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: December 27, 2014

Commission File Number: 001-14041

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 definition 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 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 $0.01 par value common stock outstanding as of December 27, 2014: 51,491,568

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ITEM 1. FINANCIAL STATEMENTS

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

	Three Months Ended		Nine Months Ended	
	December 27, 2014	December 28, 2013	December 27, 2014	December 28, 2013
Net revenues	$ 231,827	$ 242,120	$ 683,895	$ 697,418
Cost of goods sold	120,166	120,491	357,842	344,494
Gross profit	111,661	121,629	326,053	352,924
Operating expenses:				
Research and development	10,643	14,209	36,962	40,364
Selling, general and administrative	82,758	89,560	260,089	277,879
Total operating expenses	93,401	103,769	297,051	318,243
Operating income	18,260	17,860	29,002	34,681
Interest and other expense, net	(2,308)	(2,852)	(7,496)	(8,035)
Income before provision for (benefit from) income taxes	15,952	15,008	21,506	26,646
Provision for (benefit from) income taxes	(36)	(1,282)	1,679	1,682
Net income	**$ 15,988**	**$ 16,290**	**$ 19,827**	**$ 24,964**
Net income per share - basic	$ 0.31	$ 0.31	$ 0.38	$ 0.48
Net income per share - diluted	$ 0.31	$ 0.31	$ 0.38	$ 0.48
Weighted average shares outstanding				
Basic	51,432	51,730	51,521	51,485
Diluted	51,962	52,511	52,024	52,300
Comprehensive income	$ 8,346	$ 17,289	$ 10,841	$ 24,463

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

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

	December 27, 2014	March 29, 2014
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 125,200	$ 192,469
Accounts receivable, less allowance of $1,975 at December 27, 2014 and $1,676 at March 29, 2014	143,635	164,603
Inventories, net	212,493	197,661
Deferred tax asset, net	16,172	14,144
Prepaid expenses and other current assets	52,331	54,099
Total current assets	549,831	622,976
Net property, plant and equipment	323,491	271,437
Intangible assets, less accumulated amortization of $125,642 at December 27, 2014 and $101,694 at March 29, 2014	251,221	271,159
Goodwill	334,990	336,768
Deferred tax asset, long term	1,031	1,184
Other long-term assets	13,581	10,654
Total assets	**$ 1,474,145**	**$ 1,514,178**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Notes payable and current maturities of long-term debt	$ 7,748	$ 45,630
Accounts payable	46,830	53,562
Accrued payroll and related costs	48,028	54,913
Accrued income taxes	2,754	3,113
Other liabilities	58,980	59,710
Total current liabilities	164,340	216,928
Long-term debt, net of current maturities	421,006	392,057
Long-term deferred tax liability	25,871	29,664
Other long-term liabilities	29,020	37,641
Stockholders' equity:		
Common stock, $0.01 par value; Authorized — 150,000,000 shares; Issued and outstanding — 51,491,568 shares at December 27, 2014 and 52,041,189 shares at March 29, 2014	515	520
Additional paid-in capital	417,405	402,611
Retained earnings	423,563	433,347
Accumulated other comprehensive income	(7,575)	1,410
Total stockholders' equity	833,908	837,888
Total liabilities and stockholders' equity	**$ 1,474,145**	**$ 1,514,178**

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

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

	Nine Months Ended	
	December 27, 2014	December 28, 2013
Cash Flows from Operating Activities:		
Net income	$ 19,827	$ 24,964
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	63,891	59,063
Amortization of financing costs	797	1,170
Stock compensation expense	10,219	9,664
Purchase of in-process R&D	—	3,569
Loss on sale of property, plant and equipment	612	501
Unrealized loss from hedging activities	1,477	351
Contingent consideration expense	706	1,182
Asset write-down	1,246	1,711
Change in accounts receivable, net	14,422	20,432
Change in inventories	(17,906)	(24,627)
Change in prepaid income taxes	(219)	(2,124)
Change in other assets and other liabilities	(18,834)	5,219
Tax benefit of exercise of stock options	961	2,906
Change in accounts payable and accrued expenses	(5,326)	(15,928)
Net cash provided by operating activities	71,873	88,053
Cash Flows from Investing Activities:		
Capital expenditures on property, plant and equipment	(100,530)	(43,721)
Proceeds from sale of property, plant and equipment	387	197
Acquisition of Hemerus	—	(23,124)
Other acquisitions and investments	—	(8,374)
Net cash used in investing activities	(100,143)	(75,022)
Cash Flows from Financing Activities:		
Payments on long-term real estate mortgage	(778)	(715)
Net increase in short-term loans	(357)	(4,426)
Repayment of term loan borrowings	(8,531)	(28,531)
Proceeds from employee stock purchase plan	4,763	5,229
Proceeds from exercise of stock options	7,926	11,699
Excess tax benefit on exercise of stock options	—	2,076
Share repurchases	(38,701)	—
Net cash used in financing activities	(35,678)	(14,668)
Effect of exchange rates on cash and cash equivalents	(3,321)	363
Net Change in Cash and Cash Equivalents	(67,269)	(1,274)
Cash and Cash Equivalents at Beginning of Period	192,469	179,120
Cash and Cash Equivalents at End of Period	**$ 125,200**	**$ 177,846**
Supplemental Disclosures of Cash Flow Information:		
Interest paid	$ 6,271	$ 6,973
Income taxes paid	$ 10,727	$ 4,093
Transfers from inventory to fixed assets for placement of Haemonetics equipment	$ 5,755	$ 7,967

The accompanying notes are an integral part of these 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 adjustments) considered necessary for a fair presentation have been included. All intercompany transactions have been eliminated. Operating results for the nine months ended are not necessarily indicative of the results that may be expected for the full fiscal year ending March 28, 2015, or any other interim period. Operating results for the three and nine months ended December 27, 2014 include the correction of an overstatement of operating expenses in prior periods. Absent this correction, operating expenses would have been $1.7 million higher in the three and nine months ended December 27, 2014 than the amounts included in the accompanying Consolidated Statements of Income and Comprehensive Income. This overstatement was due to an error in the computation of the restructuring accrual for severance and employee benefits incurred in connection with the Company's ongoing Value Creation and Capture initiatives and the cost of parts used to maintain our Haemonetics owned equipment. 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 March 29, 2014.

We consider 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. We had no significant subsequent events.

Our fiscal year ends on the Saturday closest to the last day of March. Fiscal years 2015 and 2014 include 52 weeks with each quarter having 13 weeks.

2. RECENT ACCOUNTING PRONOUNCEMENTS

In April 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-08, *Presentation of Financial Statements (Topic 205) and Property, Plant, and Equipment (Topic 360): Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity*. ASU No. 2014-08 limits the requirement to report discontinued operations to disposals of components of an entity that represent strategic shifts that have (or will have) a major effect on an entity's operations and financial results. The amendments also require expanded disclosures concerning discontinued operations and disclosures of certain financial results attributable to a disposal of a significant component of an entity that does not qualify for discontinued operations reporting. The amendments in ASU No. 2014-08 are effective prospectively for reporting periods beginning on or after December 15, 2014, with early adoption permitted. Management does not believe that the adoption of ASU No. 2014-08 will have a material effect on our Financial Statements.

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. ASU No. 2014-09 stipulates that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve this core principle, an entity should apply the following steps: (1) identify the contract(s) with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to the performance obligations in the contract; and (5) recognize revenue when (or as) the entity satisfies a performance obligation. ASU No. 2014-09 will be effective for the Company retrospectively beginning April 2, 2017, with early adoption not permitted. The impact of adopting ASU No. 2014-09 on our Financial Statements is being assessed by management.

In June 2014, the FASB issued ASU No. 2014-12, *Compensation—Stock Compensation (Topic 718): Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period*. ASU No. 2014-12 requires that a performance target that affects vesting and could be achieved after the requisite service period be treated as a performance condition. A reporting entity should apply existing guidance in ASC 718, Compensation—Stock Compensation, as it relates to such awards. ASU No. 2014-12 is effective in our first quarter of fiscal 2017 with early adoption permitted using either of two methods: (i) prospective to all awards granted or modified after the effective date; or (ii) retrospective to all awards with performance targets that are outstanding as of the beginning of the earliest annual period presented in the financial statements and to all new or modified awards thereafter, with the cumulative effect of applying ASU No. 2014-12 as an adjustment to the opening retained earnings balance as of the beginning of the earliest annual period presented in the financial statements. Management does not believe that the adoption of ASU No. 2014-12 will have a material effect on our Financial Statements.

In August 2014, the FASB issued ASU No. 2014-15, *Presentation of Financial Statements—Going Concern (Subtopic 205-40): Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern*. ASU No. 2014-15 defines management's responsibility to assess an entity's ability to continue as a going concern, and to provide related footnote disclosures in certain circumstances. This guidance will be effective for all entities in the first annual period ending after December 15, 2016; however, early adoption is permitted. Management does not believe that the adoption of ASU No. 2014-15 will have a material effect on our Financial Statements.

In January 2015, the FASB issued ASU No. 2015-01, *Income Statement-Extraordinary and Unusual Items (Subtopic 225-20): Simplifying Income Statement Presentation by Eliminating the Concept of Extraordinary Items*. ASU No. 2015-01 eliminates from GAAP the concept of extraordinary items. An entity will no longer be required to (1) segregate an extraordinary item from the results of ordinary operations; (2) separately present an extraordinary item on its income statement, net of tax, after income from continuing operations; and (3) disclose income taxes and earnings-per-share data applicable to an extraordinary item. ASU No. 2015-01 will be effective for fiscal years beginning after December 15, 2015. An entity may apply the amendments prospectively or retrospectively to all prior periods presented in the financial statements. Early adoption is permitted provided that the guidance is applied from the beginning of the fiscal year of adoption. Management does not believe that the adoption of ASU No. 2015-01 will have a material effect on our Financial Statements.

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.

	Three Months Ended	
(In thousands, except per share amounts)	**December 27, 2014**	**December 28, 2013**
Basic EPS		
Net income	$ 15,988	$ 16,290
Weighted average shares	51,432	51,730
Basic income per share	**$ 0.31**	**$ 0.31**
Diluted EPS		
Net income	$ 15,988	$ 16,290
Basic weighted average shares	51,432	51,730
Net effect of common stock equivalents	530	781
Diluted weighted average shares	51,962	52,511
Diluted income per share	**$ 0.31**	**$ 0.31**

	Nine Months Ended	
(In thousands, except per share amounts)	**December 27, 2014**	**December 28, 2013**
Basic EPS		
Net income	$ 19,827	$ 24,964
Weighted average shares	51,521	51,485
Basic income per share	**$ 0.38**	**$ 0.48**
Diluted EPS		
Net income	$ 19,827	$ 24,964
Basic weighted average shares	51,521	51,485
Net effect of common stock equivalents	503	815
Diluted weighted average shares	52,024	52,300
Diluted income per share	**$ 0.38**	**$ 0.48**

Weighted average shares outstanding, assuming dilution, excludes the impact of 1.7 million and 1.6 million anti-dilutive shares for the three and nine months ended December 27, 2014, respectively, as compared to 1.3 million and 0.9 million anti-dilutive shares for the three and nine months ended December 28, 2013, respectively.

4. STOCK-BASED COMPENSATION

Performance Share Units

On October 22, 2014, the Company issued a new type of equity award under its 2005 Long-Term Incentive Compensation Plan, Performance Share Units, with a target award level of 129,130 shares for 14 senior executives.

The value of these Performance Share Units is based upon the Company's total shareholder return for the period from October 1, 2014 to their vesting date of September 30, 2017 relative to the total shareholder return of the companies comprising the Standard & Poor's Health Care Equipment Index (the "Index"). These awards are conditioned upon the employees' continued employment with the Company through the vesting date. If an employee is no longer employed by the Company at the vesting date as a result of a Qualifying Retirement, then the continued employment requirement shall cease to apply and prorated shares awarded will be determined as of the vesting date.

Total shareholder return is equal to the appreciation of the share price during a performance period, plus any dividends paid on the applicable company's common stock. Relative total shareholder return compares the company's total shareholder return to the Index.

The actual number of shares awarded under a Performance Share Unit may range from 0% to a maximum of 200% of the target award depending upon the Company's relative total shareholder return. If the Company's total shareholder return for the performance period is negative, then any share payout will be capped at 100% of the target award, regardless of the Company's performance relative to the Index.

Grant date fair values for the Performance Share Units were estimated using a Monte Carlo Simulation of the Company's and the Index's stock price correlation over three-year time horizons matching the Performance Share Units performance period with a risk free rate of 0.78%, volatility of 20% and 12 months of dividend history.

The estimated fair value, potential shares to be awarded, recognized compensation expense and future compensation expense to be recognized, including estimated forfeitures, for Performance Share Unit awards are as follows:

	As of October 22, 2014	For Nine Months Ended December 27, 2014				
PSU Performance Period	PSU Award Fair Value *(Per share)*	Recognized Compensation Expense *(In thousands)*	Unrecognized Compensation Expense *(In thousands)*	Minimum Shares	Target Shares	Maximum Shares
Oct 1, 2014 - Sept 30, 2017	$ 35.09	$ 278	$ 4,253	—	129,130	258,260

Stock-Based Compensation

Total stock-based compensation expense of $10.2 million and $9.7 million was recognized for the nine months ended December 27, 2014 and December 28, 2013, respectively. The related income tax benefit recognized was $3.3 million and $3.2 million for the nine months ended December 27, 2014 and December 28, 2013, respectively.

The weighted average fair value for our options granted was $7.89 and $10.17 per share for the nine months ended December 27, 2014 and December 28, 2013, respectively. The assumptions utilized for estimating the fair value of option grants during the periods presented are as follows:

	Nine Months Ended	
	December 27, 2014	December 28, 2013
Stock Options Black-Scholes assumptions (weighted average):		
Volatility	22.45%	22.79%
Expected life (years)	4.9	4.9
Risk-free interest rate	1.75%	1.30%
Dividend yield	—%	—%

As of December 27, 2014, there was $29.0 million of total unrecognized compensation cost related to non-vested equity based compensation, including stock options, restricted stock units, market stock units and performance share units. This cost is expected to be recognized over a weighted average period of 2.61 years.

During the nine months ended December 27, 2014 and December 28, 2013, there were 183,808 and 156,224 shares, respectively, purchased under the Employee Stock Purchase Plan at an average price of $25.92 and $32.77 per share, respectively.

5. PRODUCT WARRANTIES

We generally provide 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 periodically assess the adequacy of our warranty accrual, making adjustments as necessary.

	Nine Months Ended	
(In thousands)	December 27, 2014	December 28, 2013
Warranty accrual as of the beginning of the period	$ 590	$ 673
Warranty provision	890	1,214
Warranty spending	(941)	(1,178)
Warranty accrual as of the end of the period	**$ 539**	**$ 709**

6. INVENTORIES

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

(In thousands)	December 27, 2014	March 29, 2014
Raw materials	$ 74,555	$ 72,508
Work-in-process	6,431	7,383
Finished goods	131,507	117,770
	$ 212,493	**$ 197,661**

7. DERIVATIVES AND FAIR VALUE MEASUREMENTS

We manufacture, market and sell our products globally. For the nine months ended December 27, 2014, approximately 45.9% of our sales were generated outside the US, generally 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 US Dollar, our reporting currency. We have a program in place that is designed to mitigate our exposure to changes in foreign currency exchange rates. We utilize foreign currency forward contracts to hedge the anticipated cash flows from transactions denominated in foreign currencies, primarily Japanese Yen and Euro, and to a lesser extent Swiss Francs, British

Pounds, Australian Dollars, Canadian Dollars and Mexican Pesos. This does not eliminate the impact of 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

Our designated foreign currency hedge contracts as of December 27, 2014 and March 29, 2014 were cash flow hedges under ASC 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 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 Retained Earnings at that time. We had designated foreign currency hedge contracts outstanding in the contract amount of $147.4 million as of December 27, 2014 and $157.9 million as of March 29, 2014.

During the nine months ended December 27, 2014, we recognized net gains of $2.9 million in Retained Earnings from our cash flow hedges, compared to recognized net gains of $7.1 million during the nine months ended December 28, 2013. For the nine months ended December 27, 2014, an $8.4 million gain, net of tax, was recorded in Accumulated Other Comprehensive Income to recognize the effective portion of the fair value of designated foreign currency hedge contracts, as compared to a gain of $5.0 million, net of tax, for the nine months ended December 28, 2013. At December 27, 2014, gains of $8.4 million, net of tax, may be reclassified to Retained Earnings within the next twelve months. All currency cash flow hedges outstanding as of December 27, 2014 mature within twelve months.

Non-Designated Foreign Currency Contracts

We use foreign currency forward contracts as a part of our strategy to manage exposure related to foreign currency denominated monetary assets and liabilities. These foreign currency forward contracts are entered into for periods consistent with currency transaction exposures, generally one month. They are not designated as cash flow or fair value hedges under ASC 815. These forward contracts are marked-to-market with changes in fair value recorded to Retained Earnings. We had non-designated foreign currency hedge contracts under ASC 815 outstanding in the contract amount of $60.4 million as of December 27, 2014 and $72.9 million as of March 29, 2014.

Interest Rate Swaps

On August 1, 2012, we entered into a credit agreement which provided for a $475.0 million term loan (“Credit Agreement”). Under the terms of this Credit Agreement, we may borrow at a spread to an index, including the LIBOR index of 1-month, 3-months, 6-months, etc. From the date of the Credit Agreement, we have chosen to borrow against the 1-month USD-LIBOR-BBA rounded up, if necessary, to the nearest 1/16th of 1% (“Adjusted LIBOR”). On June 30, 2014, we modified our Credit Agreement by extending the maturity date to July 1, 2019.

Accordingly, our earnings and cash flows are exposed to interest rate risk from changes in Adjusted LIBOR. Part of our interest rate risk management strategy includes the use of interest rate swaps to mitigate our exposure to changes in variable interest rates. Our objective in using interest rate swaps is to add stability to interest expense and to manage and reduce the risk inherent in interest rate fluctuations. We formally document our hedge relationships (including identifying the hedged instrument and hedged item) at hedge inception to ensure that our interest rate swaps qualify for hedge accounting. On a quarterly basis, we assess whether the interest rate swaps are highly effective in offsetting changes in the cash flow of the hedged item. We do not hold or issue interest rate swaps for trading purposes. We manage the credit risk of the counterparties by dealing only with institutions that we consider financially sound and consider the risk of non-performance to be remote.

On December 21, 2012, we entered into two interest rate swap agreements (the "Swaps"), whereby we receive Adjusted LIBOR and pay an average fixed rate of 0.68% on a total notional amount of $250.0 million of debt. The Swaps mature on August 1, 2017. We designated the Swaps as cash flow hedges of variable interest rate risk associated with $250.0 million of indebtedness. For the nine months ended December 27, 2014, a loss of $0.3 million, net of tax, was recorded in Accumulated Other Comprehensive Income to recognize the effective portion of the fair value of interest rate swaps that qualify as cash flow hedges.

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 815 in our consolidated statements of income and comprehensive income for the nine months ended December 27, 2014:

Derivative Instruments	Amount of Gain/(Loss) Recognized in AOCI	Amount of Gain/(Loss) Reclassified from AOCI into Retained Earnings	Location in Consolidated Statements of Income and Comprehensive Income	Amount of Gain/(Loss) Excluded from Effectiveness Testing *	Location in Consolidated Statements of Income and Comprehensive Income
(In thousands)					
Designated foreign currency hedge contracts, net of tax	$ 8,409	$ 2,921	Net revenues, COGS, and SG&A	$ 107	Interest and other expense, net
Non-designated foreign currency hedge contracts	—	—		5,477	Interest and other expense, net
Designated interest rate swaps, net of tax	$ (255)	$ —	Interest and other expense, net	$ —	

* 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 December 27, 2014 or March 29, 2014.

As of December 27, 2014, the amount recognized as a deferred tax asset for designated foreign currency hedges was $0.5 million and the amount recognized as a deferred tax liability for interest rate swap hedges was $0.3 million.

ASC 815 requires all derivative instruments to be recognized at their fair value as either assets or liabilities on the balance sheet. We determine the fair value of our derivative instruments using the framework prescribed by ASC 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, current interest rate curves, interest rate volatilities, 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 December 27, 2014, we have classified our derivative assets and liabilities within Level 2 of the fair value hierarchy prescribed by ASC 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 December 27, 2014 and March 29, 2014:

(In thousands)	Location in Balance Sheet	**December 27, 2014**	**March 29, 2014**
Derivative Assets:			
Designated foreign currency hedge contracts	Other current assets	$ 8,088	$ 2,574
Designated interest rate swaps	Other current assets	841	1,250
		$ 8,929	**$ 3,824**
Derivative Liabilities:			
Designated foreign currency hedge contracts	Other current liabilities	$ 2,465	$ 1,255
		$ 2,465	**$ 1,255**

Other Fair Value Measurements

ASC 820, *Fair Value Measurements and Disclosures*, defines fair value, establishes a framework for measuring fair value in accordance with US GAAP, and expands disclosures about fair value measurements. ASC 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 820, for the nine months ended December 27, 2014, we applied the requirements under ASC 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.

Fair Value Measured on a Recurring Basis

On a recurring basis, we measure certain financial assets and financial liabilities at fair value, including our money market funds, foreign currency hedge contracts, and contingent consideration. ASC 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 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.

Financial assets and financial liabilities measured at fair value on a recurring basis consist of the following as of December 27, 2014.

(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	$ 72,875	$ —	$ —	$ 72,875
Designated foreign currency hedge contracts	—	8,088	—	8,088
Designated interest rate swap	—	841	—	841
	$ 72,875	**$ 8,929**	**$ —**	**$ 81,804**
Liabilities				
Designated foreign currency hedge contracts	$ —	$ 2,465	$ —	$ 2,465
Contingent consideration	—	—	8,351	8,351
	$ —	**$ 2,465**	**$ 8,351**	**$ 10,816**

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

Contingent consideration liabilities are measured at fair value using projected revenues, discount rates, probabilities of payment and projected payment dates. This Level 3 fair value measurement was performed using a probability-weighted discounted cash flow over a ten year period. Increases or decreases in the fair value of our contingent consideration liability can result from changes in discount periods and rates, as well as changes in the timing and amount of revenue estimates or likelihood of earning revenue. Projected revenues are based on our most recent internal operational budgets.

The table below provides a reconciliation of the beginning and ending Level 3 liabilities for the quarter ended December 27, 2014.

(In thousands)	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)
Contingent consideration as of March 29, 2014	$ 7,645
Contingent consideration interest expense	706
Ending balance	**$ 8,351**

Interest expense recognized on contingent consideration is reflected in "Interest and other expense, net" on the Consolidated Statements of Income and Comprehensive Income.

Other Fair Value Disclosures

The Term Loan (which is carried at amortized cost), accounts receivable and accounts payable approximate fair value.

8. INCOME TAXES

The reported income tax rate for the nine months ended December 27, 2014 was 7.8%, as compared to a reported income tax rate of 6.3% for the nine months ended December 28, 2013. Our reported income tax rate is lower than the US federal statutory tax rate primarily as a result of being subject to lower income tax rates in the foreign jurisdictions where we operate. In addition, we recorded discrete tax benefits during the three months ended December 27, 2014 associated with the release of tax reserves due to the expiration of the statute of limitations as well as the retroactive enactment of the U.S. federal research credit. During the nine months ended December 27, 2014, we recorded pre-tax losses in Scotland, Italy and Malaysia due to restructuring costs associated with our manufacturing transformation, and we did not record a corresponding tax benefit due to uncertainty around our ability to realize a tax benefit in these jurisdictions. Similarly, during the nine months ended December 28, 2013, we recorded pre-tax losses in Italy associated with restructuring costs, and we did not recognize a tax benefit due to the full valuation allowance maintained against our Italian deferred tax assets. We also recorded a tax benefit for the three months ended December 28, 2013 as the benefits from the release of previously established reserves and the intercompany financing with Italy were recorded during this period.

9. DEBT

In connection with the acquisition of the whole blood business, we entered into a credit agreement ("Credit Agreement") with certain lenders (together, “Lenders”) which provided for a $475.0 million Term Loan and a $50.0 million revolving loan (the “Revolving Credit Facility”), and together with the Term Loan, (the “Credit Facilities”). The Credit Facilities had a term of five years and mature on August 1, 2017. Interest was based on the Adjusted LIBOR plus a range of 1.125% to 1.500% depending on the achievement of leverage ratios and customary credit terms which included financial and negative covenants.

On June 30, 2014, we modified our existing Credit Facilities by extending the maturity date to July 1, 2019, extending the principal repayments of the Term Loan, and modifying certain restrictive covenants to allow greater operational flexibility and enhanced near term liquidity. In addition, the amended Credit Agreement provides for a $100.0 million revolving credit facility and establishes interest rates in the range of LIBOR plus 1.125% – 1.500%, depending on certain conditions. At December 27, 2014, $379.4 million was outstanding under the term loan and $50.0 million was outstanding on the Revolving Credit Facility, both with an interest rate of 1.5625%. No additional amounts were borrowed as a result of this modification. The fair value of debt approximates its current value of approximately $429.4 million as of December 27, 2014. We were in compliance with the leverage and interest coverage ratios specified in the credit agreement as well as all other bank covenants as of December 27, 2014.

The maturity profile is as follows:

Fiscal year ***(in thousands)***	**Term Loan**
2015	$ —
2016	21,342
2017	42,683
2018	45,054
2019 and beyond	320,327
	$ 429,406

10. COMMITMENTS AND CONTINGENCIES

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

Italian Employment Litigation

We have received notices of claimed violations of employment related contracts from some employees of the facility in Ascoli-Piceno, Italy where we have ceased manufacturing operations. These include actions claiming (i) working conditions and minimum salaries should have been established by different national collective bargaining agreements than those used over prior years, (ii) certain solidarity agreements, which are arrangements between the Company, employees and the government to continue full pay and benefits for employees who would otherwise be terminated in times of low demand, are void, and (iii) payment of the extra time used for changing into and out of the working clothes at the beginning and end of each shift.

In addition, a union represented in the Ascoli plant has filed an action claiming that the Company discriminated against it in favor of three other represented unions by (i) interfering with an employee referendum, (ii) interfering with an employee petition to recall union representatives from office, and (iii) excluding the union from certain meetings.

As of December 27, 2014, the total amount of damages claimed by the plaintiffs in these matters is approximately $4.1 million; however, it is not possible at this point in the proceedings to accurately evaluate the likelihood or amount of any potential losses. We believe these claims are without merit, and intend to defend against them. As such, no amounts have been accrued related to these claims. We may receive other, similar claims in the future.

11. SEGMENT INFORMATION

We manage a global business which designs, manufactures and markets blood management solutions. Our solutions are marketed through operating units organized primarily on geography: North America Plasma, North America Blood Center and Hospital, Europe, Asia Pacific and Japan.

ASC 280, *Segment Reporting,* permits the aggregation of segments which are economically similar as well as similar in all of the following areas: (i) the nature of the products and services, (ii) the nature of the production processes, (iii) the type or class of customer for their products and services, (iv) the methods used to distribute their products or provide their services, and (v) the nature of the regulatory environment.

Based on the criteria of ASC 280, we have one reportable segment. This conclusion is consistent with how our chief operating decision-maker views the business. Our chief operating decision maker primarily uses consolidated results to make operating and strategic decisions.

12. RESTRUCTURING

On an ongoing basis, we review the global economy, the healthcare industry and the markets in which we compete to identify opportunities for efficiencies, enhance commercial capabilities, align our resources and offer our customers better solutions. In order to realize these opportunities, we undertake restructuring-type activities to transform our business.

On May 1, 2013, we announced that our Board of Directors approved a plan to pursue identified Value Creation and Capture ("VCC") opportunities. These include: (i) investment in product line extensions, next generation products and growth platforms; (ii) enhancement of commercial execution capabilities by implementing go-to-market and other strategies to enable global profitable revenue growth; and (iii) transformation of the manufacturing network to best support these commercial strategies while optimizing expense levels. Collectively, these are opportunities to position us for optimal growth and increased competitiveness.

Our manufacturing network transformation plan, part of our larger VCC activities previously discussed, includes (i) discontinuing manufacturing activities at our Braintree, Massachusetts, Ascoli-Piceno, Italy and Bothwell, Scotland facilities, (ii) creating a technology center of excellence for product development in Braintree, Massachusetts, (iii) expanding of our current facility in Tijuana, Mexico, (iv) engaging Sanmina Corporation as a contract manufacturer to produce certain medical equipment, and (v) building a new manufacturing facility in Penang, Malaysia closer to our customers in Asia.

We estimate we will incur approximately $69.0 million in restructuring and restructuring related expense and spend approximately $59.0 million on these initiatives in fiscal 2015. We estimate we will incur an additional $10.0 million to $15.0 million to complete these initiatives through fiscal 2017.

The following summarizes the restructuring costs for the nine months ended December 27, 2014 and December 28, 2013:

	Nine Months Ended December 27, 2014				
(In thousands)	Restructuring Accrual Balance at March 29, 2014	Restructuring Costs Incurred	Less Payments	Less Non-Cash Adjustments	Restructuring Accrual Balance at December 27, 2014
Severance and other employee costs	$ 22,908	$ 15,633	$ (21,785)	$ —	$ 16,756
Other costs	728	12,044	(12,527)	—	245
Accelerated depreciation	—	1,158	—	(1,158)	—
Asset write-down	—	295	—	(295)	—
Total	**$ 23,636**	**$ 29,130**	**$ (34,312)**	**$ (1,453)**	**$ 17,001**

	Nine Months Ended December 28, 2013				
(in thousands)	Restructuring Accrual Balance at March 30, 2013	Restructuring Costs Incurred	Less Payments	Less Non-Cash Adjustments	Restructuring Accrual Balance at December 28, 2013
Severance and other employee costs	$ 3,089	$ 28,189	$ (9,690)	$ —	$ 21,588
Other costs	173	9,905	(9,566)	—	512
Accelerated depreciation	—	1,757	—	(1,757)	—
Asset write-down	—	915	—	(915)	—
	$ 3,262	**$ 40,766**	**$ (19,256)**	**$ (2,672)**	**$ 22,100**

We deployed significant financial resources for these activities. Many of the costs necessary to complete the VCC initiatives, such as severance and other plant closing costs, qualify as restructuring expenses under ASC 420, *Exit or Disposal Cost Obligations*. We incurred $29.1 million in severance, asset write-downs and other restructuring charges during the nine months ended December 27, 2014. In addition, we also incurred $22.1 million of costs that do not constitute restructuring under ASC 420, which we refer to as "Transformation Costs". These costs consist primarily of expenditures directly related to our transformation activities including program management, product line transfer teams and related costs, infrastructure related costs, accelerated depreciation and asset disposals.

The table below presents transformation and restructuring costs recorded in cost of goods sold, research and development, selling, general and administrative expenses and interest and other expense in our Consolidated Statements of Income and Comprehensive Income for the periods presented. The majority of expenses recorded as Transformation Costs in the fiscal 2014 relate to the integration of the whole blood acquisition. Transformation Costs in fiscal 2015 are associated with our VCC initiatives.

Transformation costs	Three Months Ended		Nine Months Ended	
(in thousands)	December 27, 2014	December 28, 2013	December 27, 2014	December 28, 2013
Transformation and other costs	$ 5,892	$ 6,306	$ 20,877	$ 26,389
Accelerated depreciation	351	653	769	1,938
Asset disposal	471	36	471	796
Total	$ 6,714	$ 6,995	$ 22,117	$ 29,123

Restructuring costs *(in thousands)*	Three Months Ended December 27, 2014	 December 28, 2013	Nine Months Ended December 27, 2014	 December 28, 2013
Severance and other employee costs	$ 2,887	$ 5,348	$ 15,633	$ 28,189
Other costs	2,691	4,588	12,044	9,905
Accelerated depreciation	418	569	1,158	1,757
Asset disposal	199	—	295	915
Total	$ 6,195	$ 10,505	$ 29,130	$ 40,766
Total restructuring and transformation	**$ 12,909**	**$ 17,500**	**$ 51,247**	**$ 69,889**

13. CAPITALIZATION OF SOFTWARE DEVELOPMENT COSTS

For costs incurred related to the development of software to be sold, leased or otherwise marketed, we apply the provisions of ASC 985-20, *Software - Costs of Software to be Sold, Leased or Marketed*, 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.

We capitalized $6.6 million and $3.4 million in software development costs for ongoing initiatives during the nine months ended December 27, 2014 and December 28, 2013, respectively. At December 27, 2014 and March 29, 2014, we have a total of $38.3 million and $31.7 million of capitalized software costs, of which $8.9 million and $15.6 million are related to in-process software development initiatives, respectively. During fiscal 2015, our next generation plasma software received 510(k) approval and $12.9 million of capitalized costs were placed into service. The costs capitalized for each project are included in intangible assets in the consolidated financial statements. We review these assets for impairment at least annually.

14. ACCUMULATED OTHER COMPREHENSIVE INCOME

The following is a roll-forward of the components of Accumulated Other Comprehensive Income, net of tax, for the nine months ended December 27, 2014:

(In thousands)	Foreign Currency	Defined Benefit Plans	Net Unrealized (Gain)/Loss on Derivatives	Total
Balance as of March 29, 2014	$ 3,198	$ (4,592)	$ 2,804	$ 1,410
Other comprehensive income (loss)/income before reclassifications	(13,621)	(597)	8,154	(6,064)
Amounts reclassified from Accumulated Other Comprehensive Income	—	—	(2,921)	(2,921)
Net current period other comprehensive (loss)/income	(13,621)	(597)	5,233	(8,985)
Balance as of December 27, 2014	$ (10,423)	$ (5,189)	$ 8,037	$ (7,575)

Details pertaining to the amount reclassified from Accumulated Other Comprehensive Income for the nine months ended December 27, 2014 are as follows:

(In thousands)	Amounts Reclassified from Other Comprehensive Income	Affected Line in the Statement of Income
Derivative instruments reclassified to income statement		
Realized net gain on derivatives	$ 3,041	Revenue, cost of goods sold, income/(expense)
Income tax effect	(120)	Provision for income taxes
Net of taxes	$ 2,921	

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 2014 Annual Report on Form 10-K filed with the Securities and Exchange Commission (the "SEC") on May 22, 2014. The following discussion may contain forward-looking statements and should be read in conjunction with the "Cautionary Statement Regarding Forward-Looking Information."

Our Business

Haemonetics is a global healthcare company dedicated to providing innovative blood management solutions to our customers. Our comprehensive portfolio of integrated devices, information management, and consulting services offers blood management solutions for each facet of the blood supply chain, helping improve clinical outcomes and reduce costs for blood and plasma collectors, hospitals, and patients around the world. Our products and services help prevent a transfusion to a patient who does not need one and provide the right blood product, at the right time, in the right dose to the patient who does.

Blood and its components (plasma, platelets, and red cells) have many vital and frequently life-saving clinical applications. Plasma is used for patients with major blood loss and is manufactured into pharmaceuticals to treat a variety of illnesses and hereditary disorders such as hemophilia. Red cells treat trauma patients or patients undergoing surgery with high blood loss, such as open heart surgery or organ transplant. Platelets treat cancer patients undergoing chemotherapy. Blood is essential to a modern healthcare system.

Products

Our medical device systems provide both automated and manual collection and processing of donated blood, assess likelihood for blood loss, salvage and process blood from surgery patients, and dispense and track blood inventory in the hospital. These systems include devices and single-use, proprietary disposable sets ("disposables") some of which only operate with our specialized devices. Specifically, our plasma and blood center 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 manual blood collection and filtration systems enable the manual collection of all blood components while detecting bacteria, thus reducing the risks of infection through transfusion.

We place devices with some of our customers which remain our property. The customer has the right to use these devices for a period of time as long as certain conditions are met, 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.

Recent Developments

Russian Economic Conditions

Economic weakness in Russia has impacted our financial results and our outlook for growth from this market for the balance of fiscal 2015 and into fiscal 2016. While demand for our products remains strong, the challenging macro-economic conditions in Russia have resulted in reduced government healthcare spending and, as a result, our distributors are placing fewer orders. Russia currently represents approximately 3% of our revenue and we continue to work closely with our Russian distributors to monitor market conditions and credit risk.

Declines in US Blood Center Collections

Sales to US blood centers of our whole blood disposables represent approximately 10% of our total revenue. The demand for these disposable products in the US declined in fiscal 2014 and the first nine months of fiscal 2015 due to a rapid decline in demand for blood products associated with actions taken by hospitals to improve blood management techniques and

protocols. We believe the decline in US blood center collections will be approximately 10% in fiscal 2015 and moderate in fiscal 2016, and accordingly will continue to negatively impact red cell and whole blood revenue. Additionally, in response to this trend, certain large US blood center collector groups pursued single source vendors for whole blood collection products which required significant reductions in average selling prices in order to retain or increase our share of their business. These US blood collector groups are pursuing similar arrangements that may affect our red cell revenues in the future.

During fiscal 2014 we entered into a multi-year agreement to supply the HemeXcel Purchasing Alliance, LLC with certain whole blood collection components during the calendar years 2014-2016. The agreement includes a reduction in average selling prices which will negatively impact our financial results in fiscal 2015. In March 2014, the American Red Cross selected another exclusive supplier to provide certain whole blood products. We anticipate this will reduce annualized revenues approximately $25.0 million, which we started experiencing in the first quarter of fiscal 2015. The loss of the American Red Cross contract and the impact of lower HemeXcel pricing will anniversary in the first half of fiscal 2016.

Value Creation and Capture Initiatives

On May 1, 2013, we committed to a plan to pursue identified Value Creation and Capture initiatives ("VCC"). These opportunities include investment in product line extensions and next generation products, enhancement of commercial capabilities and a transformation of our manufacturing network. The transformation of our manufacturing network will take place over three years and includes changes to the current manufacturing footprint and supply chain structure (the "Network Plan"). To implement the Network Plan, we are (i) discontinuing manufacturing activities at our Braintree, Massachusetts, Ascoli-Piceno, Italy and Bothwell, Scotland facilities, (ii) creating a technology center of excellence for product development in Braintree, Massachusetts, (iii) expanding our current facility in Tijuana, Mexico, (iv) engaging Sanmina Corporation as a contract manufacturer to produce certain medical equipment, and (v) building a new manufacturing facility in Penang, Malaysia closer to our customers in Asia. See liquidity and capital resources discussion of this MD&A for further discussion of the costs of these activities.

Financial Summary

	Three Months Ended			Nine Months Ended		
(In thousands, except per share data)	December 27, 2014	December 28, 2013	% Increase/ (Decrease)	December 27, 2014	December 28, 2013	% Increase/ (Decrease)
Net revenues	$ 231,827	$ 242,120	(4.3)%	$ 683,895	$ 697,418	(1.9)%
Gross profit	$ 111,661	$ 121,629	(8.2)%	$ 326,053	$ 352,924	(7.6)%
% of net revenues	*48.2 %*	*50.2 %*		*47.7%*	*50.6%*	
Operating expenses	$ 93,401	$ 103,769	(10.0)%	$ 297,051	$ 318,243	(6.7)%
Operating income	$ 18,260	$ 17,860	2.2 %	$ 29,002	$ 34,681	(16.4)%
% of net revenues	*7.9 %*	*7.4 %*		*4.2%*	*5.0%*	
Interest and other expense, net	$ (2,308)	$ (2,852)	(19.1)%	$ (7,496)	$ (8,035)	(6.7)%
Income before provision for (benefit from) income taxes	$ 15,952	$ 15,008	6.3 %	$ 21,506	$ 26,646	(19.3)%
Provision for (benefit from) income taxes	$ (36)	$ (1,282)	(97.2)%	$ 1,679	$ 1,682	(0.2)%
% of pre-tax income	*(0.2)%*	*(8.5)%*		*7.8%*	*6.3%*	
Net income	$ 15,988	$ 16,290	(1.9)%	$ 19,827	$ 24,964	(20.6)%
% of net revenues	*6.9 %*	*6.7 %*		*2.9%*	*3.6%*	
Earnings per share-diluted	$ 0.31	$ 0.31	— %	$ 0.38	$ 0.48	(20.8)%

Net revenues decreased 4.3% and 1.9% for the three and nine months ended December 27, 2014, respectively, as compared to the same period of fiscal 2014. Without the effect of foreign exchange, net revenues decreased 1.4% and 0.6% for the three and nine months ended December 27, 2014, respectively, as compared to the same period of fiscal 2014. Revenue increases in plasma and TEG disposables were more than offset by greater declines in the whole blood disposables for the three and nine months ended December 27, 2014.

Operating income increased 2.2% and decreased 16.4% for the three and nine months ended December 27, 2014, respectively, as compared to the same period of fiscal 2014. Without the effect of foreign exchange, operating income increased 2.2% and decreased 3.4% for the three and nine months ended December 27, 2014, respectively, as compared to the same period of fiscal 2014. Operating income increased for the three months ended December 27, 2014 due to reduced restructuring and transformation expenses. During the nine months ended December 27, 2014, operating income decreased primarily due to lower whole blood disposables volume and pricing, the associated reduced manufacturing efficiency and increased variable compensation. These decreases were partially offset by reduced restructuring and transformation expenses, and organizational cost savings initiatives.

Net income decreased 1.9% and 20.6% for the three and nine months ended December 27, 2014, respectively, as compared to the same period of fiscal 2014. Without the effect of foreign exchange, net income increased 0.6% and decreased 3.0% for the three and nine months ended December 27, 2014, respectively, as compared to the same period of fiscal 2014. The decrease in net income is attributable to the changes in operating income described above.

RESULTS OF OPERATIONS

Net Revenues by Geography

	Three Months Ended			Nine Months Ended		
(In thousands)	December 27, 2014	December 28, 2013	% Increase/ (Decrease)	December 27, 2014	December 28, 2013	% Increase/ (Decrease)
United States	$ 124,766	$ 126,752	(1.6)%	$ 369,921	$ 374,559	(1.2)%
International	107,061	115,368	(7.2)%	313,974	322,859	(2.8)%
Net revenues	$ 231,827	$ 242,120	(4.3)%	$ 683,895	$ 697,418	(1.9)%

Our principal operations are in the US, Europe, Japan and other parts of Asia. Our products are marketed in approximately 100 countries around the world through a combination of our direct sales force, independent distributors and agents. Our revenues generated outside the US approximated 45.9% of total net revenues for the nine months ended December 27, 2014. International sales are generally conducted in local currencies, primarily Japanese Yen, Euro, Chinese Yuan and Australian Dollars. Our revenues are impacted by changes in the value of these currencies relative to the US Dollar.

We have placed foreign currency hedges to minimize the risk of currency fluctuations. Relative weakness in the Japanese Yen to the US Dollar has negatively impacted revenue and operating income. We expect this trend to continue through the remainder of fiscal 2015 and into fiscal 2016.

Please see the 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)	Three Months Ended December 27, 2014	Three Months Ended December 28, 2013	% Increase/ (Decrease)	Nine Months Ended December 27, 2014	Nine Months Ended December 28, 2013	% Increase/ (Decrease)
Disposables	$ 198,156	$ 209,120	(5.2)%	$ 588,593	$ 603,887	(2.5)%
Software solutions	18,211	17,603	3.5 %	54,094	51,469	5.1 %
Equipment & other	15,460	15,397	0.4 %	41,208	42,062	(2.0)%
Net revenues	$ 231,827	$ 242,120	(4.3)%	$ 683,895	$ 697,418	(1.9)%

Disposables Revenues

(In thousands)	Three Months Ended December 27, 2014	Three Months Ended December 28, 2013	% Increase/ (Decrease)	Nine Months Ended December 27, 2014	Nine Months Ended December 28, 2013	% Increase/ (Decrease)
Plasma disposables	$ 83,178	$ 76,698	8.4 %	$ 242,760	$ 217,768	11.5 %
Blood center disposables						
Platelet	38,401	43,447	(11.6)%	115,941	117,778	(1.6)%
Red cell	10,873	9,869	10.2 %	31,296	30,098	4.0 %
Whole blood	34,182	47,342	(27.8)%	105,870	145,879	(27.4)%
	83,456	100,658	(17.1)%	253,107	293,755	(13.8)%
Hospital disposables						
Surgical	15,608	16,807	(7.1)%	46,889	49,247	(4.8)%
OrthoPAT	5,024	6,392	(21.4)%	15,302	18,973	(19.3)%
Diagnostics	10,890	8,565	27.1 %	30,535	24,144	26.5 %
	31,522	31,764	(0.8)%	92,726	92,364	0.4 %
Total disposables revenues	$ 198,156	$ 209,120	(5.2)%	$ 588,593	$ 603,887	(2.5)%

Our disposables revenue stream includes the sales of single-use disposables, which accounted for 86.1% and 86.6% of our total revenues for the nine months ended December 27, 2014 and December 28, 2013, respectively.

Disposables revenue decreased 5.2% and 2.5% for the three and nine months ended December 27, 2014, respectively, as compared to the same period of fiscal 2014. Without the effect of foreign exchange, disposables revenue decreased 2.0% and 1.0% for the three and nine months ended December 27, 2014, respectively, as compared to the same period of fiscal 2014. The decrease was primarily driven by significantly reduced whole blood disposables revenue and was partially offset by growth in plasma and TEG disposables revenue.

Plasma Disposables

Plasma disposables revenue increased 8.4% and 11.5% for the three and nine months ended December 27, 2014, respectively, as compared to the same period of fiscal 2014. Without the effect of foreign exchange, plasma revenue increased 10.3% and 12.2% for the three and nine months ended December 27, 2014, respectively, as compared to the same period of fiscal 2014. Plasma revenue increased due to higher volumes in the United States associated with end market growth for plasma-derived biopharmaceuticals and a transition to a direct sales model in Australia and New Zealand during the first quarter of fiscal 2014, which negatively impacted plasma revenue in the first nine months of fiscal 2014.

Blood Center Disposables

Platelet

We continue to see significant differences in demand for our platelet products in various markets depending on access to health care and adoption of certain efficient collection techniques. In emerging markets, increased access to health care continues to increase the demand for platelet transfusions, while increases in the demand for platelet transfusions in developed markets is modest. Collection efficiencies which increase the yield of platelets per collection and more efficient use of collected platelets reduce the number of collections required to meet market demand. Where we see adoption of these techniques we experience reduced demand for our products, however, not all markets have adopted these collection efficiencies at the same level. Japan recently began adoption of these techniques which will impact revenue from platelet collection disposables.

Platelet disposables revenue decreased 11.6% and 1.6% for the three and nine months ended December 27, 2014, respectively, as compared to the same period of fiscal 2014. Without the effect of foreign exchange, platelet disposable revenue decreased 3.3% and increased 3.8% for the three and nine months ended December 27, 2014, respectively, as compared to the same period of fiscal 2014. Without the effect of foreign exchange, for the three months ended December 27, 2014, the decrease was primarily due to volume declines in Russia and, for the nine months ended December 27, 2014, the increase was due to growth in emerging markets. We expect macro-economic conditions in Russia to negatively impact platelet revenues in future periods.

Red Cell and Whole Blood

Red cell disposables revenue increased 10.2% and 4.0% for the three and nine months ended December 27, 2014, respectively, as compared to the same period of fiscal 2014. Without the effect of foreign exchange, red cell disposables revenue increased 10.4% and 3.8% for the three and nine months ended December 27, 2014, respectively, as compared to the same period of fiscal 2014. The increase during the three and nine months ended December 27, 2014 was driven by North American sales and was primarily the result of a favorable comparison to lower prior period sales and favorable order timing. We have also seen a modest shift in order patterns from whole blood to red cell disposables due to customer efforts to more efficiently collect red cells.

Whole blood disposables revenue decreased 27.8% and 27.4% for the three and nine months ended December 27, 2014, respectively, as compared to the same period of fiscal 2014. Without the effect of foreign exchange, whole blood revenue decreased 26.5% and 27.2% for the three and nine months ended December 27, 2014, respectively, as compared to the same period of fiscal 2014. Revenue for the three and nine months ended December 27, 2014 decreased primarily due to the loss of the American Red Cross business, lower pricing to HemeXcel, the loss of a European tender early in fiscal 2014 and macro-economic conditions in Russia. As noted above, we expect that the rate of decline in transfusion rates in the United States will moderate in fiscal 2016.

Hospital Disposables

Surgical

Surgical disposables revenue consists principally of the Cell Saver and CardioPAT products. Revenues from our surgical disposables decreased 7.1% and 4.8% for the three and nine months ended December 27, 2014, respectively, as compared to the same period of fiscal 2014. Without the effect of foreign exchange, surgical disposables revenue decreased 1.1% and 1.9% for the three and nine months ended December 27, 2014, respectively, as compared to the same period of fiscal 2014. For the three months ended December 27, 2014, the decrease was in developed markets. For the nine months ended December 27, 2014, strength in emerging markets was offset by declines in developed markets.

OrthoPAT

Revenues from our OrthoPAT disposables decreased 21.4% and 19.3% for the three and nine months ended December 27, 2014, respectively, as compared to the same period of fiscal 2014. Without the effect of foreign exchange, OrthoPAT disposables revenue decreased 17.1% and 17.4% for the three and nine months ended December 27, 2014, respectively, as compared to the same period of fiscal 2014. Better blood management has reduced orthopedic blood loss and demand for OrthoPAT disposables. Recent trends in blood management, particularly the adoption of tranexamic acid to treat and prevent orthopedic post-operative blood loss, have lessened hospital use of OrthoPAT disposables.

Diagnostics

Diagnostics product revenue consists principally of the consumable reagents used with the TEG analyzer. Revenues from our diagnostics products increased 27.1% and 26.5% for the three and nine months ended December 27, 2014, respectively, as

compared to the same period of fiscal 2014. Without the effect of foreign exchange, diagnostics product revenues increased 23.4% and 22.9% for the three and nine months ended December 27, 2014, respectively, as compared to the same period of fiscal 2014. The revenue increase is due to continued adoption of our TEG analyzer, principally in the US and China.

Software Solutions Revenues

Our software solutions revenues include sales of our information technology software platforms and consulting services. Software revenues increased 3.5% and 5.1% for the three and nine months ended December 27, 2014, as compared to the same periods of fiscal 2014. Without the effect of foreign exchange, software revenues increased 4.4% and 4.7% for the three and nine months ended December 27, 2014, respectively, as compared to the same period of fiscal 2014. Software revenue increased due to strong BloodTrack sales in the US and Europe during the nine months ended December 27, 2014.

Equipment & Other Revenues

Our equipment and other revenues include revenue from equipment sales, repairs performed under preventive maintenance contracts or emergency service visits, spare part sales, and various services and training programs. These revenues are primarily composed of equipment sales, which tend to vary from period to period more than our disposable business due to the timing of order patterns, particularly in our distribution markets. Equipment and other revenues increased 0.4% and decreased 2.0% for the three and nine months ended December 27, 2014, respectively, as compared to the same period of fiscal 2014. Without the effect of foreign exchange, equipment and other revenues increased 1.7% and decreased 1.0% for the three and nine months ended December 27, 2014, respectively, as compared to the same period of fiscal 2014. The increase in revenue during the three months ended December 27, 2014 was related to order timing. The decline in revenue for the nine months ended December 27, 2014 was primarily due to the impact of order timing and macro-economic conditions in Russia.

Gross Profit

	Three Months Ended			Nine Months Ended		
(In thousands)	December 27, 2014	December 28, 2013	% Increase/ (Decrease)	December 27, 2014	December 28, 2013	% Increase/ (Decrease)
Gross profit	$ 111,661	$ 121,629	(8.2)%	$ 326,053	$ 352,924	(7.6)%
% of net revenues	48.2%	50.2%		47.7%	50.6%	

Gross profit decreased 8.2% and 7.6% for the three and nine months ended December 27, 2014, respectively, as compared to the same periods of fiscal 2014. Without the effect of foreign exchange, gross profit decreased 6.3% and 5.7% for the three and nine months ended December 27, 2014, respectively, as compared to the same period of fiscal 2014. The gross profit margin decreased by 200 and 290 basis points for the three and nine months ended December 27, 2014, as compared to the same periods of fiscal 2014. The decrease in gross profit margin during the three and nine months ended December 27, 2014 was primarily due to price reductions in the blood collection markets and reduced manufacturing efficiency related to lower whole blood volumes. These decreases were partially offset by cost savings from our VCC initiatives implemented during fiscal 2014.

Operating Expenses

	Three Months Ended			Nine Months Ended		
(In thousands)	December 27, 2014	December 28, 2013	% Increase/ (Decrease)	December 27, 2014	December 28, 2013	% Increase/ (Decrease)
Research and development	$ 10,643	$ 14,209	(25.1)%	$ 36,962	$ 40,364	(8.4)%
% of net revenues	4.6%	5.9%		5.4%	5.8%	
Selling, general and administrative	$ 82,758	$ 89,560	(7.6)%	$ 260,089	$ 277,879	(6.4)%
% of net revenues	35.7%	37.0%		38.0%	39.8%	
Total operating expenses	$ 93,401	$ 103,769	(10.0)%	$ 297,051	$ 318,243	(6.7)%
% of net revenues	40.3%	42.9%		43.4%	45.6%	

Research and Development

Research and development expenses decreased 25.1% and 8.4% for the three and nine months ended December 27, 2014, respectively, as compared to the same period of fiscal 2014. Without the effect of foreign exchange, research and development expenses decreased 24.4% and 8.7% for the three and nine months ended December 27, 2014, respectively, as compared to the same period of fiscal 2014. The decrease for the three months ended December 27, 2014 was due to prior year program spending related to the Hemerus and whole blood acquisitions. The decrease during the nine months ended December 27, 2014 was primarily related to the acquisition of certain technology and manufacturing rights related to our TEG® 6s diagnostic device, which was expensed as in-process research and development of $3.6 million during the nine months ended December 28, 2013.

Selling, General and Administrative

Selling, general and administrative expenses decreased 7.6% and 6.4% for the three and nine months ended December 27, 2014, respectively, as compared to the same period of fiscal 2014. Without the effect of foreign exchange, selling, general, and administrative expenses decreased 5.1% and 5.6% for the three and nine months ended December 27, 2014, respectively, as compared to the same period of fiscal 2014. The decrease for the three and nine months ended December 27, 2014 was primarily due to the reduction in restructuring and transformation costs of $3.0 million and $16.2 million, respectively, as compared to the same period of fiscal 2014. These reductions in restructuring and transformation costs were a result of the timing of manufacturing network optimization activities and the completion of the whole blood integration activities during fiscal 2014. Additionally, for the three and nine months ended December 27, 2014 increased variable compensation was offset by organizational cost saving initiatives.

Interest and Other Expense, Net

Interest and other expense, net decreased 19.1% and 6.7% for the three and nine months ended December 27, 2014, as compared to the same period of fiscal 2014. Interest expense from our term loan borrowings constitutes the majority of expense reported in both periods. The effective interest rate on total debt outstanding for the three months ended December 27, 2014 and the three months ended December 28, 2013 was approximately 2.0%.

Income Taxes

	Three Months Ended			Nine Months Ended		
	December 27, 2014	December 28, 2013	% Increase/ (Decrease)	December 27, 2014	December 28, 2013	% Increase/ (Decrease)
Reported income tax rate	(0.2)%	(8.5)%	8.3%	7.8%	6.3%	1.5%

The reported income tax rate for the nine months ended December 27, 2014 was 7.8%, as compared to a reported income tax rate of 6.3% for the nine months ended December 28, 2013. Our reported income tax rate is lower than the US federal statutory tax rate in both periods primarily as a result of being subject to lower income tax rates in the foreign jurisdictions where we operate. In addition, we recorded discrete tax benefits during the three months ended December 27, 2014 associated with the release of tax reserves due to the expiration of the statute of limitations as well as the retroactive enactment of the U.S. federal research credit. During the nine months ended December 27, 2014, we recorded pre-tax losses in Scotland, Italy and Malaysia due to restructuring costs associated with our manufacturing transformation, and we did not record a corresponding tax benefit due to uncertainty around our ability to realize a tax benefit in these jurisdictions. Similarly, during the nine months ended December 28, 2013, we recorded pre-tax losses in Italy associated with restructuring costs, and we did not recognize a tax benefit due to the full valuation allowance maintained against our Italian deferred tax assets. We also recorded a tax benefit for the three months ended December 28, 2013 as the benefits from the release of previously established reserves and the intercompany financing with Italy were recorded during this period.

Liquidity and Capital Resources

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

(Dollars in thousands)	December 27, 2014	March 29, 2014
Cash & cash equivalents	$ 125,200	$ 192,469
Working capital	$ 385,491	$ 406,048
Current ratio	3.3	2.9
Net debt (1)	$ (303,554)	$ (245,218)
Days sales outstanding (DSO)	57	62
Disposable finished goods inventory turnover	4.3	4.2

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

As previously discussed, during fiscal 2014 our business was negatively impacted by changes in blood management practices and actions taken by US blood center customers in response to related reductions in demand for blood products. We expect the loss of revenues from the American Red Cross whole blood contract and lower pricing to HemeXcel will continue to negatively impact revenue and cash flow from operations through the beginning of fiscal 2016.

Our VCC initiatives require cash expenditures for plant exit and closure costs including separation benefits, new plant construction and temporary increases in inventory levels as manufacturing is transitioned to new facilities. We paid $72.9 million in cash related to restructuring, transformation costs and capital expenditures associated with the VCC initiatives during fiscal 2014. We estimate we will pay $115 million in cash in fiscal 2015 and approximately $25 million to substantially complete these initiatives in fiscal 2016.

On April 28, 2014, we announced a share repurchase plan of up to $100 million worth of shares in the open market. The repurchase program adheres to all debt covenants and is subject to market conditions. During the three months ended December 27, 2014 we repurchased approximately 0.1 million shares at a total cost of $4.7 million. As of December 27, 2014, we repurchased a total of approximately 1.2 million shares at a total cost of $38.7 million under this plan.

Debt

In connection with the acquisition of the whole blood business, we entered into a credit agreement ("Credit Agreement") with certain lenders (together, “Lenders”) which provided for a $475.0 million Term Loan and a $50.0 million revolving loan (the “Revolving Credit Facility”), and together with the Term Loan, (the “Credit Facilities”). The Credit Facilities had a term of five years and mature on August 1, 2017. Interest was based on the Adjusted LIBOR plus a range of 1.125% to 1.500% depending on achievement of leverage ratios and customary credit terms which included financial and negative covenants.

On June 30, 2014, we modified our existing Credit Facilities by extending the maturity date to July 1, 2019, extending the principal repayments of the Term Loan, and modifying certain restrictive covenants to allow greater operational flexibility and enhanced near term liquidity. In addition, the amended Credit Agreement provides for a $100.0 million revolving credit facility and establishes interest rates in the range of LIBOR plus 1.125% – 1.500%, depending on certain conditions. No additional amounts were borrowed as a result of this modification. The fair value of debt approximates its current value of approximately $429.4 million as of December 27, 2014. We were in compliance with the leverage and interest coverage ratios specified in the credit agreement as well as all other bank covenants as of December 27, 2014.

Cash Flows

(In thousands)	Nine Months Ended December 27, 2014	December 28, 2013	Increase/ (Decrease)
Net cash provided by (used in):			
Operating activities	$ 71,873	$ 88,053	$ (16,180)
Investing activities	(100,143)	(75,022)	(25,121)
Financing activities	(35,678)	(14,668)	(21,010)
Effect of exchange rate changes on cash and cash equivalents (1)	(3,321)	363	(3,684)
Net increase (decrease) in cash and cash equivalents	$ (67,269)	$ (1,274)	$ (65,995)

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

Net cash provided by operating activities decreased by $16.2 million during the nine months ended December 27, 2014, as compared to the nine months ended December 28, 2013. Cash provided by operating activities decreased primarily due to the reduction of long-term liabilities and lower earnings. This decrease was partially offset by lower inventory purchases and the timing of current liability payments.

Net cash used in investing activities increased by $25.1 million during the nine months ended December 27, 2014, as compared to the nine months ended December 28, 2013. The nine months ended December 28, 2013 includes $23.1 million paid for the acquisition of Hemerus Medical, LLC. Excluding this acquisition, net cash used in investing activities increased $48.2 million during the nine months ended December 27, 2014, as compared to the nine months ended December 28, 2013. The increase was primarily due to plant construction costs in Penang, Malaysia and Tijuana, Mexico related to VCC initiatives and placement of Haemonetics owned equipment with customers during the nine months ended December 27, 2014.

Net cash used in financing activities increased by $21.0 million during the nine months ended December 27, 2014, as compared to the nine months ended December 28, 2013. The increase was primarily due to $38.7 million of share repurchases. This was partially offset by lower term loan repayments during the nine months ended December 27, 2014 due to our debt restructuring.

Concentration of Credit Risk

Concentrations of credit risk with respect to trade accounts receivable are generally limited due to our large number of customers and their diversity across many geographic areas. A portion of our trade accounts receivable outside the United States, however, include sales to government-owned or supported healthcare systems in several countries, which are subject to payment delays and local economic conditions. Payment is dependent upon the financial stability and creditworthiness of those countries' national economies.

We have not incurred significant losses on receivables. We continually evaluate all receivables for potential collection risks associated with the availability of government funding and reimbursement practices. If the financial condition of customers or the countries' healthcare systems deteriorate such that their ability to make payments is uncertain, allowances may be required in future periods.

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

During the nine months ended December 27, 2014, approximately 45.9% of our sales were generated outside the US, generally in foreign currencies, yet our reporting currency is the US Dollar. We also incur certain manufacturing, marketing and selling costs in international markets in local currency. Our primary foreign currency exposures relate to sales denominated in Euro, Japanese Yen, Chinese Yuan and Australian Dollars. We also have foreign currency exposure related to manufacturing and other operational costs denominated in Swiss Francs, British Pounds, Canadian Dollars and Mexican Pesos. The Yen, Euro, Yuan and Australian Dollar sales exposure is partially mitigated by costs and expenses for foreign operations and sourcing products denominated in foreign currencies. Since our foreign currency denominated Yen, Euro, Yuan and Australian Dollar sales exceed the foreign currency denominated costs, whenever the US Dollar strengthens relative to the Yen, Euro, Yuan or Australian Dollar, there is an adverse effect on our results of operations and, conversely, whenever the US Dollar weakens relative to the Yen, Euro, Yuan or Australian Dollar, there is a positive effect on our results of operations. For Swiss Francs, British Pounds, Canadian Dollars and Mexican Pesos, our primary cash flows relate to product costs or costs and expenses of local operations. Whenever the US Dollar strengthens relative to these foreign currencies, there is a positive effect on our results of operations. Conversely, whenever the US Dollar weakens relative to these currencies, there is an adverse effect on our results of operations.

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 Japanese Yen and Euro, and to a lesser extent Swiss Francs, British Pounds, Australian Dollars, Canadian Dollars and Mexican Pesos. 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.

These contracts are designated as cash flow hedges. 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, Australian Dollar, Canadian Dollar, British Pound, Swiss Franc and Mexican Peso cash flow hedges that settled during fiscal years 2013, 2014 and 2015 or are presently outstanding. These hedges cover our long foreign currency positions that result from our sales designated in Euro, Japanese Yen and Australian Dollars. These hedges include our short positions associated with costs incurred in Canadian Dollars, British Pounds, Swiss Francs and Mexican Pesos. The table 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. The table assumes a consistent notional amount for hedge contracts in each period presented.

	First Quarter	Favorable / (Unfavorable)	Second Quarter	Favorable / (Unfavorable)	Third Quarter	Favorable / (Unfavorable)	Fourth Quarter	Favorable / (Unfavorable)
Sales Hedges								
Euro - Hedge Spot Rate (USD per Euro)								
FY13	1.43	15 %	1.42	9 %	1.36	— %	1.32	(4)%
FY14	1.27	(11)%	1.25	(12)%	1.29	(5)%	1.33	1 %
FY15	1.33	5 %	1.35	8 %	1.35	5 %	1.37	3 %
FY16	1.35	2 %	1.29	(4)%	1.25	(7)%	—	—
Japanese Yen - Hedge Spot Rate (JPY per USD)								
FY13	79.40	11 %	76.65	11 %	77.58	5 %	78.69	5 %
FY14	79.85	(1)%	79.68	(4)%	84.32	(9)%	93.92	(19)%
FY15	97.16	(22)%	98.18	(23)%	101.09	(20)%	102.44	(9)%
FY16	102.05	(5)%	106.84	(9)%	118.46	(17)%	—	—
Australian Dollar - Hedge Spot Rate (USD per AUD)								
FY14	—	—	0.92	—	0.91	—	0.92	—
FY15	0.90	—	0.94	2 %	0.94	3 %	0.90	(2)%
FY16	0.94	4 %	0.91	(3)%	0.85	(10)%	—	—
Operating Hedges								
Canadian Dollar - Hedge Spot Rate (CAD per USD)								
FY13	0.98	(7)%	0.99	(4)%	1.01	1 %	1.00	2 %
FY14	1.01	3 %	1.00	1 %	1.00	(1)%	1.01	1 %
FY15	—	—	—	—	1.08	8 %	1.09	8 %
FY16	1.13	—	1.14	—	1.14	6 %	—	—
British Pound - Hedge Spot Rate (USD per GBP)								
FY13	1.62	(8)%	1.63	(6)%	1.60	(2)%	1.57	1 %
FY14	1.59	2 %	1.55	5 %	1.52	5 %	1.54	2 %
FY15	1.56	2 %	1.57	(1)%	1.62	(7)%	1.65	(7)%
FY16	1.64	(5)%	1.57	— %	1.57	3 %	1.57	5 %
Swiss Franc - Hedge Spot Rate (CHF per USD)								
FY13	0.82	(22)%	0.85	(16)%	0.92	(4)%	0.92	— %
FY14	0.96	17 %	0.95	12 %	0.92	— %	0.93	1 %
FY15	0.94	(2)%	0.92	(3)%	0.90	(2)%	0.89	(4)%
FY16	0.90	(4)%	0.95	3 %	0.97	8 %	—	—
Mexican Peso - Hedge Spot Rate (MXN per USD)								
FY14	12.34	—	12.35	—	12.22	—	12.20	—
FY15	12.40	— %	13.06	6 %	13.09	7 %	13.08	7 %
FY16	13.10	6 %	13.07	— %	13.63	4 %	14.07	8 %

We generally place our cash flow hedge contracts on a rolling twelve month basis.

Recent Accounting Pronouncements

Information regarding recent accounting pronouncements is included in Note *2, Recent Accounting Pronouncements* to our unaudited consolidated financial statements contained in Item 1 of this Quarterly Report on Form 10-Q.

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, including: the effects of disruption from the manufacturing transformation making it more difficult to maintain relationships with employees and timely deliver high quality products, unexpected expenses incurred during our VCC initiatives, technological advances in the medical field and standards for transfusion medicine, our ability to successfully implement products that incorporate such advances and standards, demand for whole blood and blood components, product quality, market acceptance, regulatory uncertainties, the ability of our contract manufacturing vendors to timely supply high quality goods, 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 including single-source tenders, the effect of industry consolidation as seen in the plasma and blood center markets, the effect of communicable diseases and the effect of uncertainties in markets outside the US (including Europe and Asia) in which we operate and such other risks described under Item 1A. Risk Factors included in this report. The foregoing list should not be construed as exhaustive.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our exposure relative to market risk is 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 and expenses. We do not use the financial instruments for speculative purposes. We estimate the change in the fair value of all forward contracts assuming both a 10% strengthening and weakening of the US Dollar relative to all other major currencies. In the event of a 10% strengthening of the US Dollar, the change in fair value of all forward contracts would result in a $7.4 million increase in the fair value of the forward contracts; whereas a 10% weakening of the US Dollar would result in a $7.6 million decrease in the fair value of the forward contracts.

Interest Rate Risk

Our exposure to changes in interest rates is associated with borrowings on our credit facility, all of which is variable rate debt. All other long-term debt is at fixed rates. Total outstanding debt under our credit facility as of December 27, 2014 was $429.4 million with an interest rate of 1.5625% based on prevailing LIBOR rates. An increase of 100 basis points in LIBOR rates would result in additional annual interest expense of $4.3 million. On December 21, 2012, we entered into interest rate swap agreements to effectively convert $250.0 million of borrowings from a variable rate to a fixed rate. The interest rate swaps qualify for hedge accounting treatment as cash flow hedges. The major risks from interest rate swaps include changes in the interest rates affecting the fair value of such instruments, potential increases in interest expense due to market increases in floating interest rates and the creditworthiness of the counterparties in such transactions. We continuously monitor the creditworthiness of our counterparties.

ITEM 4. CONTROLS AND PROCEDURES

We conducted an evaluation, as of December 27, 2014, 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 December 27, 2014. There has been no change in our internal control over financial reporting during the quarter ended December 27, 2014 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

Italian Employment Litigation

We have received notices of claimed violations of employment related contracts from some employees of the facility in Ascoli-Piceno, Italy where we have ceased manufacturing operations. These include actions claiming (i) working conditions and minimum salaries should have been established by different national collective bargaining agreements than those used over prior years, (ii) certain solidarity agreements, which are arrangements between the Company, employees and the government to continue full pay and benefits for employees who would otherwise be terminated in times of low demand, are void, and (iii) payment of the extra time used for changing into and out of the working clothes at the beginning and end of each shift.

In addition, a union represented in the Ascoli plant has filed an action claiming that the Company discriminated against it in favor of three other represented unions by (i) interfering with an employee referendum, (ii) interfering with an employee petition to recall union representatives from office, and (iii) excluding the union from certain meetings.

As of December 27, 2014, the total amount of damages claimed by the plaintiffs in these matters is approximately $4.1 million; however, it is not possible at this point in the proceedings to accurately evaluate the likelihood or amount of any potential losses. We believe these claims are without merit, and intend to defend against them. As such, no losses have been accrued related to these claims in our financial statements. We may receive other, similar claims in the future.

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 March 29, 2014, which could materially affect the Company's business, financial condition or future results.

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

In the April 28, 2014 press release, the Company announced that its Board of Directors approved the repurchase of up to $100.0 million worth of Company shares, subject to compliance with its loan covenants. Through December 27, 2014, the Company repurchased 1,165,089 shares of its common stock for an aggregate purchase price of $38.7 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 year were made under the publicly announced program and 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
March 30, 2014 - April 26, 2014	—	$ —	$ —	$ 100,000,000
April 27, 2014 - May 24, 2014	694,162	$ 31.81	$ 22,079,008	$ 77,920,992
May 25, 2014 - June 28, 2014	139,595	$ 34.23	$ 4,778,988	$ 73,142,004
June 29, 2014 - July 26, 2014	75,185	$ 35.49	$ 2,668,606	$ 70,473,398
July 27, 2014 - August 23, 2014	63,730	$ 36.12	$ 2,302,197	$ 68,171,201
August 24, 2014 - September 27, 2014	62,144	$ 35.55	$ 2,209,060	$ 65,962,141
September 28, 2014 - October 25, 2014	66,089	$ 35.04	$ 2,316,065	$ 63,646,076
October 26, 2014 - November 22, 2014	45,129	$ 36.48	$ 1,646,262	$ 61,999,814
November 23, 2014 - December 27, 2014	19,055	$ 36.76	$ 700,422	$ 61,299,392
Total	**1,165,089**	**$ 33.22**	**$ 38,700,608**	

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

On October 22, 2014, the Company granted a target number of 129,130 relative total shareholder performance units to 14 of its senior executives under the Company's 2005 Long-Term Incentive Compensation Plan.

The value of these Performance Share Units is based upon the Company’s total shareholder return for the period from October 1, 2014 to their vesting date of September 30, 2017 relative to the total shareholder return of the companies comprising the Standard & Poor's Health Care Equipment Index (the "Index"). These awards are conditioned upon the employees’ continued employment with the Company through the vesting date. If an employee is no longer employed by the Company at the vesting date as a result of a Qualifying Retirement, then the continued employment requirement shall cease to apply and prorated shares awarded will be determined as of the vesting date.

Total shareholder return is equal to the appreciation of the share price during a performance period, plus any dividends paid on the applicable company’s common stock. Relative total shareholder return compares the company's total shareholder return to the Index.

The actual number of shares awarded under a Performance Share Unit may range from 0% to a maximum of 200% of the target award depending upon the Company’s relative total shareholder return. If the Company’s total shareholder return for the performance period is negative, then any share payout will be capped at 100% of the target award, regardless of the Company's performance relative to the Index.

The Performance Share Units were granted pursuant to the 2005 Haemonetics Corporation Long-Term Incentive Compensation Plan for the Company and its subsidiaries, and a Performance Share Unit Agreement, a form of which is filed herewith as Exhibit 10.1.

Item 6. Exhibits

10A†	Form of Performance Share Unit Agreement for the 2005 Long-Term Incentive Compensation Plan (filed herewith).
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 Executive 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 Executive Vice President Business Development of the Company
101*	The following materials from Haemonetics Corporation on Form 10-Q for the quarter ended September 27, 2014, formatted in Extensible Business Reporting Language (XBRL); (i) Consolidated Statements of Income and Comprehensive Income, (ii) Consolidated Balance Sheets, (iii) Consolidated Statements of Cash Flows, and (iv) Notes to Consolidated Financial Statements.

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* In accordance with Rule 406T of Regulation S-T, the XBRL-related information in Exhibit 101 to this Form 10-Q is deemed not filed or part of a registration statement or prospectus for purposes of sections 11 or 12 of the Securities Act, is deemed not filed for the purposes of section 18 of the Exchange Act, and otherwise is not subject to liability under these sections.

†

Agreement, plan, or arrangement related to the compensation of officers or directors

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

February 5, 2015 By: /s/ Brian Concannon

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

February 5, 2015 By: /s/ Christopher Lindop

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

HAEMONETICS CORPORATION
NON-QUALIFIED DEFERRED COMPENSATION PLAN
(as amended and restated as of July 24, 2013)

Haemonetics Corporation, a Massachusetts corporation (the "Company"), hereby amends and restates this Non-Qualified Deferred Compensation Plan (the "Plan"), originally effective as of July 27, 2012 (the "Effective Date"), for the purpose of promoting the interests of the Company and its stockholders by enabling the Company to attract and retain well-qualified executives and directors. The Plan is intended to, and shall be interpreted to, comply in all respects with Code Section 409A and those provisions of ERISA applicable to "a plan which is unfunded and is maintained by an employer primarily for the purpose of providing deferred compensation benefits for a select group of "management or highly compensated employees."

ARTICLE I
TITLE AND DEFINITIONS

1.1 "**Account**" or "**Accounts**" shall mean the bookkeeping account or accounts established under this Plan pursuant to Article 4.

1.2 "**Base Salary**" shall mean a Participant's annual base salary, excluding incentive and discretionary bonuses, commissions, reimbursements and other non-regular remuneration, received from the Company prior to reduction for any salary deferrals under benefit plans sponsored by the Company, including but not limited to, plans established pursuant to Code Section 125 or qualified pursuant to Code Section 401(k).

1.3 "**Beneficiary**" or "**Beneficiaries**" shall mean the person, persons or entity designated as such pursuant to Section 7.1.

1.4 "**Board**" shall mean the Board of Directors of Company.

1.5 "**Bonus(es)**" shall mean amounts paid to the Participant by the Company annually in the form of discretionary or incentive compensation or any other bonus designated by the Committee before reductions for contributions to or deferrals under any pension, deferred compensation or benefit plans sponsored by the Company.

1.6 "**Code**" shall mean the Internal Revenue Code of 1986, as amended, as interpreted by Treasury regulations and applicable authorities promulgated thereunder.

1.7 "**Committee**" shall mean the person or persons appointed by the Board to administer the Plan in accordance with Article 8.

1.8 **"Commissions"** shall mean commissions payable to the Participant for the applicable Plan Year (as determined by the Committee in compliance with Code Section 409A) before reductions for contributions to or deferrals under any pension, deferred compensation or benefit plans sponsored by the Company.

1.9 "**Company Contributions**" shall mean the contributions, if any, made by the Company pursuant to Section 3.2.

1.10 "**Company Contribution Account**" shall mean the Account maintained for the benefit of the Participant which is credited with Company Contributions, if any, pursuant to Section 4.2.

1.11 "**Compensation**" shall mean all amounts eligible for deferral for a particular Plan Year under Section 3.1(a).

1.12 "**Crediting Rate**" shall mean the notional gains and losses credited on the Participant's Account balance which are based on the Participant's choice among the investment alternatives made available by the Committee pursuant to Section 3.3 of the Plan.

1.13 "**Deferral Account**" shall mean the Account maintained for each Participant which is credited with Participant deferrals pursuant to Section 4.1.

1.14 **"Director"** shall mean a member of the Board.

1.15 **"Directors Fees"** shall mean compensation for services as a member of the Board of Directors of the Company excluding reimbursement of expenses or other non-regular forms of compensation, before reductions for contributions to or deferrals under any deferred compensation plan sponsored by the Company.

1.16 "**Disability**" shall mean (consistent with the requirements of Section 409A) that the Participant (i) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, or (ii) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering employees of the Company. The Committee may require that the Participant submit evidence of such qualification for disability benefits in order to determine that the Participant is disabled under this Plan.

1.17 "**Distributable Amount**" shall mean the vested balance in the applicable Account as determined under Article 4.

1.18 "**Eligible Executive**" shall mean a highly compensated or management level employee or Director of the Company selected by the Committee to be eligible to participate in the Plan.

1.19 "**ERISA**" shall mean the Employee Retirement Income Security Act of 1974, as amended, including Department of Labor and Treasury regulations and applicable authorities promulgated thereunder.

1.20 "**Financial Hardship**" shall mean a severe financial hardship to the Participant resulting from an illness or accident of the Participant, the Participant's spouse, or a dependent (as defined in IRC Section 152(a)) of the Participant, loss of the Participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant, (but shall in all events correspond to the meaning of the term "unforeseeable emergency" under Code Section 409A(a)(2)(v)). The need to purchase a home or pay college tuition are not unforeseeable emergencies.

1.21 "**Fund**" or "**Funds**" shall mean one or more of the investments selected by the Committee pursuant to Section 3.3 of the Plan.

1.22 "**Hardship Distribution**" shall mean an accelerated distribution of benefits or a reduction or cessation of current deferrals pursuant to Section 6.5 to a Participant who has suffered a Financial Hardship.

1.23 "**Interest Rate**" shall mean, for each Fund, an amount equal to the net gain or loss on the assets of such Fund during each month, as determined by the Committee.

1.24 "**Long-Term Cash Award**" shall mean long-term cash awards designated as such by the Company.

1.25 **"Other Stock Unit Award"** shall mean an other stock unit award granted under the Haemonetics Corporation 2005 Long-Term Incentive Compensation Plan, or any successor plan.

1.26 "**Participant**" shall mean any Eligible Executive who becomes a Participant in this Plan in accordance with Article 2.

1.27 "**Participant Election(s)**" shall mean the forms or procedures by which a Participant makes elections with respect to (1) voluntary deferrals of his/her Compensation, (2) the investment Funds which shall act as the basis for crediting of interest on Account balances, and (3) the form and timing of distributions from Accounts. Participant Elections may take the form of an electronic communication followed by appropriate confirmation according to specifications established by the Committee.

1.28 "**Payment Date**" shall mean the date by which a total distribution of the Distributable Amount shall be made or the date by which installment payments of the Distributable Amount shall commence. Unless otherwise specified, the Payment Date shall be the first day of the seventh (7^{th}) month commencing after the event triggering the payout occurs. Subsequent installments shall be made in April of each succeeding Plan Year. In the case of death, the Committee shall be provided with documentation reasonably necessary to establish the fact of the Participant's death. The Payment Date of a Scheduled Distribution shall be April of the Plan Year in which the distribution is scheduled to commence. Notwithstanding the foregoing, the Payment Date shall not be before the earliest date on which benefits may be distributed under Code Section 409A without violation of the provisions thereof as reasonably determined by the Committee.

1.29 **"Performance Share Award"** shall mean a performance share award granted under the Haemonetics Corporation 2005 Long-Term Incentive Corporation Plan, or any successor plan.

1.30 "**Plan Year**" shall mean the calendar year except that the first Plan Year shall begin on the Effective Date and end on the last day of the calendar year in which the Effective Date occurs.

1.31 "**Restricted Stock Unit**" shall mean restricted stock unit awards granted under the Haemonetics Corporation 2005 Long-Term Incentive Compensation Plan, or any successor plan.

1.32 "**Scheduled Distribution**" shall mean a scheduled distribution date elected by the Participant for distribution of amounts from a specified Deferral Account, including notional earnings thereon, as provided under Section 6.4.

1.33 "**Termination of Service**" shall mean the date of the cessation of the Participant's provision of services to the Company that constitutes a "separation from service" as defined under Code Section 409A for any reason whatsoever, whether voluntary or involuntary, including as a result of the Participant's death or Disability.

1.34 "**Years of Service**" shall mean the cumulative consecutive years of continuous full-time employment with the Company (including approved leaves of absence of six months or less or legally protected leaves of absence), beginning on the date the Participant first began service with the Company, and counting each anniversary thereof. The Committee may promulgate rules for crediting Years of Service for Participants who commence service with the Company by reason of merger, acquisition, purchase of assets or other similar transaction.

ARTICLE II
PARTICIPATION

An Eligible Executive shall become a Participant in the Plan by completing and submitting to the Committee the appropriate Participant Elections, including such other documentation and information as the Committee may reasonably request, during the enrollment period established by the Committee prior to the beginning of the first Plan Year in which the Eligible Executive shall be eligible to participate in the Plan. In the case of the first Plan Year in which an Eligible Executive becomes eligible to participate in the Plan, the Eligible Executive may make an initial deferral election within thirty (30) days after the date the Eligible Executive becomes eligible to participate in the Plan.

ARTICLE III
CONTRIBUTIONS & DEFERRAL ELECTIONS

3.1 Elections to Defer Compensation.

(a) Form of Elections. A Participant may only elect to defer Compensation attributable to services provided after the time an election is made. Elections shall take the form of a whole percentage (less applicable payroll withholding requirements for Social Security and

income taxes and employee benefit plans as determined in the sole and absolute discretion of the Committee) of up to

(1) 75% of Base Salary (five percent (5%) minimum),

(2) 75% of Bonuses (five percent (5%) minimum),

(3) 100% of Commissions (five percent (5%) minimum),

(4) 100% of Director's Fees,

(5) 100% of Restricted Stock Units,

(6) 100% of Performance Shares,

(7) 100% of Other Stock Units, and

(8) 100% of Long-Term Cash Awards.

The Committee may provide for separate elections for Director's Fees that are retainers, committee fees, chairman fees and meeting fees, as applicable.

(b) Duration of Compensation Deferral Election. An Eligible Executive's initial election to defer Compensation shall be made during the enrollment period established by the Committee prior to the Effective Date of the Participant's commencement of participation in the Plan and shall apply only to Compensation for services performed after such deferral election is processed. A Participant may increase, decrease, terminate or recommence a deferral election with respect to Compensation for any subsequent Plan Year by filing a Participant Election during the enrollment period established by the Committee prior to the beginning of such Plan Year, which election shall be effective on the first day of the next following Plan Year. In the absence of an affirmative election by the Participant to the contrary, the deferral election for the prior Plan Year shall continue in effect for future Plan Years, except with respect to any deferral of Restricted Stock Units, Performance Shares, Other Stock Units, and Long-Term Cash Awards. After the beginning of the Plan Year, deferral elections with respect to Compensation for services performed during such Plan Year shall be irrevocable except in the event of Financial Hardship. Notwithstanding the general requirement that a deferral election be made prior to the beginning of a Plan Year, the Committee may allow a Participant to make an initial deferral election with respect to Compensation that constitutes "performance-based compensation" (as defined in Section 1.409A-1(e) of the regulations for Code Section 409A) on or before the date that is six (6) months before the end of the performance period, provided that the Participant performs services for the Company continuously from the later of the beginning of the performance period or the date that the performance criteria are established through the date the deferral election is made, and further provided that in no event may an election to defer performance-based compensation be made after such Compensation has become "readily ascertainable" for purposes of the Code Section 409A regulations.

3.2 Company Contributions. The Company shall have the discretion to make Company Contributions to the Plan at any time on behalf of any Participant. Company Contributions shall be made in the complete and sole discretion of the Company and no Participant shall have the right to receive any Company Contribution in any particular Plan Year regardless of whether Company Contributions are made on behalf of other Participants. Such Company Contributions may be made as a matching contribution, a profit-sharing contribution, or in any other manner as the Company may determine from time to time. Company Contributions may be varied among Participants and need not be uniform for similarly-situated Participants.

3.3 Investment Elections.

(a) Participant Designation. At the time of entering the Plan and/or of making the deferral election under the Plan, the Participant shall designate, on a Participant Election provided by the Committee, the Funds in which the Participant's Account or Accounts shall be deemed to be invested for purposes of determining the amount of earnings and losses to be credited to each Account. The Participant may specify that all or any percentage of his or her Account or Accounts shall be deemed to be invested, in whole percentage increments, in one or more of the Funds selected as alternative investments under the Plan from time to time by the Committee pursuant to subsection (b) of this Section. A Participant may change the designation made under this Section at least monthly by filing a revised election, on a Participant Election provided by the Committee.

(b) Investment Funds. Prior to the beginning of each Plan Year, the Committee may select, in its sole and absolute discretion, each of the types of commercially available investments communicated to the Participant pursuant to subsection (a) of this Section to be the Funds. The Interest Rate of each such commercially available investment shall be used to determine the amount of earnings or losses to be credited to Participant's Account under Article IV. The Participant's choice among investments shall be solely for purposes of calculation of the Crediting Rate on Accounts. The Company shall have no obligation to set aside or invest amounts as directed by the Participant and, if the Company elects to invest amounts as directed by the Participant, the Participant shall have no more right to such investments than any other unsecured general creditor.

3.4 Distribution Elections.

(a) Initial Election. At the time of making a deferral election under the Plan, the Participant shall designate the time and form of distribution of deferrals made pursuant to such election (together with any earnings credited thereon) from among the alternatives specified in Section 6.1 or 6.4.

(b) Modification of Election. A new distribution election may be made at the time of subsequent deferral elections with respect to deferrals in Plan Years beginning after the election is made. However, a distribution election with respect to previously deferred amounts may only be changed under the terms and conditions specified in Code Section 409A. Except as expressly provided in Section 6.3, no acceleration of a distribution is permitted. A subsequent election that delays payment or changes the form of payment shall be permitted if and only if all of the following requirements are met:

(1) the new election does not take effect until at least twelve (12) months after the date on which the new election is made;

(2) in the case of payments made on account of Termination of Service or a Scheduled Distribution, the new election delays payment for at least five (5) years from the date that payment would otherwise have been made, absent the new election; and

(3) in the case of payments made according to a Scheduled Distribution, the new election is made not less than twelve (12) months before the date on which payment would have been made (or, in the case of installment payments, the first installment payment would have been made) absent the new election.

For purposes of application of the above change limitations, installment payments shall be treated as a single payment and only one change shall be allowed to be made by a Participant per Deferral Account with respect to form of benefits to be received by such Participant. Election changes made pursuant to this Section shall be made in accordance with rules established by the Committee, and shall comply with all requirement of Code Section 409A and applicable authorities.

ARTICLE IV
DEFERRAL ACCOUNTS

4.1 Deferral Accounts. The Committee shall establish and maintain up to five (5) Deferral Accounts for each Participant under the Plan, two (2) of which may be payable upon Termination of Service as further described in Section 6.1(a) (the "Termination of Service Accounts") and three (3) of which may be payable on a fixed date or according to a fixed schedule as further described in Section 6.4(a) (the "Scheduled Distribution Accounts"). Each Participant's Deferral Account shall be further divided into separate subaccounts ("Fund Subaccounts"), each of which corresponds to a Fund elected by the Participant pursuant to Section 3.2. A Participant's Deferral Account shall be credited as follows:

(a) As soon as reasonably possible after amounts are withheld and deferred from a Participant's Compensation, the Committee shall credit the Fund Subaccounts of the Participant's Deferral Account with an amount equal to Compensation deferred by the Participant in accordance with the Participant's election under Section 3.2; that is, the portion of the Participant's deferred Compensation that the Participant has elected to be deemed to be invested in a Fund shall be credited to the Fund Subaccount to be invested in that Fund;

(b) Each business day, each investment fund subaccount of a Participant's Deferral Account shall be credited with earnings or losses in an amount equal to that determined by multiplying the balance credited to such Fund Subaccount as of the prior day, less any distributions valued as of the end of the prior day, by the Interest Rate for the corresponding Fund as determined by the Committee pursuant to Section 3.2(b); and

(c) In the event that a Participant elects for a given Plan Year's deferral of Compensation a Scheduled Distribution, all amounts attributed to the deferral of Compensation for such Plan Year shall be accounted for in a manner which allows separate accounting for the deferral

of Compensation and investment gains and losses associated with amounts allocated to such each separate Scheduled Distribution.

4.2 Company Contribution Account. The Committee shall establish and maintain a Company Contribution Account for each Participant under the Plan. Each Participant's Company Contribution Account shall be further divided into separate Fund Subaccounts corresponding to the investment Fund elected by the Participant pursuant to Section 3.2(a). A Participant's Company Contribution Account shall be credited as follows:

(c) As soon as reasonably possible after a Company Contribution is made, the Company shall credit the Fund Subaccounts of the Participant's Company Contribution Account with an amount equal to the Company Contributions, if any, made on behalf of that Participant, that is, the proportion of the Company Contributions, if any, which the Participant has elected to be deemed to be invested in a certain Fund shall be credited to the Fund Subaccount to be invested in that Fund. Unless the Participant elects otherwise, any Company Contribution that may not be deemed invested in such a Fund shall be deemed invested in the default Fund selected by the Committee for such purpose from time to time; and

(d) Each business day, each Fund Subaccount of a Participant's Company Contribution Account shall be credited with earnings or losses in an amount equal to that determined by multiplying the balance credited to such Fund Subaccount as of the prior day, less any distributions valued as of the end of the prior day, by the Interest Rate for the corresponding Fund as determined by the Committee pursuant to Section 3.2(b).

4.3 Trust. The Company shall be responsible for the payment of all benefits under the Plan. At its discretion, the Company may establish one or more grantor trusts for the purpose of providing for payment of benefits under the Plan. Such trust or trusts may be irrevocable, but the assets thereof shall be subject to the claims of the Company's creditors. Benefits paid to the Participant from any such trust or trusts shall be considered paid by the Company for purposes of meeting the obligations of the Company under the Plan.

4.4 Statement of Accounts. The Committee shall provide each Participant with electronic statements at least quarterly setting forth the Participant's Account balance as of the end of each calendar quarter.

ARTICLE V
VESTING

5.1 Vesting of Deferral Accounts. Except to the extent that an underlying award (such as any Bonus, Restricted Stock Unit, Other Stock Unit, Performance Share, or Long-Term Cash Award) is the subject to a vesting schedule, a Participant shall be vested at all times in amounts credited to the Participant's Deferral Account or Accounts.

5.2 Vesting of Company Contributions Account. Amounts credited to a Participant's Company Contributions Account shall be vested based upon a vesting schedule to be determined in writing by the Committee.

ARTICLE VI
DISTRIBUTIONS

6.1 Termination of Service Distributions.

(c) Timing and Form of Deferral Account Distributions. Except as otherwise provided in this Plan, in the event of a Participant's Termination of Service other than by reason of the Participant's death or Disability, the Distributable Amount credited to the Participant's Deferral Accounts that are Termination of Service Accounts shall be paid to the Participant in a lump sum on the Payment Date following the Participant's Termination of Service unless the Participant has made an alternative benefit election on a timely basis pursuant to Section 3.4 to receive substantially equal annual installments over a period following Termination of Service of no less than two (2) years and no more than ten (10) years.

(d) Distribution of Company Contributions Account. In the event of a Participant's Termination of Service for any reason other than death or Disability, the Distributable Amount credited to the Participant's Company Contribution Account shall be paid in a lump sum on the Payment Date following the Participant's Termination of Service.

(e) Small Benefit Exception. If on commencement of benefits payable from a Termination of Service Account the Distributable Amount from such Account is less than or equal to twenty-five thousand dollars ($25,000), the total Distributable Amount from such Account shall be paid in a lump sum on the scheduled Payment Date. For purposes of this Section 6.1(c) whether a Termination of Service Account equals or exceeds $25,000 shall be determined by combining all Deferral Accounts that are Termination of Service Accounts.

6.2 Disability Distributions. In the event of a Participant's Termination of Service by reason of Disability and regardless of the time and form of payment otherwise elected by the Participant, the Distributable Amount credited to all of such Participant's Accounts shall be paid in a lump sum sixty (60) days after the Participant's Termination of Service.

6.3 Death Benefits. In the event of a Participant's death and regardless of the time and form of payment otherwise elected by the Participant, the Distributable Amount credited to all of such Participant's Accounts shall be paid in a lump sum to the Participant's Beneficiary sixty (60) days after the Participant's date of death.

6.4 Scheduled Distributions.

(a) Scheduled Distribution Election. Participants shall be entitled to elect to receive a Scheduled Distribution from a Deferral Account prior to Termination of Service. Except as otherwise provided in this Plan, in the case of a Participant who has elected to receive a Scheduled Distribution, such Participant shall receive the Distributable Amount, with respect to the specified deferrals, including earnings thereon, which have been elected by the Participant to be subject to such Scheduled Distribution election in accordance with Section 3.4 of the Plan. A Participant's

Scheduled Distribution commencement date with respect to deferrals of Compensation for a given Plan Year shall be no earlier than two (2) years from the last day of the Plan Year in which the deferrals are credited to the Participant's Account. The Participant may elect to receive the Scheduled Distribution from the Participant's Scheduled Distribution Accounts in a single lump sum or substantially equal annual installments over a period of up to five (5) years. A Participant may delay and change the form of a Scheduled Distribution, provided such extension complies with the requirements of Section 3.4.

(b) Termination of Service. In the event of a Participant's Termination of Service prior to commencement of a Scheduled Distribution, the Scheduled Distributions shall be distributed from the Participant's Scheduled Distribution Accounts in the form applicable to such Termination of Service under Sections 6.1, 6.2 or 6.3 above. In the event that a Participant has established two (2) Termination from Service Accounts, the payment will be made in the manner designated for Termination from Service Account number one (1). In the event of a Participant's Termination of Service for any reason other than death or Disability after a Scheduled Distribution has commenced installment payments, such Scheduled Distribution benefits shall continue to be paid at the same time and in the same form as they would have been paid to the Participant had the Participant not terminated service.

6.5 Hardship Distribution. Upon a finding that the Participant (or, after the Participant's death, a Beneficiary) has suffered a Financial Hardship, subject to compliance with Code Section 409A the Committee may, at the request of the Participant or Beneficiary, accelerate distribution of benefits or approve reduction or cessation of current deferrals under the Plan in the amount reasonably necessary to alleviate such Financial Hardship subject to the following conditions:

(a) The request to take a Hardship Distribution shall be made by filing a form provided by and filed with the Committee prior to the end of any calendar month.

(b) The amount distributed pursuant to this Section with respect to a Financial Hardship shall not exceed the amount necessary to satisfy such financial emergency plus amounts necessary to pay taxes reasonably anticipated as a result of the distribution, after taking into account the extent to which such hardship is or may be relieved through reimbursement or compensation by insurance or otherwise, by liquidation of the Participant's assets (to the extent the liquidation of such assets would not itself cause severe financial hardship), or by cessation of deferrals under the Plan.

(c) The amount determined by the Committee as a Hardship Distribution shall be paid in a lump sum as soon as practicable after the end of the calendar month in which the Hardship Distribution election is made and approved by the Committee.

(d) Upon a finding that the Participant (or, after the Participant's death, a Beneficiary) has suffered a Financial Hardship, subject to Treasury Regulations promulgated under Code Section 409A the Committee may at the request of the Participant, accelerate distribution of benefits or approve reduction or cessation of current deferrals under the Plan in the amount reasonably necessary to alleviate such Financial Hardship. The amount distributed pursuant to this Section with respect to an emergency shall not exceed the amount necessary to satisfy such

emergency plus amounts necessary to pay taxes reasonably anticipated as a result of the distribution, after taking into account the extent to which such hardship is or may be relieved through reimbursement or compensation by insurance or otherwise or by liquidation of the Participant's assets (to the extent the liquidation of such assets would not itself cause severe financial hardship).

6.6 Delay of Distributions Due to Loss of Tax Deduction. Notwithstanding anything to the contrary contained in this Plan, any payment or payments may be delayed to the extent that the Committee reasonably anticipates that if the payments were made as scheduled, the Company's deduction for federal income tax purposes with respect to such payment would not be permitted due to the application of Code Section 162(m), provided that the payment or payments are made in accordance with the regulations issued under Code Section 409A.

6.7 Medium of Payment. Unless the Committee determines otherwise in writing, all distributions shall be payable in cash.

ARTICLE VII
PAYEE DESIGNATIONS AND LIMITATIONS

7.1 Beneficiaries.

(a) Beneficiary Designation. The Participant shall have the right, at any time, to designate any person or persons as Beneficiary (both primary and contingent) to whom payment under the Plan shall be made in the event of the Participant's death. The Beneficiary designation shall be effective when it is submitted to and acknowledged by the Committee during the Participant's lifetime in the format prescribed by the Committee.

(b) Absence of Valid Designation. If a Participant fails to designate a Beneficiary as provided above, or if every person designated as Beneficiary predeceases the Participant or dies prior to complete distribution of the Participant's benefits, then the Committee shall direct the distribution of such benefits to the Participant's estate.

7.2 Payments to Minors. In the event any amount is payable under the Plan to a minor, payment shall not be made to the minor, but instead be paid (a) to that person's living parent(s) to act as custodian, (b) if that person's parents are then divorced, and one parent is the sole custodial parent, to such custodial parent, to act as custodian, or (c) if no parent of that person is then living, to a custodian selected by the Committee to hold the funds for the minor under the Uniform Transfers or Gifts to Minors Act in effect in the jurisdiction in which the minor resides. If no parent is living and the Committee decides not to select another custodian to hold the funds for the minor, then payment shall be made to the duly appointed and currently acting guardian of the estate for the minor or, if no guardian of the estate for the minor is duly appointed and currently acting within sixty (60) days after the date the amount becomes payable, payment shall be deposited with the court having jurisdiction over the estate of the minor.

7.3 Payments on Behalf of Persons Under Incapacity. In the event that any amount becomes payable under the Plan to a person who, in the sole judgment of the Committee, is considered by reason of physical or mental condition to be unable to give a valid receipt therefore,

the Committee may direct that such payment be made to any person found by the Committee, in its sole judgment, to have assumed the care of such person. Any payment made pursuant to such determination shall constitute a full release and discharge of any and all liability of the Committee and the Company under the Plan.

7.4 Inability to Locate Payee. In the event that the Committee is unable to locate a Participant or Beneficiary within two years following the scheduled Payment Date, the amount allocated to the Participant's Deferral Account shall be forfeited. If, after such forfeiture, the Participant or Beneficiary later claims such benefit, such benefit shall be reinstated without interest or earnings.

ARTICLE VIII
ADMINISTRATION

8.1 Committee. The Plan shall be administered by a Committee appointed by the Board, which shall have the exclusive right and full discretion (a) to appoint agents to act on its behalf, (b) to select and establish Funds, (c) to interpret the Plan, (d) to decide any and all matters arising hereunder (including the right to remedy possible ambiguities, inconsistencies, or omissions), (e) to make, amend and rescind such rules as it deems necessary for the proper administration of the Plan and (f) to make all other determinations and resolve all questions of fact necessary or advisable for the administration of the Plan, including determinations regarding eligibility for benefits payable under the Plan. All interpretations of the Committee with respect to any matter hereunder shall be final, conclusive and binding on all persons affected thereby. No member of the Committee or agent thereof shall be liable for any determination, decision, or action made in good faith with respect to the Plan. The Company will indemnify and hold harmless the members of the Committee and its agents from and against any and all liabilities, costs, and expenses incurred by such persons as a result of any act, or omission, in connection with the performance of such persons' duties, responsibilities, and obligations under the Plan, other than such liabilities, costs, and expenses as may result from the bad faith, willful misconduct, or criminal acts of such persons.

8.2 Claims Procedure. Any Participant, former Participant or Beneficiary may file a written claim with the Committee setting forth the nature of the benefit claimed, the amount thereof, and the basis for claiming entitlement to such benefit. The Committee shall determine the validity of the claim and communicate a decision to the claimant promptly and, in any event, not later than ninety (90) days after the date of the claim. The claim may be deemed by the claimant to have been denied for purposes of further review described below in the event a decision is not furnished to the claimant within such ninety (90) day period. If additional information is necessary to make a determination on a claim, the claimant shall be advised of the need for such additional information within forty-five (45) days after the date of the claim. The claimant shall have up to one hundred eighty (180) days to supplement the claim information, and the claimant shall be advised of the decision on the claim within forty-five (45) days after the earlier of the date the supplemental information is supplied or the end of the one hundred eighty (180) day period. Every claim for benefits which is denied shall be denied by written notice setting forth in a manner calculated to be understood by the claimant (a) the specific reason or reasons for the denial, (b) specific reference to any provisions of the Plan (including any internal rules, guidelines, protocols, criteria, etc.) on

which the denial is based, (c) description of any additional material or information that is necessary to process the claim, and (d) an explanation of the procedure for further reviewing the denial of the claim and shall include an explanation of the claimant's right to file suit in Federal court in the event of an adverse determination on review.

8.3 Review Procedures. Within sixty (60) days after the receipt of a denial on a claim, a claimant or his/her authorized representative may file a written request for review of such denial. Such review shall be undertaken by the Committee and shall be a full and fair review. The claimant shall have the right to review all pertinent documents. The Committee shall issue a decision not later than sixty (60) days after receipt of a request for review from a claimant unless special circumstances, such as the need to hold a hearing, require a longer period of time, in which case a decision shall be rendered as soon as possible but not later than one hundred twenty (120) days after receipt of the claimant's request for review. The decision on review shall be in writing and shall include specific reasons for the decision written in a manner calculated to be understood by the claimant with specific reference to any provisions of the Plan on which the decision is based and shall include an explanation of the claimant's right to file suit in Federal court in the event of an adverse determination on review.

ARTICLE IX
MISCELLANEOUS

9.1 Amendment or Termination of Plan. The Company may, at any time, direct the Committee to amend or terminate the Plan, except that no such amendment or termination may reduce a Participant's Account balances. If the Company terminates the Plan, no further amounts shall be deferred hereunder, and amounts previously deferred or contributed to the Plan shall be fully vested and shall be paid in accordance with the provisions of the Plan as scheduled prior to the Plan termination. Notwithstanding the forgoing, to the extent permitted under Code Section 409A and applicable authorities, the Company may, in its complete and sole discretion, accelerate distributions under the Plan in the event of a "change in ownership" or "effective control" of the Company or a "change in ownership of a substantial portion of assets" or under such other terms and conditions as may be specifically authorized under Code Section 409A and applicable authorities.

9.2 Unsecured General Creditor. The benefits paid under the Plan shall be paid from the general assets of the Company, and the Participant and any Beneficiary or their heirs or successors shall be no more than unsecured general creditors of the Company with no special or prior right to any assets of the Company for payment of any obligations hereunder. It is the intention of the Company that this Plan be unfunded for purposes of ERISA and the Code.

9.3 Restriction Against Assignment. The Company shall pay all amounts payable hereunder only to the person or persons designated by the Plan and not to any other person or entity. No part of a Participant's Accounts shall be liable for the debts, contracts, or engagements of any Participant, Beneficiary, or their successors in interest, nor shall a Participant's Accounts be subject to execution by levy, attachment, or garnishment or by any other legal or equitable proceeding, nor shall any such person have any right to alienate, anticipate, sell, transfer, commute, pledge, encumber, or assign any benefits or payments hereunder in any manner whatsoever. Except as

provided in Section 9.7 of the Plan, as provided by any clawback, recoupment or similar policy adopted by the Company, or as required by law, no part of a Participant's Accounts shall be subject to any right of offset against or reduction for any amount payable by the Participant or Beneficiary, whether to the Company or any other party, under any arrangement other than under the terms of this Plan.

9.4 Withholding. The Participant shall make appropriate arrangements with the Company for satisfaction of any federal, state or local income tax withholding requirements, Social Security and other employee tax or other requirements applicable to the granting, crediting, vesting or payment of benefits under the Plan. There shall be deducted from each payment made under the Plan or any other Compensation payable to the Participant (or Beneficiary) all taxes which are required to be withheld by the Company in respect to such payment or this Plan. The Company shall have the right to reduce any payment (or other Compensation) by the amount of cash sufficient to provide the amount of said taxes.

9.5 Protective Provisions. The Participant shall cooperate with the Company by furnishing any and all information requested by the Committee, in order to facilitate the payment of benefits hereunder and taking such other actions as may be requested by the Committee. If the Participant refuses to so cooperate, the Company shall have no further obligation to the Participant under the Plan.

9.6 Receipt or Release. Any payment made in good faith to a Participant or the Participant's Beneficiary shall, to the extent thereof, be in full satisfaction of all claims against the Committee, its members and the Company with respect to the Plan and participation in the Plan. The Committee may require such Participant or Beneficiary, as a condition precedent to such payment, to execute a receipt and release to such effect.

9.7 Errors in Account Statements, Deferrals or Distributions. In the event an error is made in an Account statement, such error shall be corrected on the next statement following the date such error is discovered. In the event of an error in deferral amount, consistent with and as permitted by any correction procedures established under IRC Section 409A, the error shall be corrected immediately upon discovery by, in the case of an excess deferral, distribution of the excess amount to the Participant, or, in the case of an under deferral, reduction of other compensation payable to the Participant. In the event of an error in a distribution, the over or under payment shall be corrected by payment to or collection from the Participant consistent with any correction procedures established under IRC Section 409A, immediately upon the discovery of such error. In the event of an overpayment, the Company may, at its discretion, offset other amounts payable to the Participant from the Company (including but not limited to salary, bonuses, expense reimbursements, severance benefits or other employee compensation benefit arrangements, as allowed by law and subject to compliance with IRC Section 409A) to recoup the amount of such overpayment(s).

9.8 Employment Not Guaranteed. Nothing contained in the Plan nor any action taken hereunder shall be construed as a contract of employment or as giving any Participant any right to continue the provision of services in any capacity whatsoever to the Company.

9.9 Successors of the Company. The rights and obligations of the Company under the Plan shall inure to the benefit of, and shall be binding upon, the successors and assigns of the Company.

9.10 Notice. Any notice or filing required or permitted to be given to the Company or the Participant under this Agreement shall be sufficient if in writing and hand-delivered, or sent by registered or certified mail, in the case of the Company, to the principal office of the Company, directed to the attention of the Committee, and in the case of the Participant, to the last known address of the Participant indicated on the employment records of the Company. Such notice shall be deemed given as of the date of delivery or, if delivery is made by mail, as of the date shown on the postmark on the receipt for registration or certification. Notices to the Company may be permitted by electronic communication according to specifications established by the Committee.

9.11 Headings. Headings and subheadings in this Plan are inserted for convenience of reference only and are not to be considered in the construction of the provisions hereof.

9.12 Gender, Singular and Plural. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, or neuter, as the identity of the person or persons may require. As the context may require, the singular may be read as the plural and the plural as the singular.

9.13 Governing Law. The Plan is intended to be an unfunded plan maintained primarily to provide deferred compensation benefits for a select group of "management or highly compensated employees" within the meaning of Sections 201, 301 and 401 of ERISA and therefore to be exempt from Parts 2, 3 and 4 of Title I of ERISA. In the event any provision of, or legal issue relating to, this Plan is not fully preempted by federal law, such issue or provision shall be governed by the laws of the Commonwealth of Massachusetts.

Adopted: July 27, 2012
Amended: July 24, 2013

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.

February 5, 2015

/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.

February 5, 2015

/s/ Christopher Lindop

Christopher Lindop, Chief Financial Officer and

Executive 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 December 27, 2014 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.

February 5, 2015

/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 December 27, 2014 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Christopher Lindop, Chief Financial Officer and Executive 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.

February 5, 2015

/s/ Christopher Lindop

Christopher Lindop,

Chief Financial Officer and Executive 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.