

Haemonetics Corporation Reportable Segment Changes

**Braintree, MA
July 22, 2019**



Forward-Looking Statements and Non-GAAP Financial Measures

FORWARD-LOOKING STATEMENTS

Any statements contained in this presentation that do not describe historical facts may constitute forward-looking statements. Forward-looking statements in this presentation may include, without limitation, statements, estimates and projections regarding the Company's future business strategy and prospects for growth, future financial performance and the assumptions underlying or relating to such statements. Such forward-looking statements are not meant to predict or guarantee actual results, performance, events or circumstances and may not be realized because they are based upon the Company's current projections, plans, objectives, beliefs, expectations, estimates and assumptions and are subject to a number of risks and uncertainties and other influences. Factors that may influence or contribute to the inaccuracy of the forward-looking statements or cause actual results to differ materially from expected or desired results may include, without limitation, the Company's ability to implement the Complexity Reduction Initiative as planned, on the anticipated timeline and at the anticipated cost, our ability to realize the estimated savings from the Complexity Reduction Initiative, the impact of share repurchases on the Company's stock price and volatility, as well as the effect of short-term price fluctuations on the program's effectiveness, technological advances in the medical field and standards for transfusion medicine and the Company's ability to successfully offer products that incorporate such advances and standards, product quality, market acceptance, regulatory uncertainties, including in the receipt or timing of regulatory approvals, the effect of economic and political conditions, the impact of competitive products and pricing, blood product reimbursement policies and practices, and the effect of industry consolidation as seen in the plasma market. These and other factors are identified and described in more detail in the Company's periodic reports and other filings with the U.S. Securities and Exchange Commission. The Company does not undertake to update these forward-looking statements.

MANAGEMENT'S USE OF NON-GAAP MEASURES

The following presentation contains financial measures and guidance, which are considered a "non-GAAP" financial measures under applicable U.S. Securities and Exchange Commission rules and regulations. Management uses non-GAAP measures to monitor the financial performance of the business, make informed business decisions, establish budgets, and forecast future results. These non-GAAP financial measures should be considered supplemental to, and not a substitute for, our reported financial results prepared in accordance with U.S. GAAP. In the following tables, these supplemental non-GAAP measure has been provided to assist investors in evaluating the performance of the Company's core operations. When used in these tables, constant currency measures the change in revenue between the current and prior year periods using a constant currency conversion rate. Organic revenue growth excludes the impact of currency, product line end-of-life decisions as well as acquisition and divestiture activities. Reconciliations of these measures to their most comparable GAAP measure are included at the end of the financial sections of the Company's May 7, 2019 earnings release (a link to which is available [here](#)) and in the tables posted on the Company's investor relations website (a link to which is available [here](#)).

Overview and background

- The Company has transitioned from a regional management model to a customer-centric business unit model to more accurately reflect market realities and opportunities for growth.
- The Company has also realigned its business units to fully align with the internal management structure of the customer-centric business units.
- As of Q1 FY20, the transition to the customer-centric business unit structure has been completed and the Company will report its financial operations under the new structure.

Summary of changes

On July 22, 2019 the Company announced two changes to its external reporting structure beginning in Q1 FY20:

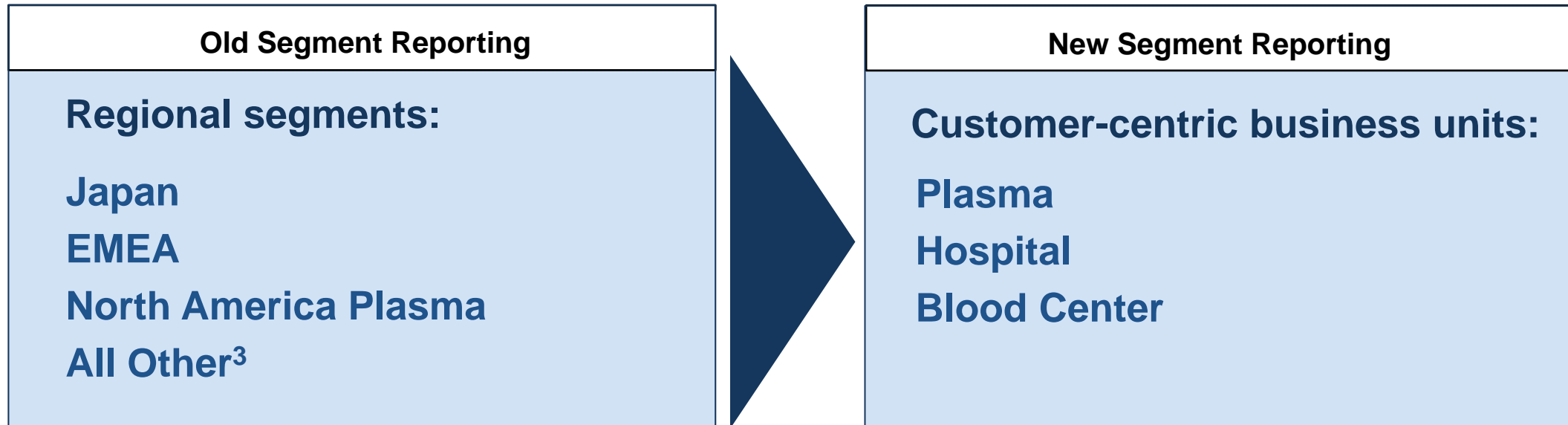
- 1 The Company will transition from regional segments to customer-centric business unit segments.
- 2 The Company will align its business unit revenue reporting with this new customer-centric business unit segment structure, with
 - Plasma and Blood Center realigned in accordance with their markets to accurately reflect the ongoing performance of each business.
 - Service excluded from all business units and reported at the total company level.
 - No changes made to Hospital, aside from the exclusion of service.

Summary of changes (continued)

- The Company will report Q1 FY20 revenue in the new customer-centric business unit structure on August 6, 2019.
- For illustrative purposes, the Company has provided its FY20 Revenue guidance issued on May 14, 2019 in the new customer-centric business unit structure.
- The Company has not made any changes to its previously reported consolidated results.

Details on segment changes and disclosures

The Company reports its financial operations in its quarterly (10-Q) and annual (10-K) reports filed with the Securities Exchange Commission (SEC).



SEGMENT OPERATING INCOME = Revenue minus standard cost, depreciation and commercial sales & marketing expenses. Shared services¹, corporate expenses², restructuring and turnaround expenses and foreign exchange are excluded from segment operating income.

1. Shared services: Quality and Regulatory, Global Business Services (customer service, field service, contract administration and IT) R&D, Manufacturing & Supply Chain and Freight

2. Corporate expenses: operating expenses for Finance, Legal, Human Resources, and CEO functions

3. All Other includes North America Blood Center and Hospital and Asia

2 Plasma revenue reporting structure

The customer-centric Plasma business unit (BU) represents commercial customers that collect source plasma primarily for fractionation into plasma-derived biopharmaceuticals.

	Revenue		YoY Growth	
	FY19	FY18	As Reported	Constant Currency ⁴
Plasma (As Reported)	\$501.8M	\$436.0M	15.1%	14.8%
- Plasma ¹	(\$65.8M)	(\$64.1M)		
+ Blood Center ²	\$0.5M	\$0.6M		
- Service ³	(\$9.8M)	(\$9.3M)		
Customer-centric Plasma BU	\$426.6M	\$363.1M	17.5%	17.5%

1. Reflects Plasma revenue associated with customers that collect plasma primarily for transfusion purposes

2. Reflects Blood Center revenue for products sold to commercial plasma customers

3. Reflects revenue for service, maintenance and parts.

4. Constant currency measures the change in revenue between the current and prior year periods using a constant currency conversion rate. A reconciliation of this measure to its most comparable GAAP measure is included in the "Analytical tables with historical revenues" posted to the Company's website on the date of this presentation, a link to which is available [here](#)

2 Hospital revenue reporting structure

The customer-centric Hospital business unit includes Hemostasis Management as well as Cell Salvage & Transfusion Management.

	Revenue		YoY Growth	
	FY19	FY18	As Reported	Constant Currency ⁴
Hospital (As Reported)	\$196.5M	\$183.1M	7.4%	7.3%
- Service ¹	(\$4.3M)	(\$3.8M)		
Customer-centric Hospital BU	\$192.3M	\$179.3M	7.3%	7.1%

1. Reflects revenue for service, maintenance and parts

2. Constant currency measures the change in revenue between the current and prior year periods using a constant currency conversion rate. A reconciliation of this measure to its most comparable GAAP measure is included in the "Analytical tables with historical revenues" posted to the Company's website on the date of this presentation, a link to which is available [here](#)

2 Blood Center revenue reporting structure

The customer-centric Blood Center business unit (BU) represents customers that collect plasma, platelets, red cells and whole blood primarily for transfusion purposes (plasma, platelet and red cells (disposables and equipment) will be reported under “Apheresis”).

	Revenue		YoY Growth	
	FY19	FY18	As Reported	Constant Currency ⁴
Blood Center (As Reported)	\$269.2M	\$284.9M	(5.5%)	(5.5%)
+ Plasma ¹	\$65.8M	\$64.1M		
- Blood Center ²	(\$0.5M)	(\$0.6M)		
- Service ³	(\$4.8M)	(\$6.7M)		
Customer-centric Blood Center BU	\$329.7M	\$341.7M	(3.5%)	(3.4%)

1. Reflects Plasma revenue associated with customers that collect plasma primarily for transfusion purposes

2. Reflects Blood Center revenue for products sold to commercial plasma customers

3. Reflects revenue for service, maintenance and parts.

4. Constant currency measures the change in revenue between the current and prior year periods using a constant currency conversion rate. A reconciliation of this measure to its most comparable GAAP measure is included in the “Analytical tables with historical revenues” posted to the Company’s website on the date of this presentation, a link to which is available [here](#)

2

Summary of the revenue reporting changes

Reconciliation of FY'19 revenues (reported on May 7th, 2019) to the customer-centric business units revenue reporting structure:

FY 2019 REVENUE	<u>Previous Reporting</u>	Changes			<u>New Reporting</u>
		Plasma	Blood Center	Service	
Plasma	\$ 501.8	\$ (65.8)	\$ 0.5	\$ (9.8)	\$ 426.6
Hospital	\$ 196.5	\$ -	\$ -	\$ (4.3)	\$ 192.3
Blood Center	\$ 269.2	\$ 65.8	\$ (0.5)	\$ (4.8)	\$ 329.7
<u>Net business unit revenues:</u>	<u>\$ 967.6</u>				<u>\$ 948.6</u>
Service	\$ -	\$ -	\$ -	\$ 18.9	\$ 18.9
<u>Total net revenues:</u>	<u>\$ 967.6</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 967.6</u>

2

Summary of the revenue reporting changes

Reconciliation of FY'18 revenues (reported on May 8th, 2018) to the customer-centric business units revenue reporting structure:

FY 2018 REVENUE	<u>Previous Reporting</u>	Changes			<u>New Reporting</u>
		Plasma	Blood Center	Service	
Plasma	\$ 436.0	\$ (64.1)	\$ 0.6	\$ (9.3)	\$ 363.1
Hospital	\$ 183.1	\$ -	\$ -	\$ (3.8)	\$ 179.3
Blood Center	\$ 284.9	\$ 64.1	\$ (0.6)	\$ (6.7)	\$ 341.7
<u>Net business unit revenues:</u>	<u>\$ 903.9</u>				<u>\$ 884.1</u>
Service	\$ -	\$ -	\$ -	\$ 19.8	\$ 19.8
<u>Total net revenues:</u>	<u>\$ 903.9</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 903.9</u>

FY20 Revenue guidance issued on May 14, 2019 in the new customer-centric business unit structure

	FY19 Results (As Reported)	FY20 Guidance As of May 14, 2019	FY19 Results (New Reporting)	FY20 Guidance As of July 22, 2019
Reported (GAAP):				
Plasma	\$501.8M	6 – 8%	\$426.6M	8 – 10% ¹
Hospital	\$196.5M	6 – 8%	\$192.3M	6 – 8% ²
Blood Center	\$269.2M	(6 – 8%)	\$329.7M	(4 – 6%)
Net business unit revenues:	\$967.6M	3 – 5%	\$948.6M	3 – 5%
Service	-		18.9M	
Total net revenues:	\$967.6M	3 – 5%	\$967.6M	3 – 5%
Organic:				
Plasma	\$490.8M	11 – 13%	\$407.4M	13 – 15% ¹
Hospital	\$185.5M	11 – 13%	\$181.1M	11 – 13% ²
Blood Center	\$267.6M	(6 – 8%)	\$335.6M	(4 – 6%)
Net business unit revenues:	\$944.0M	6 – 8%	\$924.1M	6 – 8%
Service	-		19.9M	
Total net revenues:	\$944.0M	6 – 8%	\$944.0M	6 – 8%

For a reconciliation of Reported FY19 revenue to Organic revenue in the new customer-centric business unit structure please [click here](#)

1. Plasma guidance includes 14 – 16% organic revenue growth in North America.
2. Hospital guidance includes Hemostasis Management organic revenue growth, which is consistent with the revenue growth seen in Fiscal 19

Next steps

- The Company will report Q1 FY20 revenue in the new customer-centric business unit structure on August 6, 2019.
- Two years of historical revenues by quarter and reconciliations with the previously reported business units have been uploaded to our Investor Relations website under the “Guidance & Analytical Tables” section, a link to which is provided [here](#).
- The Company will report results in three segments - Plasma, Hospital and Blood Center - in its periodic reports filed with the SEC beginning with its Form 10-Q for Q1 of FY20

APPENDIX

FY19 revenue snapshot in the customer-centric business unit structure

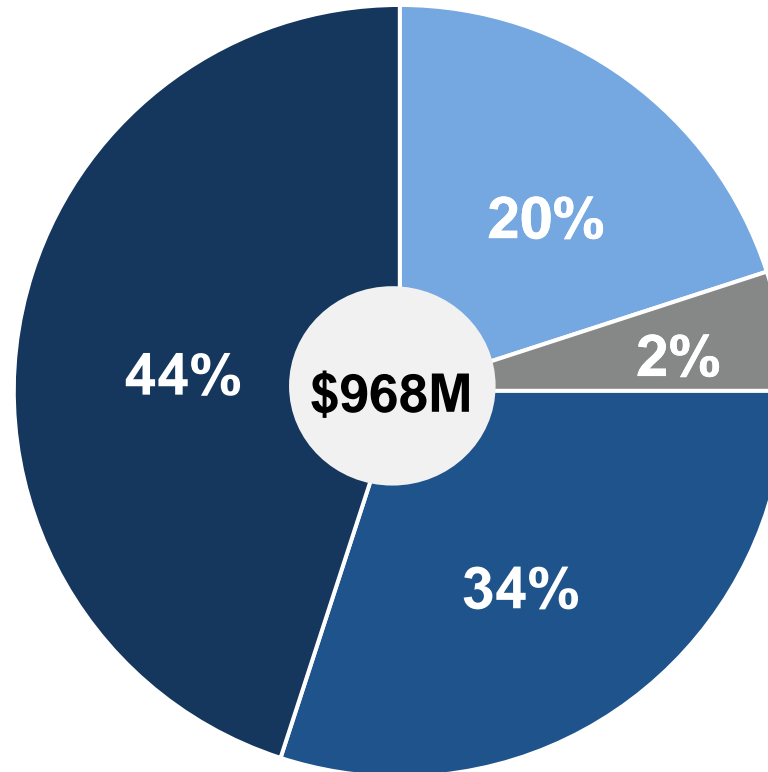
FY19 Revenue

Plasma

% Revenue OUS ¹	7%
% Disp. revenue ²	93%
% NA disp. revenue (excluding solutions) ³	76%

Blood Center

% Revenue OUS ¹	68%
% Disp. revenue ²	92%



Hospital

% Revenue OUS ¹	47%
% Disp. revenue ²	71%
% HM ⁴ revenue	43%

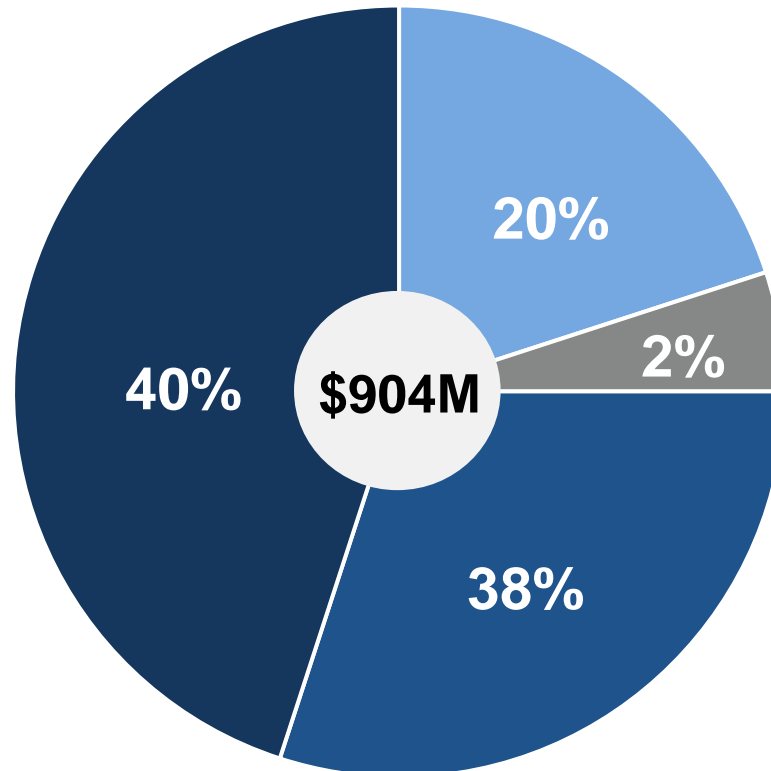
Service

% Revenue OUS ¹	59%
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1. Outside of the United States
2. Disposables revenue
3. North America (NA) disposables revenue excluding liquid solutions. North American disposables revenue excluding liquid solutions adjusted for the divestiture of the Union facility is 79%
4. Hemostasis Management/ TEG

FY18 revenue snapshot in the customer-centric business unit structure

FY18 Revenue



Plasma	
% Revenue OUS ¹	8%
% Disp. revenue ²	93%
% NA disp. revenue (excluding solutions) ³	76%

Blood Center	
% Revenue OUS ¹	66%
% Disp. revenue ²	91%

Hospital	
% Revenue OUS ¹	47%
% Disp. revenue ²	71%
% HM ⁴ revenue	40%

Service	
% Revenue OUS ¹	57%

1. Outside of the United States
2. Disposables revenue
3. North America (NA) disposables revenue excluding liquid solutions
4. Hemostasis Management/ TEG