

FORM 8-K

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

Date of Report (Date of Earliest Event Reported): January 22, 2004

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

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

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

Item 9. Regulation FD Disclosure.

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

On January 22, 2004 Haemonetics Corporation (the "Company") issued a press release regarding its financial results for the third quarter and year to date ended December 27, 2003. The Company's press release is attached as Exhibit 99.1 to this Current Report on Form 8-K.

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

Exhibits

99.1 Press Release dated January 22, 2004 of Haemonetics Corporation.

SIGNATURES

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

HAEMONETICS CORPORATION

Date: January 22, 2004

By: s/Ronald J. Ryan

Ronald J. Ryan, Vice President
and Chief Financial Officer

FOR RELEASE:
 Date: January 22, 2004
 Time: 8:00 am Eastern

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Haemonetics Reports Third Quarter Results; Company Reaffirms Annual Fiscal Year Guidance

BRAINTREE, MA - Haemonetics Corporation today announced third quarter fiscal 2004 results in line with expectations with revenues of \$91 million, up 4% from Q3:03, and earnings per share of \$0.38, down 10% from Q3:03. The Company reported year-to-date revenues of \$267 million, up 4% from fiscal 03, and earnings of \$0.81, down 15% from fiscal 03.

The Company also re-affirmed its full fiscal 2004 guidance of high single digit revenue growth, gross profit margins in the mid to high 40% range, improved operating margin, and net earnings per share in the range of last year's \$1.13.

FINANCIAL HIGHLIGHTS

Haemonetics reported the following financial results for the third quarter and year-to-date:

- * Gross profit of \$43 million and gross margin of 48% in Q3:04, up 5% in dollars and up 50 basis points respectively over Q3:03 and \$124 million and 47% year to date, up 5% in dollars and up 30 basis points respectively over fiscal 03
- * Operating expenses of \$29 million in Q3:04, down slightly from Q3:03 and \$93 million year to date, up 7% over fiscal 03
- * Operating income of \$14 million in Q3:04, up 19% from Q3:03 and \$31 million year to date, down slightly from fiscal 03
- * Operating margin of 16% in Q3:04, up from 14% in Q3:03 and 12% year to date, down slightly from fiscal 03
- * Revenue for disposables and services was \$87 million in Q3:04, 5% over Q3:03 and \$255 million year to date, 6% over fiscal 03

Haemonetics' Q3:03 tax rate of 13% reflected a one time tax refund of \$4 million. By comparison, Q3:04 reflected a return to the Company's historical tax rate of 36%. Fiscal year to date results also include a second quarter reorganization charge of \$2.6 million, or negative \$0.07 per share.

For the quarter, the Company further strengthened its balance sheet at December 31, 2003, highlighted by a \$3 million inventory reduction and a cash increase of \$30 million to an ending cash balance of \$97 million. Haemonetics debt position continues to improve, declining to \$67 million this quarter. The Company achieved \$25 million of cash flow from operations and finished goods inventory turns of 5.7.

Brad Nutter, Haemonetics' President and CEO, said, "During Q3, our sales were adversely impacted by the loss of the Alpha Therapeutics' business after it was purchased by a competitor. We offset this loss by leveraging our core business to see positive drop through from net sales to gross profit to operating income. Our emerging red cell collection and orthopedic surgical blood salvage markets continued to grow in the 40-50% range and coupled with good growth in our blood bank and surgical products. As a result, we are reaffirm our financial objectives for the year."

QUARTERLY PRODUCT LINE HIGHLIGHTS

Plasma disposables revenue was \$27 million, down 9% over Q3:03. Haemonetics plasma sales were negatively affected \$3 million this quarter by the loss of the Alpha Therapeutics' business after it was purchased by Baxter.

"Market research shows that Haemonetics' customers are growing plasma collections by 6% while collections at other plasma centers are declining. Additionally, we signed contracts with three customers in the quarter which extended supply agreements, provided for conversion of competitive collection centers to Haemonetics technology, and increased purchase minimums of our collection bottles. We remain confident in the future of our plasma collections business," said Peter Allen, President of Haemonetics' Donor Division.

Blood bank disposables revenue was \$30 million, a 12% increase over Q3:03.

Red cell disposables revenue was \$5.5 million, a 41% increase over Q3:03. During the quarter, Haemonetics gained six new customers, including four additional American Red Cross regions. This is double the Company's plan. Additionally, three new customer sites were converted to Haemonetics' filtered double red cell disposable kits.

Surgical revenue was \$20 million, a 16% increase over Q3:03, boosted by competitive customer gains, OrthoPAT(tm) brand product growth of more than 40%, and increased market penetration in underserved markets.

Miscellaneous and services revenue was \$5 million, a 7% decline from Q3:03.

NEW ANNOUNCEMENTS

In follow up to an October 2003 press release, Haemonetics announced today that it had filed an arbitration demand against Baxter Healthcare Corporation regarding Baxter's obligations to honor exclusive Purchase and Supply Contracts as a result of Baxter's purchase of Alpha Therapeutics plasma collection operations. Haemonetics and Baxter were unable to come to an agreeable resolution.

Mr. Nutter said, "While I am disappointed that we were unable to come to a resolution in direct negotiations with Baxter, we will now turn to the mechanism provide by the contracts. We are confident about the strength of our case."

Haemonetics anticipates that unless Baxter changes its position and agrees to honor the contracts and if arbitration is not concluded in FY05, the loss of plasma sales due to the Alpha contracts will total \$9 million next fiscal year.

Today, the Company also announced renewal of its agreement with Zimmer to distribute the Company's OrthoPAT system in the U.S. under new terms that position the Company for continued OrthoPAT revenue growth of 40-50% annually over the five year term. (See separate press release of January 22, 2004)

Brian Concannon, Haemonetics' Patient Division President commented, "With Zimmer distributing the OrthoPAT system over the past three years, we have made significant progress in this emerging market, increasing patient use at a rate of 45% per year. Zimmer's strength in orthopedics combined with its outstanding U.S. sales organization provides us with a powerful distribution channel."

Haemonetics will hold a conference call to review highlights of the quarter at 10:00 am eastern today. Interested parties can participate by calling (800) 231-5571 (US only) or (973) 935-8504. The call will be replayed through February 5th at (877) 519-4471 (US only) or (973) 341-3080 using PIN 4360187.

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

Haemonetics is presenting at the U.S. Bancorp Piper Jaffray Healthcare Conference on Tuesday, January 27th at 1:30 pm.

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

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

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

INCOME STATEMENT -----	12/27/2003 -----	12/28/2002 -----	% Inc/(Dec) vs prior year -----
NET REVENUES	\$90,737	\$87,115	4.2%
Gross profit	43,113	40,941	5.3%
— R&D	4,072	4,633	(12.1%)
— S, G & A	24,945	24,486	1.9%
Operating expenses	29,017	29,119	(0.4%)
Operating income	14,096	11,822	19.2%
— Interest expense	(682)	(783)	(12.9%)
— Interest income	805	325	147.7%
— Other income, net	335	549	(39.0%)
Income before taxes	14,554	11,913	22.2%
Tax expense	5,240	1,566	234.6%
NET INCOME	\$ 9,314	\$10,347	(10.0%)
Net income per common share — assuming dilution	\$0.38	\$0.42	(9.5%)
Weighted average number of shares			
— Basic	24,518	24,295	
— Diluted	24,780	24,573	

	Inc/(Dec) vs prior year profit margin %
PROFIT MARGINS:	

Gross profit	47.5%	47.0%	
R&D	4.5%	5.3%	
S, G & A	27.5%	28.1%	
Operating income	15.5%	13.6%	1.9%
Income before taxes	16.0%	13.7%	2.3%
Net income	10.3%	11.9%	

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

Income Statement:	12/27/2003	12/28/2002	% Inc/(Dec) vs prior year
NET REVENUES	\$266,508	\$256,075	4.1%
Gross profit	124,079	118,478	4.7%
— R&D	13,691	14,682	(6.7%)
— S, G & A	79,200	72,456	9.3%
Operating expenses	92,891	87,138	6.6%
Operating income	31,188	31,340	(0.5%)
— Interest expense	(2,235)	(2,530)	(11.7%)
— Interest income	1,274	1,111	14.7%
— Other income, net	699	1,637	(57.3%)
Income before taxes	30,926	31,558	(2.0%)
Tax expense	11,134	7,656	45.4%
NET INCOME	\$ 19,792	\$ 23,902	(17.2%)
Net income per common share — assuming dilution	\$ 0.81	\$ 0.95	(14.7%)
Weighted average number of shares			
— Basic	24,234	24,752	
— Diluted	24,446	25,280	

PROFIT MARGINS:			Inc/(Dec) vs prior year profit margin %
Gross profit	46.6%	46.3%	
R&D	5.1%	5.7%	
S, G&A	29.7%	28.3%	
Operating income	11.7%	12.2%	(0.5%)
Income before taxes	11.6%	12.3%	(0.7%)
Net income	7.4%	9.3%	

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

REVENUE ANALYSIS	Third quarter			Nine Months Ended		
	12/27/2003	12/28/2002	% Inc/(Dec)	12/27/2003	12/28/2002	% Inc/(Dec)
Revenues by Geography						
United States	\$30,372	\$32,132	(5.5)	\$ 94,241	\$ 96,694	(2.5)
International	60,365	54,983	9.8	172,267	159,381	8.1
Net Revenues	\$90,737	\$87,115	4.2	\$266,508	\$256,075	4.1
Disposable Revenues by Product Line						
Surgical	\$19,810	\$17,067	16.1	\$ 55,042	\$ 50,955	8.0
Blood Bank	29,650	26,417	12.2	82,330	75,373	9.2
Red Cell	5,493	3,891	41.2	15,139	10,880	39.1
Plasma	26,830	29,629	(9.4)	87,139	88,377	(1.4)
Subtotal	\$81,783	\$77,004	6.2	\$239,650	\$225,585	6.2
Equipment	3,953	4,719	(16.2)	11,551	16,511	(30.0)
Misc & Service	5,001	5,392	(7.3)	15,307	13,979	9.5
Net Revenues	\$90,737	\$87,115	4.2	\$266,508	\$256,075	4.1

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

	Period ending	
BALANCE SHEET:	12/27/2003	3/29/2003

Assets

Cash & cash equivalents	\$ 97,182	\$ 40,885
Accounts receivable, net	84,399	77,913
Inventories, net	56,081	65,805
Other current assets	28,330	29,652
Total current assets	265,992	223,255
Net PP&E	79,320	83,987
Other assets	51,252	51,966
Total assets	\$396,564	\$359,208
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Liabilities & Stockholders' Equity

S/T debt & current maturities	\$ 41,016	\$ 39,005
Other current liabilities	61,338	61,370
Total current liabilities	102,354	100,375
Long term debt	25,560	31,612
Other long term liabilities	4,422	3,984
Stockholders' equity	264,228	223,237
Total liabilities & equity	\$396,564	\$359,208
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