

FORM 8-K

Current Report Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): October 23, 2003

HAEMONETICS CORPORATION
(Exact Name of Registrant as Specified in its Charter)

Massachusetts	1-10730	04-2882273
----- (State or other jurisdiction of incorporation or organization)	----- (Commission File Number)	----- (IRS Employer Identification Number)
400 Wood Road Braintree, MA		02184
----- (Address of principal executive offices)		----- (Zip Code)

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

Item 9. Regulation FD Disclosure.

The following information is intended to be included under "Item 12. Results of Operations and Financial Condition" and is included under this Item 9 in accordance with SEC Release No. 33-8216.

On October 23, 2003 Haemonetics Corporation (the "Company") issued a press release regarding its financial results for the second quarter and year to date ended September 27, 2003. The Company's press release is attached as Exhibit 99.1 to this Current Report on Form 8-K.

The information in this Current Report on Form 8-K and the Exhibit attached hereto shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, regardless of any general incorporation language in such filing.

Exhibits

99.1 Press Release dated October 23, 2003 of Haemonetics Corporation.

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 hereunto duly authorized.

HAEMONETICS CORPORATION

Date: October 23, 2003

By: s/Ronald J. Ryan

Ronald J. Ryan, Vice President
and Chief Financial Officer

FOR RELEASE:

Date: October 23, 2003
 Time: 8:00 am eastern

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Haemonetics Reports Second Quarter Results On Plan and
 Reaffirms Fiscal Year Guidance

BRAINTREE, MA - Haemonetics Corporation today announced second quarter fiscal 2004 earnings per share of \$0.23 and revenues of \$87 million. The Company also said that it was re-affirming its previously announced full fiscal year 2004 guidance of high single digit revenue growth, gross profit margins in the mid to high 40% range, and net earnings per share in the range of last year's earnings of \$1.13.

Brad Nutter, Haemonetics President and CEO, said, "In Q2 we focused on completing the previously announced operational reorganization. As a result, we strengthened our leadership team, flattened our organization structure, improved customer focus, enhanced accountability, and streamlined decision making. All of these factors enabled us to achieve our internal revenue and earnings target for the quarter and kept us on track to meet our objectives for the full fiscal year."

FINANCIAL HIGHLIGHTS

The Company reported the following financial results for the second quarter and year-to-date:

- * Gross profit of \$41 million in Q2:04, up 6% over Q2:03 and \$81 million year to date, up 4% over fiscal 03
- * Gross margin of 47% in Q2:04, up 260 basis points over Q2:03, and 46% fiscal year to date, up 20 basis points over fiscal 03
- * Operating expenses of \$32 million in Q2:04, up 12% over Q2:03 and \$64 million year to date, up 10% over fiscal 03
- * Operating income of \$9 million in Q2:04, down 9% from Q2:03 and \$17 million year to date, down 12% from fiscal 03
- * Operating margin of 10% in Q2:04, down from 11% in Q2:03 and 10% year to date, down from 12% in fiscal 03
- * Earnings per share were \$0.23 in Q2:04, down from \$0.27 in Q2:03 and \$0.43 year to date, down from \$0.53 in fiscal 03

Second quarter net earnings were negatively affected by the reorganization charge of \$2.6 million (\$0.07 per share) and an increase in tax rate from 31% to 36%.

Second quarter revenue was \$87 million, level with Q2:03, and fiscal year to date revenue is \$176 million, up 4% over fiscal 03. Revenue for disposables and services was \$84 million for the quarter, 6% over Q2:03 and \$168 million year to date, 7% over fiscal 03. The Company showed balance sheet strength, highlighted by a \$5 million inventory reduction and a cash reserve of \$67 million. The Company achieved \$20 million of cash flow from operations and finished goods inventory turns of 5.7.

QUARTERLY PRODUCT LINE HIGHLIGHTS

Plasma disposables revenue was \$31 million, a 2% increase over Q2:03. The worldwide market for plasma collection disposables reflects volatility that is due to a current glut of plasma in the market. This mirrors past cycles in worldwide plasma collection.

"The growth in Haemonetics' plasma business, while modest, is ahead of market trends and beat our internal expectations. We are pleased that we continue to gain market share," said Mr. Nutter.

Blood bank disposables revenue was \$27 million, a 7% increase over Q2:03. This growth exceeded our internal plans.

Red cell disposables revenue was \$5 million, a 47% increase over Q2:03. Red cell growth was 69% in the U.S. During the quarter, Haemonetics made excellent progress in three areas:

- * Gaining new customers - The Company gained three new customers, including two additional American Red Cross regions.
- * Growing collections at existing customers - Blood Systems continued its technology growth initiative, now collecting about 26% of its red cells system wide with Haemonetics

technology.

- * Converting collections to filtration (white blood cell reduction) disposable kits - Currently, 31% of all U.S. double red cell collections with Haemonetics technology include filters.

Surgical revenue was \$17 million, a 2% increase over Q2:03, affected by recent declines in U.S. open-heart surgeries, shrinking the market for surgical blood salvage procedures. Substantial growth in end-user sales of the OrthoPAT(TM) system is expected to drive revenue growth in the second half of the year. The Company now expects annual growth in the high single digits, down modestly from previous forecasts.

Miscellaneous and services revenue was \$5 million, an 8% increase over Q2:03. The Fifth Dimension Information Systems ("5D") business, reported in the services line, showed success again this quarter. Haemonetics recently reported that Aventis Bio-Services, Inc. is implementing 5D's LOGIC(TM) software to manage all of Aventis' plasma transport operations in the U.S. and Germany. Aventis is the world's largest plasma collection company.

WORLDWIDE REORGANIZATION COMPLETED

Haemonetics completed its previously announced company-wide reorganization into two divisions to better service its customers. The reorganization will have a positive impact of \$4 million for fiscal 05.

FISCAL 2004 OUTLOOK

Earlier in the week the Company announced that Baxter Healthcare Corporation assumed the obligations of exclusive Purchase and Supply Contracts between the Company and Alpha Therapeutics, as part of Baxter's acquisition of Alpha's plasma collection operations. Haemonetics and Baxter are discussing the parties' contractual obligations, and when completed, the Company will report what, if any, impact the closing by Baxter of a number of Alpha collection centers will have on Haemonetics' future revenue or earnings.

"This fiscal year, we moved to annual guidance as we remain focused on the long term strength of the business. While there may be some change in the product line revenue mix, we are comfortable at this time that we will meet the financial targets we made at the outset of the year: revenue growth in the high single digits; gross margin in the mid to high 40% range; a modest improvement in operating margin; net income from operations ahead of last year; and net earnings per share comparable to last year despite the higher tax rate and a reorganization charge," said Mr. Nutter.

Haemonetics will hold a conference call to review highlights of the quarter at 10:00 am eastern today. Interested parties can participate by calling (800) 231-5571 (US only) or (973) 935-8504. The call will be replayed through November 6th at (877) 519-4471 (US only) or (973) 341-3080 using PIN 4224248.

The Company will post non-GAAP financial reconciliation on its website prior to the conference call.

Haemonetics (NYSE: HAE) is a global company engaged in the design, manufacture and worldwide marketing of automated blood processing systems. These systems address important medical markets: surgical blood salvage, blood component collection, plasma collection, and blood component safety. To learn more about Haemonetics' products and markets, visit its web site at <http://www.haemonetics.com>.

This release contains forward looking statements that involve risks and uncertainties, including technological advances in the medical field and standards for transfusion medicine and our ability to successfully implement products that incorporate such advances and standards, product demand, market acceptance, regulatory uncertainties, the effect of economic and political conditions, the impact of competitive products and pricing, blood product reimbursement policies and practices, foreign currency exchange rates, changes in customers' ordering patterns, the effect of communicable diseases and the effect of uncertainties in markets outside the U.S. (including Europe and Asia) in which we operate and other risks detailed in the Company's filings with the Securities and Exchange Commission. The forward-looking statements are based on estimates and assumptions made by management of the Company and are believed to be reasonable, though are inherently uncertain and difficult to predict. Actual results and experience could differ materially from the forward-looking statements.

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Haemonetics Corporation Financial Summary for the Second Quarter FYE04
 Consolidated Statements of Income
 (Unaudited data in thousands, except per share data)

INCOME STATEMENT	9/27/2003	9/28/2002	% Inc/(Dec) vs prior year
NET REVENUES	\$87,488	\$87,025	0.5%
Gross profit	41,380	38,890	6.4%
— R&D	4,622	5,110	(9.5%)
— S, G & A	27,852	23,954	16.3%
Operating expenses	32,474	29,064	11.7%
Operating income	8,906	9,826	(9.4%)
— Interest expense	(767)	(870)	(11.8%)
— Interest income	186	345	(46.1%)
— Other income, net	261	525	(50.3%)
Income before taxes	8,586	9,826	(12.6%)
Tax expense	3,091	3,046	1.5%
NET INCOME	\$ 5,495	\$ 6,780	(19.0%)
Net income per common share — assuming dilution	\$0.23	\$0.27	(14.8%)
Weighted average number of shares			
— Basic	24,120	24,642	
— Diluted	24,327	25,163	
			Inc/(Dec) vs prior year profit margin
PROFIT MARGINS:			%
Gross profit	47.3%	44.7%	
R&D	5.3%	5.9%	
S, G & A	31.8%	27.5%	
Operating income	10.2%	11.3%	(1.1%)
Income before taxes	9.8%	11.3%	(1.5%)
Net income	6.3%	7.8%	

Haemonetics Corporation Financial Summary for FYE04
Consolidated Statements of Income
(Unaudited data in thousands, except per share data)

Income Statement:	9/27/2003	9/28/2002	% Inc/(Dec) vs prior year
NET REVENUES	\$175,771	\$168,960	4.0%
Gross profit	80,966	77,537	4.4%
— R&D	9,619	10,049	(4.3%)
— S, G & A	54,255	47,970	13.1%
Operating expenses	63,874	58,019	10.1%
Operating income	17,092	19,518	(12.4%)
— Interest expense	(1,553)	(1,747)	(11.1%)
— Interest income	469	786	(40.3%)
— Other income, net	364	1,088	(66.5%)
Income before taxes	16,372	19,645	(16.7%)
Tax expense	5,894	6,090	(3.2%)
NET INCOME	\$ 10,478	\$ 13,555	(22.7%)

Net income per common share
— assuming dilution

	\$ 0.43	\$ 0.53	(18.9%)

Weighted average number of shares

	24,092	24,980
— Basic		
— Diluted	24,276	25,642

PROFIT MARGINS:			Inc/(Dec) vs prior year profit margin %
Gross profit	46.1%	45.9%	
R&D	5.5%	5.9%	
S, G&A	30.9%	28.4%	
Operating income	9.7%	11.6%	(1.9%)
Income before taxes	9.3%	11.6%	(2.3%)
Net income	6.0%	8.0%	

Haemonetics Corporation Financial Summary for FYE 04
Revenue Analysis
(Unaudited data in thousands)

REVENUE ANALYSIS	Second quarter			Six Months Ended		
	9/27/2003	9/28/2002	% Inc/(Dec)	9/27/2003	9/28/2002	% Inc/(Dec)
Revenues by Geography						
United States	\$32,317	\$33,632	(3.9)	\$ 63,869	\$ 64,562	(1.1)
International	55,171	53,393	3.3	111,902	104,398	7.2
Net Revenues	\$87,488	\$87,025	0.5	\$175,771	\$168,960	4.0
Disposable Revenues by Product Line						
Surgical	\$16,939	\$16,625	1.9	\$ 35,232	\$ 33,888	4.0
Blood Bank	26,731	24,917	7.3	52,680	48,956	7.6
Red Cell	5,082	3,461	46.8	9,646	6,989	38.0
Plasma	30,720	30,090	2.1	60,309	58,748	2.7
Subtotal	\$79,472	\$75,093	5.8	\$157,867	\$148,581	6.2
Equipment	3,112	7,373	(57.8)	7,598	11,792	(35.6)
Misc & Service	4,904	4,559	7.6	10,306	8,587	20.0
Net Revenues	\$87,488	\$87,025	0.5	\$175,771	\$168,960	4.0

Haemonetics Corporation Financial Summary for FYE04
 Consolidated Balance Sheets
 (Unaudited data in thousands)

	Period ending	
BALANCE SHEET:	9/27/2003	3/29/2003
Assets		
Cash & cash equivalents	\$ 66,771	\$ 40,885
Accounts receivable, net	84,162	77,913
Inventories, net	58,726	65,805
Other current assets	31,910	29,652
Total current assets	241,569	223,255
Net PP&E	81,345	83,987
Other assets	51,473	51,966
Total assets	\$374,387	\$350,208
Liabilities & Stockholders' Equity		
S/T debt & current maturities	\$ 38,388	\$ 39,005
Other current liabilities	60,552	61,370
Total current liabilities	98,940	100,375
Long term debt	31,389	31,612
Other long term liabilities	4,210	3,984
Stockholders' equity	230,848	223,237
Total liabilities & equity	\$374,387	\$350,208

