

Haemonetics 2016 Investor Day

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May 10, 2016

Safe Harbor Statement

This presentation contains forward-looking statements that involve risks and uncertainties which are 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 could differ materially from the forward-looking statements. Please see the Company's 10K for the full cautionary statement. A copy of the Company's form 10K is available on the Company's website: www.haemonetics.com

The following slides highlight financial expectations outlined by Haemonetics at its Investor Roundtable on May 10, 2016. All guidance given on the slides is provided as of May 10, 2016 unless subsequently explicitly affirmed.

Note on financials: Earnings measurements reported in this presentation have been presented on an adjusted basis excluding costs associated with restructuring charges and restructuring-related expenses. As appropriate, reconciliations between GAAP and adjusted numbers are on the Company's website: www.haemonetics.com

Today's Agenda

9:30AM – 10:30AM

Strategy Presentations

- Ron Gelbman, CEO
- Chris Lindop, CFO

10:30AM – 10:45AM

Break

10:45AM – 12:00PM

Franchise Reviews

- Chad Nikel, Donor
- Krista Thompson, Hemostasis Management
- Howard Rosen, Cell Processing
- Tom McCurdy, Plasma

12:00PM -1:00PM

Q&A

1:00PM – 2:00PM

Lunch

The NEW Future for Haemonetics

Ron Gelbman, CEO

Introducing

- Haemonetics new CEO...

Introductory Remarks

Why I joined Haemonetics:

- 25-year industry veteran dating back to the American Hospital Supply division of Baxter Healthcare
- Led McKinsey's Global Med Tech Practice through a 5-year period of rapid growth and industry transformation
- Solutions oriented strategist with vast experience transforming companies, ready to lead Haemonetics through this transition
- Co-architect of a six-month effort with HAE board to develop the strategy; I "own" it and I am prepared to make a running start
- Long-term commitment to Haemonetics' success; I came here because I believe in the long term value inherent of this business
- Dual focus: digging in to the underlying business performance and developing and executing the strategic plan action agenda to implement the strategic plan
- I will be back to you in the coming months with an update on both

Three Main Messages Today

1. We are changing our strategy by managing and resourcing franchises differently
2. Lean and focused operating model
3. Initiatives to drive sustainable change and productivity

These three actions will deliver near and long-term shareholder value and will be key components of the future HAE strategy, which will continue to evolve

HAE Strategy Review

- 6+ month process – company leadership
- Every part of our business was reviewed

Assessment of HAE Business Portfolio

Growth Markets

- High potential for market development
- HAE has significant presence
- High potential for continued growth

Potential Growth Opportunities

- Potential market growth
- Market share increase
- New technologies

Maturing Markets

- Zero or negative market growth
- Poor competitive position
- Maximize operating income

**Plasma
Hemostasis Management**

Cell Processing

Donor

FY16
Revenue

\$440MM

\$110MM

\$360MM

Continue to use software and device connectivity as differentiating assets / enablers

Additional Strategic Issues

- Declining gross profit
- Capacity issues in some plants
- OPEX is too high
- Spending, particularly R&D, is not focused

Implications of the Review

1. We are changing our strategy by managing and resourcing franchises differently
 - **Greater proportion of investment in franchises with highest growth potential (Plasma, Hemostasis Management)**
 - **Measured investment in potential opportunities (Cell Processing)**
 - **Donor franchise (Whole Blood and Apheresis) will continue to play an important role in generating cash and EBITDA as fuel for growth**
 - **Continuing to use software and device connectivity as differentiating assets / enablers**
 - **Not “arm to arm” and not “transforming the industry”**

Implications of the Review

2. Lean and focused operating model
 - **Flatter / more integrated management structure**
 - **Streamlined decision making**
 - **Increased accountability**

Implications of the Review

3. Initiatives to drive sustainable change and productivity
 - **Not just an annual cost cutting exercise**
 - **Our footprint in every function, in every country and in every manufacturing facility will be leaned out**
 - **No compromise on quality or compliance**

Path to Accelerated Growth

**Facing the
realities of
our portfolio**

3 year journey

- Cannot be fixed in a year
- Cannot try to do everything at same time
- Focused plan with appropriate flexibility

**Predictable
and Credible**

**Execution and
results oriented**

Productive Second Half of FY16

2H FY16

1H FY17

2H FY17

1H FY18

2H FY18

FY19

Stabilize the organization

- Employee communication
- Clear expectations
- Management accountability

Strategy review

- 6+ month process – company leadership
- Every part of our business was reviewed
- Foundation for the NEW future

Changing How We Manage the Business

2H FY16

1H FY17

2H FY17

1H FY18

2H FY18

FY19

Strong markets and technology drive growth

- Invest for growth
 - Plasma
 - Hemostasis Management
- Hemostasis Management: launch TEG® 6s
- Plasma: launch Galaxy

Changing How We Manage the Business

2H FY16

1H FY17

2H FY17

1H FY18

2H FY18

FY19

Manage Donor franchise for maximum value creation

- Profitable products
- Profitable geographies
- The right commercial relationships to maximize the potential of this business
- Manage separately

Changing How We Manage the Business

2H FY16

1H FY17

2H FY17

1H FY18

2H FY18

FY19

Lean operating model / productivity

- Focus on franchises and right sizing the organization

Simplification and restructuring

- Donor separation complete
- Focus on business changing cost reductions

Accelerated Growth

2H FY16

1H FY17

2H FY17

1H FY18

2H FY18

FY19

Continued Plasma growth

- Strong end market
- Strong HAE share position
- Establishing Galaxy platform with all customers
 - Next Gen software
 - PCS 300 device
 - Value added software “apps”

Accelerated Growth

2H FY16

1H FY17

2H FY17

1H FY18

2H FY18

FY19

TEG[®] 6s

- Large addressable market
- New technology platform
- Potential new indications
- Clinical data & economic evidence
- Higher concentration of sales resources
- Focus on commercial penetration

Expanding Our Franchise Position

2H FY16

1H FY17

2H FY17

1H FY18

2H FY18

FY19

Business development

- Licensing & acquisition
- Target attractive / growing end markets
- Focus on agencies within current growth franchises
- Add new franchises that fit our strategy

Franchise Overview

Plasma

Hemostasis Management

Cell Processing

Donor

Growing Demand for Plasma-derived Drugs

\$16B

End-market for
Plasma-derived
pharmaceuticals

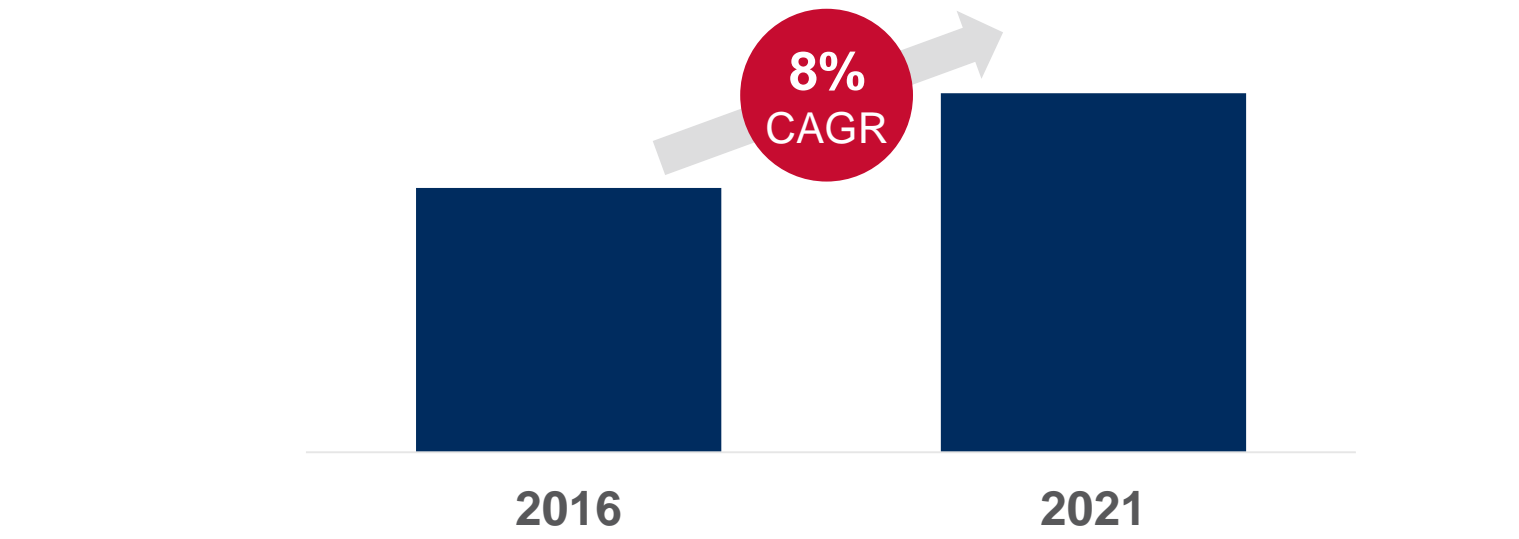


\$600M

Market for Plasma
collection devices
and disposables

.....
High share position

Impressive growth history
8% CAGR anticipated



Expanding applications

Neurology

Immunology

Hematology

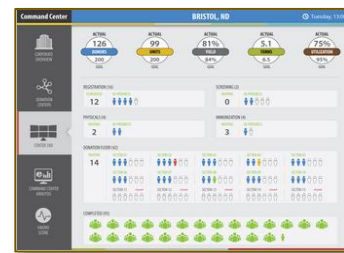
Galaxy Creates Substantial Incremental Value



PCS® 300
Collection device



Nextgen
Donor management
software



**Value-added
software “apps”**

Customer value drivers

Yield improvement

Process efficiency

Capacity optimization

Franchise Overview

Plasma

Hemostasis Management

Cell Processing

Donor

Hemostasis Management

Simple concept, complex needs

Our customer: the clinician



Who needs

- Functional view of patient's hemostasis
- To guide therapy
- Supported by clinical data
- In a point of care setting

Our role: measure patient hemostasis



Clinical Management of Conditions that Cause Hemorrhage and Thrombosis

Large immediately
addressable market

\$360M

Core markets

- Open cardiovascular surgery
- Liver transplant
- Trauma
- China cardiology

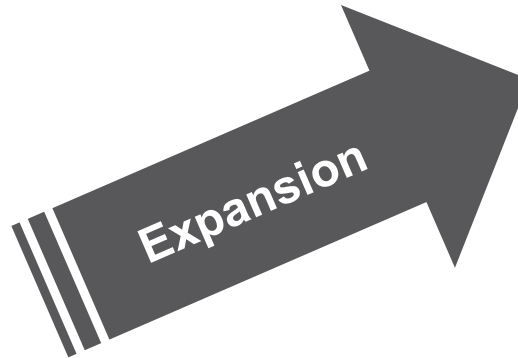
Clinical Management of Conditions That Cause Hemorrhage And Thrombosis

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addressable market

\$360M

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Market expansion drivers

- Clinical studies
- Economic studies
- Regulatory indications
- Product development of assays & parameters

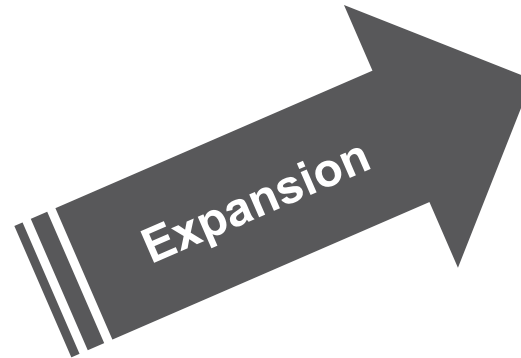
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Large immediately addressable market

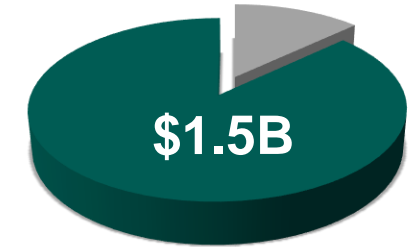


Core markets

- Open cardiovascular surgery
- Liver transplant
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Tremendous growth in potential market



Market expansion drivers

- Clinical studies
- Economic studies
- Regulatory indications
- Product development of assays & parameters

Strategic target markets

- Global cardiology
- Stroke
- Obstetrics
- Oncology

Haemonetics is the global market leader in this rapidly growing and profitable market

TEG Technology

Drives market expansion and growth

TEG® 5000



- Provides comprehensive view of patient hemostasis status
- Reliable, lab based analytics

TEG® 6s



- Cartridge-driven reagent system
- Simplicity, speed, and connectivity
- Closer to the point of care

TEG Manager™



- Remote and mobile diagnostics
- Fleet management
- Patient care and clinical research tool

Strong double digit revenue growth CAGR for TEG

Franchise Overview

Plasma

Hemostasis Management

Cell Processing

Donor

Cell Processing Technology Enhancements

These advances target value-added therapies downstream from collection

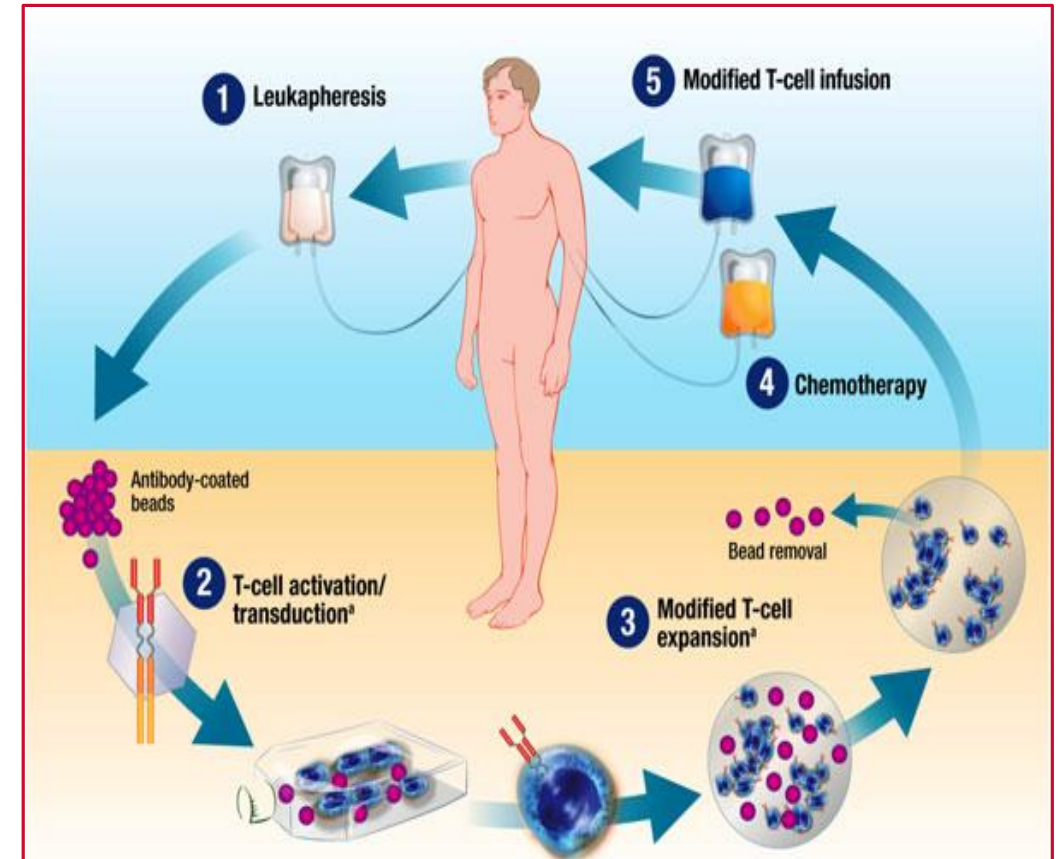
- HAE invented cell salvage technology
- Cell Saver® Elite® 7 global roll-out underway
- Ease of use and device connectivity
 - Deliver best-in-class performance
 - Deliver collection efficiencies
- Franchise goals
 - Regain global market leadership position
 - Expand to new therapeutic applications, including CAR-T cell therapy



Future Growth Opportunity: Cell Therapy/CAR-T Cell

Builds on cell processing call point

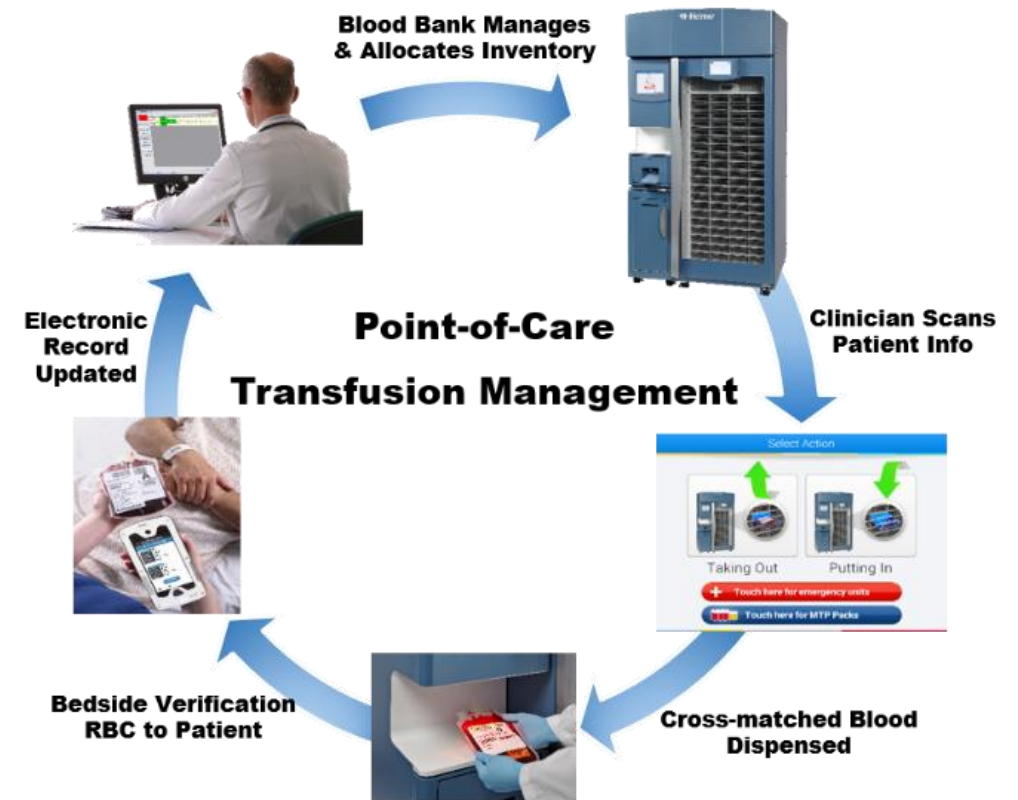
- Early stage clinical results driving excitement & investment
- 50+ clinical trials underway in the US
- HAE's cell saver in use w/ an industry leader
- High value growth potential for HAE as market scales



Future Growth Opportunity: Hospital Software / Bloodtrack / Haemobank

Builds on technology core

- Closed-loop transfusion management solution
- Spans the continuum of care
- Targets safety, operations/ compliance, cost management



Franchise Overview

Plasma

Hemostasis Management

Cell Processing

Donor

Donor Business: Facing the Realities

Market realities

Rapidly changing market

- Blood utilization declines
- Economic pressure on customers
- Product commoditization
- Aggressive price competition
- Apheresis technology competition

Business realities

About \$290M in FY17

- Declining revenue
- Complex product line
- Complex geographic footprint
- Profitable
- Cash positive

Meaningful operating income; improvement only via structural change

Donor – 3 Point Plan

Managing differently: focus on maximizing operating income

1 Reduce portfolio and organizational complexity ... SKUs, customers, e.g.

2 Reduce COGS ... ROIC-based decisions

3 Decrease OPEX and align with what customers value

Managing Donor Differently

Simplifying our business and focusing on operating income

Our three point plan

- Simplify organization and portfolio
 - Products
 - Countries
 - Customers
- Reduce COGS: keep only what adds value to customer or quality
- Align OPEX and R&D investments to new market reality

The results of our plan

- Operating cost reduction
- Plan in place: further reduction in FY18-19

Future Growth

Plasma, Hemostasis Management and potentially Cell Processing

- Revenue growth high single digits/low double digits
- Operating margin has potential to grow faster than revenue
- Leverage software and device connectivity

Donor

- Revenue declines and then expected to level off
- Operating income will be our most important metric

Lean Operating Model

Cost targets

- \$40 million out of our business in FY17
- Continued substantial cost reductions over the next two years FY18 & FY19

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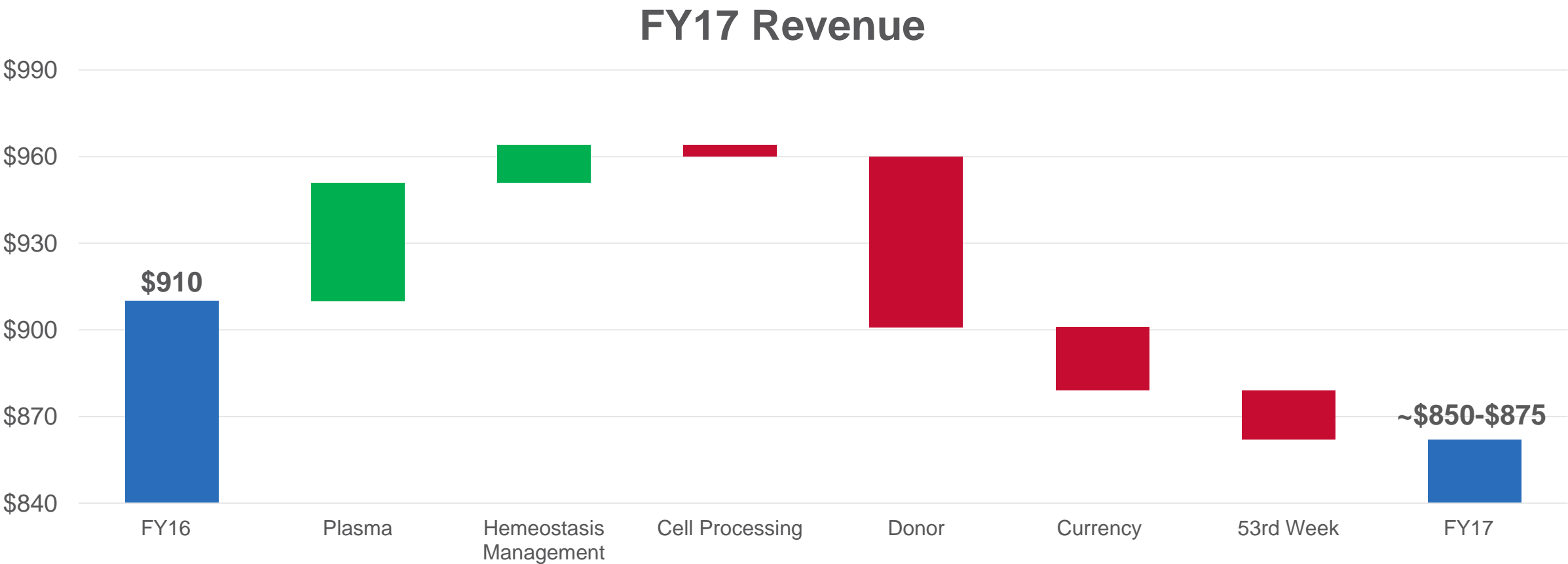
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FY17 Outlook

Chris Lindop, CFO

Plasma and Hemostasis growth offset by Donor decline, Currency and 53rd week

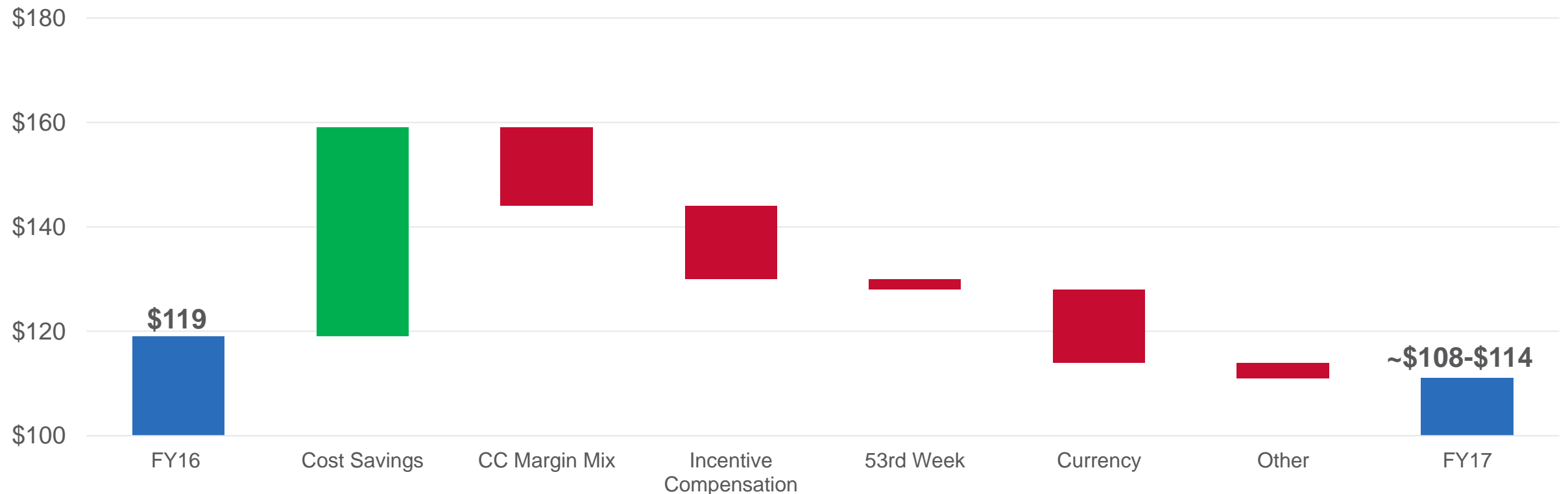
\$M, Reported



Cost Savings Offset Donor Decline and Currency

\$M, Reported

FY17 Operating Income



Earnings Scenarios Before Transformation Spending

\$M, Reported

	FY16	FY17 Low	FY17 High
Net revenues	\$910	\$850	\$875
Gross profit	\$420	\$382	\$396
Operating expense	\$300	\$274	\$282
Operating income	\$119	\$108	\$114
Tax rate %	24%	26%	25.5%
Net income	\$84	\$73	\$78
EPS	\$1.63	\$1.40	\$1.50
Free Cash Flow	\$58M	\$65M	\$70M

Planned Investment Right Sizing Business Support Infrastructure

\$M, Reported

	FY17
Severance	\$17
Exit costs	\$4
Other transformation costs	\$5
Total	\$26

* \$26M pre-tax, \$21M net of tax

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