the three months ended September 26, 2009	% Increase	For the six months ended October 2, 2010	For the six months ended September 26, 2009	% Decrease
Operating income	$28,905	$27,023	7.0%	$53,092	$53,350	(0.5%)
% of net revenues	17.3%	17.2%		16.1%	17.1%	

Operating income increased 7.0% and decreased 0.5% for the second quarter and the first six months of fiscal year 2011, respectively, over the comparable periods of fiscal year 2010. Foreign exchange accounted for an increase of 2.5% and a decrease of 9.0% for the quarter and six months. Without the effects of foreign exchange, operating income increased 4.5% and 8.5% for the second quarter and the first six months of fiscal year 2011, respectively. Our emerging international markets, software business, and equipment sales were significant contributors to the improvement in operating income which was partially offset by additional spending largely associated with our acquisitions and their integration. Additionally, we recognized income of $1.9 million resulting from the remeasurement of the fair value of contingent consideration from our Neoteric acquisition.

Other (expense)/income, net

(in thousands)	For the three months ended October 2, 2010	For the three months ended September 26, 2009	% Increase	For the six months ended October 2, 2010	For the six months ended September 26, 2009	% Increase
Interest expense	$ (23)	$ (255)		$ (40)	$ (463)	
Interest income	493	103		460	253	
Other income (expense), net	(216)	(801)		22	(1,135)	
Total other income (expense), net	$ 254	$ (953)	n.m.	$ 442	$ (1,345)	n.m.

Total other income, net increased more than 100% for both the second quarter and the first six months of fiscal year 2011 as compared to the same periods of fiscal year 2010. The main reasons for the increase are a reduction in foreign exchange transaction losses on foreign currency denominated assets and the reversal of interest expense on contingent consideration related to our Neoteric acquisition.

Income Taxes

(in thousands)	For the three months ended October 2, 2010	For the three months ended September 26, 2009	% Decrease	For the six months ended October 2, 2010	For the six months ended September 26, 2009	% Decrease
Reported income tax rate	26.8%	30.8%	(4.0%)	26.7%	30.5%	(3.8%)

Our reported tax rate includes two principal components: an expected effective annual tax rate and discrete items resulting in additional provisions or benefits that are recorded in the quarter that an event arises or is resolved. Events or items that give rise to discrete recognition include finalizing audit examinations for open tax years, a statute of limitation's expiration, or a change in the statutory tax rate. The calculated tax rate is without any benefit from the research and development credit that could later become valid for our fiscal year 2011.

The reported tax rate was 26.8% and 26.7% for the second quarter and the six month period ended October 2, 2010, respectively. The reported tax rate includes:

- our expected effective annual tax rate of 29.8% comprised of the U.S. federal statutory tax rate of 35.0% reduced by tax benefits from foreign taxes (including our Swiss principal) and a domestic manufacturing deduction, plus the state tax provision and stock compensation expenses not deductible in all jurisdictions.

The following net discrete items were realized in the second quarter of fiscal year 2011:

- a $0.6 million benefit for the contingent consideration income that is not taxable

- a $0.3 million benefit from the release of a transfer price reserve after completion of the fiscal year 2010 global transfer price study.

During the first quarter of fiscal year 2011, we recognized a $0.8 million discrete tax benefit from our Swiss principal ruling.

The reported tax rate was 30.8% and 30.5% for the second quarter and the six month period ended September 26, 2009, respectively. The reported tax rate includes:

- our expected effective annual tax rate of 31.1%, comprised of the U.S. federal statutory tax rate of 35.0% reduced by tax benefits from foreign taxes (including our Swiss principal) and a domestic manufacturing deduction, plus the state tax provision, and stock compensation expenses not deductible in all jurisdictions.

The following discrete items were realized during the first quarter of fiscal year 2010:

- a $0.7 million benefit (on an annual basis) from the remittance of Japanese earnings
- a $0.1 million cost from foreign tax assessments.

Liquidity and Capital Resources

The following table contains certain key performance indicators we believe depict our liquidity and cash flow position:

(dollars in thousands)	October 2, 2010	April 3, 2010
Cash & cash equivalents	$115,049	$141,562
Working capital	$248,471	$251,513
Current ratio	3.2	2.9
Net cash position (1)	$ 98,924	$120,911
Days sales outstanding (DSO)	66	59
Disposables finished goods inventory turnover	7.3	5.4

(1) Net cash position is the sum of cash and cash equivalents less total debt.

Our primary sources of capital include cash and cash equivalents, internally generated cash flows, bank borrowings and option exercises. We believe these sources to be sufficient to fund our requirements, which are primarily capital expenditures (including our manufacturing expansion in Salt Lake City), share repurchases (like the $50.0 million share repurchase program authorized by the Board of Directors in April 2010 and completed in the first quarter of fiscal year 2011), new business and product development, and working capital for at least the next twelve months.

(in thousands)	For the six months ended October 2, 2010	For the six months ended September 26, 2009	Increase/ (Decrease)
Net cash provided by (used in):			
Operating activities	$ 44,286	$ 61,479	$ (17,193)
Investing activities	(23,826)	(52,261)	28,435
Financing activities	(47,301)	11,907	(59,208)
Effect of exchange rate changes on cash and cash equivalents (1)	328	476	(148)
Net increase/(decrease) in cash and cash equivalents	$ (26,513)	$ 21,601	$ (48,114)

(1) The balance sheet is affected by spot exchange rates used to translate local currency amounts into U.S. dollars. In accordance with GAAP, we have removed the effect of foreign currency throughout our cash flow statement, except for its effect on our cash and cash equivalents.

In our April 6, 2010 press release, the Company announced that its Board of Directors approved the repurchase of up to $50.0 million worth of Company shares during fiscal year 2011. Through October 2, 2010, the Company repurchased 907,310 shares of its common stock for an aggregate purchase price of $50.0 million.

Cash Flow Overview:

Six Month Comparison

Operating Activities:

Net cash provided by operating activities was $44.3 million in the first six months of fiscal year 2011, a decrease of $17.2 million as compared to the first six months of fiscal year 2010. Non cash items in the first six months of fiscal year 2011 include $2.4 million of contingent consideration income and the reversal of related interest resulting from our acquisition of Neoteric.

Net cash flows from operating activities during the first six months of fiscal year 2011 include:

- $3.9 million investment in inventory,
- $9.0 million in 2010 employee performance bonuses worldwide — a decrease of $4.7 million from the prior year,
- $7.0 million payment of accrued expenses, including employment contracts of $2.2 million, $1.8 million of payroll and related costs, and legal expenses of $1.0 million, assumed from our acquisition of Global Med,
- $6.4 million payment of restructuring costs of our transformation and restructuring plans which include the integration of Global Med, and
- $4.0 million in accounts payable.

Investing Activities:

Net cash used in investing activities decreased by $28.4 million during the first six months of fiscal year 2011 as compared to the first six months of 2010. Net investing cash used in the prior year included the acquisition of SEBRA and Neoteric for $12.8 million and $6.6 million, respectively, as well as higher capital expenditures on property, plant, and equipment.

Financing Activities:

In the first six months of fiscal year 2011, we used money in financing activities versus generating financing cash flows in fiscal year 2010 resulting in a net change of $59.2 million. These financing activities include:

- $50.0 million in cash paid out relating to stock repurchases compared to the $6.3 million paid out during the same period of the prior year,
- $8.1 million in proceeds from stock options and the employee stock purchase plan,
- $7.8 million in repayment of debt assumed from our acquisition of Global Med, and
- $3.3 million in net borrowings under short-term revolving credit agreements.

Inflation

We do not believe that inflation had a significant impact on our results of operations for the periods presented. Historically, we believe we have been able to mitigate the effects of inflation by improving our manufacturing and purchasing efficiencies, by increasing employee productivity, and by adjusting the selling prices of products. We continue to monitor inflation pressures generally and raw materials indices that may affect our procurement and production costs. Increases in the price of petroleum derivatives could result in corresponding increases in our costs to procure plastic raw materials.

Foreign Exchange

Approximately 52% of our sales are generated outside the U.S. in local currencies, yet our reporting currency is the U.S. dollar. Foreign exchange risk arises because we engage in business in foreign countries in local currency. Exposure is partially mitigated by producing and sourcing product in local currency and expenses incurred by local sales offices. However, whenever the U.S. dollar strengthens relative to the other major currencies, there is an adverse affect on our results of operations and alternatively, whenever the U.S. dollar weakens relative to the other major currencies there is a positive effect on our results of operations.

Our primary foreign currency exposures in relation to the U.S. dollar are the Euro and the Japanese Yen. In response to the sharply increased volatility in the foreign exchange rates, we have entered into forward contracts to hedge the anticipated cash flows from forecasted Swiss Franc, Great British Pound, and Canadian Dollar denominated costs.

It is our policy to minimize for a period of time, the unforeseen impact on our financial results of fluctuations in foreign exchange rates by using derivative financial instruments known as forward contracts to hedge the anticipated cash flows from forecasted foreign currency denominated sales and costs. Hedging through the use of forward contracts does not eliminate the volatility of foreign exchange rates, but because we generally enter into forward contracts one year in advance of the foreign currency denominated cash flows, rates are fixed for a one-year period, thereby facilitating financial planning and resource allocation. We enter into forward contracts that mature one month prior to the anticipated timing of the forecasted foreign currency denominated sales. These contracts are designated as cash flow hedges and are intended to lock in the expected cash flows of forecasted foreign currency denominated sales and costs at the available spot rate. Actual spot rate gains and losses on these contracts are recorded in sales and costs, at the same time the underlying transactions being hedged are recorded. The final impact of currency fluctuations on the results of operations is dependent on the local currency amounts hedged and the actual local currency results.

Presented below are the spot rates for our Euro, Japanese Yen, Canadian Dollar, British Pound, and Swiss Franc cash flow hedges that settled in fiscal year 2010, settled the first six months of fiscal year 2011, or are presently outstanding. These hedges cover our long foreign currency positions that result from our sales in Europe and Japan. These hedges also include our short positions associated with costs incurred in Canadian Dollars, British Pounds, and Swiss Francs. The table also shows how the strengthening or weakening of the spot rates associated with those hedge contracts versus the spot rates in the contracts that settled in the prior comparable period affects our results favorably or unfavorably.

	First Quarter	Favorable / (Unfavorable)	Second Quarter	Favorable / (Unfavorable)	Third Quarter	Favorable / (Unfavorable)	Fourth Quarter	Favorable / (Unfavorable)
Euro — Hedge Spot Rate (US$ per Euro)								
FY10	1.5681		1.4890		1.3192		1.2812	
FY11	1.3582	(13.4%)	1.4140	(5.0%)	1.4326	8.6%	1.3523	5.5%
FY12	1.2432	(8.5%)	1.3014	(8.0%)				
Japanese Yen — Hedge Spot Rate (JPY per US$)								
FY10	105.2792		105.1132		96.3791		93.4950	
FY11	98.1677	6.8%	94.9066	9.7%	89.1350	7.5%	89.7839	4.0%
FY12	89.0458	9.3%	88.3280	6.9%				
Canadian Dollar — Hedge Spot Rate (CAD per US$)								
FY10	1.1409		1.1200		1.1125		1.0884	
FY11	1.0959	(3.9%)	1.0862	(3.0%)	1.0654	(4.2%)	1.0282	(5.5%)
FY12	1.0501	(4.2%)	1.0314	(5.0%)				
British Pound — Hedge Spot Rate (US$ per GBP)								
FY10	1.4487		1.4439		1.4229		1.4048	
FY11	1.4714	(1.6%)	1.6531	(14.5%)	1.6321	(14.7%)	1.5859	(12.9%)
FY12	1.5001	(2.0%)	1.5399	6.8%				
Swiss Franc — Hedge Spot Rate (US$ per CHF)								
FY11			1.0481		1.0394		1.0474	
FY12	1.0539		1.0349	1.3%				

* We generally place our cash flow hedge contracts on a rolling twelve month basis. Accordingly, the only hedge contracts placed for fiscal year 2012 are for the first and second quarters.

Recent Accounting Pronouncements

In October 2009, the FASB issued Accounting Standards Update No. 2009-13, *Multiple-Deliverable Revenue Arrangements*, an amendment to FASB ASC topic 605, *Revenue Recognition*, and Update No. 2009-14, *Certain Revenue Arrangements That Include Software Elements*, an amendment to FASB ASC subtopic 985-605, *Software — Revenue Recognition* (the "Updates"). The Updates provide guidance on arrangements that include software elements, including tangible products that have software components that are essential to the functionality of the tangible product and will no longer be within the scope of the software revenue recognition guidance, and software-enabled products that will now be subject to other relevant revenue recognition guidance. The Updates provide authoritative guidance on revenue arrangements with multiple deliverables that are outside the scope of the software revenue recognition guidance. Under the new guidance, when vendor specific objective evidence or third party evidence of fair value for deliverables in an arrangement cannot be determined, a best estimate of the selling price is required to separate deliverables and allocate arrangement consideration using the relative selling price method. The Updates also include new disclosure requirements on how the application of the relative selling price method affects the timing and amount of revenue recognition. The Updates must be adopted in the same period using the same transition method and are effective prospectively, with retrospective adoption permitted, for revenue arrangements entered into or materially modified in fiscal years beginning on or after June 15, 2010. Early adoption is also permitted; however, early adoption during an interim period requires retrospective application from the beginning of the fiscal year. The Company will adopt the guidance on April 3, 2011, the first day of fiscal year 2012, and is currently assessing the possible impact of this guidance on its financial position and results of operations.

In December 2009, the FASB issued Accounting Standards Update No. 2009-17, *Improvements to Financial Reporting by Enterprises Involved with Variable Interest Entities*, an amendment to FASB ASC Topic 810, *Consolidations*. ASU No. 2009-17 requires an enterprise to perform an analysis to determine whether the enterprise's variable interest or interests give it a controlling financial interest in a variable interest entity. Additionally, an enterprise is required to assess whether it has an implicit financial responsibility to ensure that a variable interest entity operates as designed when determining whether it has the power to direct the activities of the variable interest entity that most significantly impact the entity's economic performance. The update became effective for our fiscal year 2011 and there was no impact to our consolidated financial statements for the first six months ended October 2, 2010.

Cautionary Statement Regarding Forward-Looking Information

Statements contained in this report, as well as oral statements we make which are prefaced with the words "may," "will," "expect," "anticipate," "continue," "estimate," "project," "intend," "designed," and similar expressions, are intended to identify forward looking statements regarding events, conditions, and financial trends that may affect our future plans of operations, business strategy, results of operations, and financial position. These statements are based on our current expectations and estimates as to prospective events and circumstances about which we can give no firm assurance. Further, any forward-looking statement speaks only as of the date on which such statement is made, and we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made. As it is not possible to predict every new factor that may emerge, forward-looking statements should not be relied upon as a prediction of our actual future financial condition or results. These forward-looking statements, like any forward-looking statements, involve risks and uncertainties that could cause actual results to differ materially from those projected or anticipated. Such risks and uncertainties include technological advances in the medical field and our standards for transfusion medicine and our ability to successfully implement products that incorporate such advances and standards, product demand and market acceptance of our products, regulatory uncertainties, the effect of economic and political conditions, the impact of competitive products and pricing, the impact of industry consolidation, foreign currency exchange rates, changes in customers' ordering patterns, the effect of industry consolidation as seen in the plasma market, the effect of communicable diseases and the effect of uncertainties in markets outside the U.S. (including Europe and Asia) in which we operate. The foregoing list should not be construed as exhaustive.

ITEM 3. Quantitative and qualitative disclosures about market risk

The Company's exposures relative to market risk are due to foreign exchange risk and interest rate risk.

FOREIGN EXCHANGE RISK

See the section entitled Foreign Exchange for a discussion of how foreign currency affects our business. It is our policy to minimize for a period of time, the unforeseen impact on our financial results of fluctuations in foreign exchange rates by using derivative financial instruments known as forward contracts to hedge anticipated cash flows from forecasted foreign currency denominated sales. We do not use the financial instruments for speculative or trading activities. At October 2, 2010, we had the following significant foreign exchange contracts to hedge the anticipated cash flows from forecasted foreign currency denominated sales outstanding. The contracts have been organized into maturity groups and the related quarter that we expect the hedge contract to affect our earnings.

Hedged Currency	(BUY) / SELL Local Currency	Weighted Spot Contract Rate		Weighted Forward Contract Rate		Fair Value Gain / (Loss)	Maturity	Quarter Expected to Affect Earnings
Euro	9,433,264	1.425		1.422		$ 556,739	Oct 2010 - Nov 2010	Q3 FY11
Euro	14,648,808	1.345		1.344		($255,846)	Dec 2010 - Feb 2011	Q4 FY11
Euro	11,080,452	1.243		1.246		($1,221,616)	Mar 2011 - May 2011	Q1 FY12
Euro	11,612,400	1.301		1.300		($651,870)	Jun 2011 - Aug 2011	Q2 FY12
Japanese Yen	1,057,819,153	88.30	per US$	87.96	per US$	($615,086)	Oct 2010 - Nov 2010	Q3 FY11
Japanese Yen	1,487,690,000	89.78	per US$	89.43	per US$	($1,140,474)	Dec 2010 - Feb 2011	Q4 FY11
Japanese Yen	1,386,826,057	88.99	per US$	88.43	per US$	($899,247)	Mar 2011 - May 2011	Q1 FY12
Japanese Yen	1,531,130,000	85.65	per US$	85.21	per US$	($382,997)	Jun 2011 - Aug 2011	Q2 FY12
GBP	(804,319)	1.662		1.657		($62,302)	Oct-10	Q3 FY11
GBP	(2,602,543)	1.586		1.582		($9,175)	Nov 2010 - Jan 2011	Q4 FY11
GBP	(2,616,001)	1.500		1.499		$ 198,589	Feb 2011 - Apr 2011	Q1 FY12
GBP	(2,679,632)	1.540		1.538		$ 97,236	May 2011 - July 2011	Q2 FY12
GBP	(2,679,632)	0.475		0.474		$ 26,923	Aug 2011 - Oct 2011	Q3 FY12
CAD	(3,241,542)	1.065	per US$	1.067	per US$	$ 90,440	Oct 2010 - Dec 2010	Q3 FY11
CAD	(3,426,211)	1.028	per US$	1.032	per US$	($16,490)	Jan 2011 - Mar 2011	Q4 FY11
CAD	(4,039,754)	1.050	per US$	1.054	per US$	$ 49,785	Apr 2011 - Jun 2011	Q1 FY12
CAD	(2,552,998)	1.031	per US$	1.040	per US$	($5,855)	Jul 2011 - Aug 2011	Q2 FY12
CHF	(3,757,601)	1.040		1.039		$ 229,494	Oct 2010 - Dec 2010	Q3 FY11
CHF	(3,818,399)	1.047		1.045		$ 252,368	Jan 2011 - Mar 2011	Q4 FY11
CHF	(4,023,000)	1.054		1.050		$ 281,407	Apr 2011 - Jun 2011	Q1 FY12
CHF	(2,472,000)	1.035		1.030		$ 130,948	Jul 2011 - Aug 2011	Q2 FY12
						($3,347,027)		

We estimate the change in the fair value of all forward contracts assuming both a 10% strengthening and weakening of the U.S. dollar relative to all other major currencies. In the event of a 10% strengthening of the U.S. dollar, the change in fair value of all forward contracts would result in a $10.8 million increase in the fair value of the forward contracts; whereas a 10% weakening of the US dollar would result in a $12.5 million decrease in the fair value of the forward contracts.

Interest Rate Risk

All of our long-term debt is at fixed rates. Accordingly, a change in interest rates has an insignificant effect on our interest expense amounts. The fair value of our long-term debt, however, does change in response to interest rate movements due to its fixed rate nature. These changes reflect the premium (when market interest rates decline below the contract fixed interest rates) or discount (when market interest rates rise above the fixed interest rate) that an investor in these long-term obligations would pay in the market interest rate environment.

At October 2, 2010, the fair value of our long-term debt was approximately $0.5 million higher than the value of the debt reflected on our financial statements. This higher fair value is entirely related to the $4.2 million remaining principal balance of the original $10.0 million, 8.41% real estate mortgage due January, 2016.

Using scenario analysis, if the interest rate on all long-term maturities changed by 10% from the rate levels that existed at October 2, 2010, the fair value of our long-term debt would change by less than $0.1 million.

ITEM 4. Controls and Procedures

We conducted an evaluation, as of October 2, 2010, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer (the Company's principal executive officer and principal financial officer, respectively) regarding the effectiveness of the design and operation of our disclosure controls and procedures as defined in Rule 13a-15 under the Securities Exchange Act of 1934 (the "Exchange Act"). Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective as of such date.

There were no changes in the Company's internal control over financial reporting which occurred during the three months ended October 2, 2010 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

We believe our competitor Fenwal has produced, and continues to produce, a red cell consumable kit which infringes a Haemonetics patent. For the past five years, we have been pursuing a patent infringement lawsuit against Fenwal, the details of which are summarized below. After the Court of Appeals for the Federal Circuit reversed the trial court's decision on claims construction, vacating the injunction and damages previously awarded to Haemonetics, the case was remanded to the trial court for further proceedings.

In December 2005 we filed a lawsuit against Baxter Healthcare SA and Fenwal Inc. in Massachusetts federal district court, seeking an injunction and damages from Baxter's infringement of a Haemonetics patent, through the sale of Baxter's ALYX brand automated red cell collection system, a competitor of our automated red cell collection systems. In March 2007, Baxter sold the division which marketed the ALYX product to private investors, TPG, and Maverick Capital, Ltd. The new company which resulted from the sale was renamed Fenwal.

In January 2009, a jury found that the Fenwal ALYX system infringed Haemonetics' patent. Ultimately, the trial court awarded us a total of $18 million in damages and ordered Fenwal to stop selling the ALYX consumable by December 1, 2010 and pay Haemonetics a 10% royalty on ALYX consumable net sales from January 30, 2009 until December 1, 2010.

Fenwal took three actions in response to this judgment. First, Fenwal appealed these rulings to the United States Court of Appeals for the Federal Circuit. Second, Fenwal modified the ALYX disposable in an effort to avoid the injunction. And third Fenwal asked the Patent and Trademark Office to re-examine the validity of our patent.

On June 2, 2010, the Court of Appeals reversed the trial court's claim construction and accordingly, vacated the original jury verdict finding of infringement and remanded the case to the trial court for further proceedings. We continue to believe the ALYX consumable kit infringes our patent even under the Court of Appeals' claim construction.

In response to Fenwal's modification of their disposable, we filed a second related patent infringement action in December 2009 in the same Massachusetts federal trial court as the first case described above.

On May 28, 2010 the Patent and Trademark Office reexamined the patent which is the subject of the two cases described above, and determined that the patent is valid, contrary to Fenwal's assertions.

On September 20, 2010, Haemonetics filed a patent infringement action in Germany, against Fenwal and its German subsidiary, for Fenwal's infringement of a Haemonetics patent related to the Haemonetics patent described above.

Item 1A. Risk Factors

In addition to the other information set forth in this report, careful consideration should be given to the factors discussed in Part 1, "Item 1A. Risk Factors" in the Company's Annual Report on Form 10-K for the year ended April 3, 2010, which could materially affect the Company's business, financial condition or future results. The risks described in the Company's Annual Report on Form 10-K are not the only risks facing the Company. Additional risks and uncertainties not currently known to the Company or that it currently deems to be immaterial also may materially adversely affect its business, financial condition and/or operating results.

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

In an April 6, 2010 press release, the Company announced that its Board of Directors approved the repurchase of up to $50.0 million worth of Company shares during fiscal year 2011. Through October 2, 2010, the Company repurchased 907,310 shares of its common stock for an aggregate purchase price of $50.0 million. We reflect stock repurchases in our financial statements on a "trade date" basis and as Authorized Unissued (Haemonetics is a Massachusetts company and under Massachusetts law repurchased shares are treated as authorized but unissued).

All of the purchases during the quarter were made under the publicly announced program. All purchases were made in the open market.

Period	Total Number of Shares Repurchased	Average Price Paid per Share including Commissions	Total Dollar Value of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Dollar Value of Shares that May Yet be Purchased Under the Plans or Programs
May 6, 2010 to May 31, 2010	576,271	$ 55.64	$ 32,081,557	$ 17,918,443
Jun 1, 2010 to Jun 25, 2010	331,039	54.10	17,918,415	28
Total	907,310	$ 55.08	$ 49,999,972	$ 28

Item 3. Defaults upon Senior Securities

Not applicable.

Item 4. [Removed and Reserved]

Item 5. Other Information

None

Item 6. Exhibits

31.1 Certification pursuant to Section 302 of Sarbanes-Oxley Act of 2002, of Brian Concannon, President and Chief Executive Officer of the Company

31.2 Certification pursuant to Section 302 of Sarbanes-Oxley of 2002, of Christopher Lindop, Chief Financial Officer and Vice President Business Development of the Company

32.1 Certification Pursuant to 18 United States Code Section 1350, as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, of Brian Concannon, President and Chief Executive Officer of the Company

32.2 Certification Pursuant to 18 United States Code Section 1350, as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, of Christopher Lindop, Chief Financial Officer and Vice President Business Development of the Company

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

HAEMONETICS CORPORATION

Date: November 10, 2010

By: /s/ Brian Concannon
Brian Concannon, President and Chief Executive Officer
(Principal Executive Officer)

Date: November 10, 2010

By: /s/ Christopher Lindop
Christopher Lindop, Chief Financial Officer and Vice President Business Development (Principal Financial Officer)

EXHIBIT 31.1

CERTIFICATION

I, Brian Concannon, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Haemonetics Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 10, 2010

/s/ Brian Concannon
Brian Concannon, President and Chief Executive Officer (Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION

I, Christopher Lindop, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Haemonetics Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 10, 2010

/s/ Christopher Lindop
Christopher Lindop, Chief Financial Officer and
Vice President Business Development
(Principal Financial Officer)

EXHIBIT 32.1

Certification Pursuant To
18 USC. Section 1350,
As Adopted Pursuant To
Section 906 of the Sarbanes/Oxley Act of 2002

In connection with the Quarterly Report of Haemonetics Corporation (the "Company") on Form 10-Q for the period ended October 2, 2010 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Brian Concannon, President and Chief Executive Officer of the Company, certify, pursuant to Section 1350 of Chapter 63 of Title 18, United States Code, that this Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 10, 2010

/s/ Brian Concannon
Brian Concannon,
President and Chief Executive Officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Haemonetics and will be retained by Haemonetics and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32.2

Certification Pursuant To
18 USC. Section 1350,
As Adopted Pursuant To
Section 906 of the Sarbanes/Oxley Act of 2002

In connection with the Quarterly Report of Haemonetics Corporation (the "Company") on Form 10-Q for the period ended October 2, 2010 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Christopher Lindop, Chief Financial Officer and Vice President Business Development of the Company, certify, pursuant to Section 1350 of Chapter 63 of Title 18, United States Code, that this Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 10, 2010

/s/ Christopher Lindop
Christopher Lindop,
Chief Financial Officer and Vice President
Business Development

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Haemonetics and will be retained by Haemonetics and furnished to the Securities and Exchange Commission or its staff upon request.