

HAEMONETICS CORP
Form 10-Q
August 09, 2006

FORM 10-Q
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarter ended: July 1, 2006 Commission File Number: 1-10730

HAEMONETICS CORPORATION

(Exact name of registrant as specified in its charter)

Massachusetts

(State or other jurisdiction
of incorporation or organization)

04-2882273

(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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act.)

Yes No

The number of shares of \$.01 par value common stock outstanding as of July 1, 2006:

27,006,004

HAEMONETICS CORPORATION

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ITEM 1. FINANCIAL STATEMENTS

HAEMONETICS CORPORATION AND SUBSIDIARIES

CONSOLIDATED INCOME STATEMENTS

(Unaudited in thousands, except per share data)

	July 1 2006	July 2, 2005
Net revenues	\$ 110,674	\$ 103,173
Cost of goods sold	53,301	48,649
Gross profit	57,373	54,524
Operating expenses and income:		
Research and development	5,422	5,541
Selling, general and administrative	36,908	30,488
Total operating expenses	42,330	36,029
Operating income	15,043	18,495
Interest expense	(425)	(541)
Interest income	2,026	1,313
Other income net	912	864
Income before provision for income taxes	17,556	20,131
Provision for income taxes	6,248	7,247
Net income	\$ 11,308	\$ 12,884
Basic income per common share	\$ 0.42	\$ 0.49
Income per common share assuming dilution	\$ 0.40	\$ 0.47
Weighted average shares outstanding		
Basic	26,900	26,280
Diluted	27,929	27,209

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

HAEMONETICS CORPORATION AND SUBSIDIARIES

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CONSOLIDATED BALANCE SHEETS

(Unaudited in thousands)

	July 1, 2006	April 1, 2006
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 260,031	\$ 250,667
Accounts receivable, less allowance of \$1,736 at July 1, 2006 and \$1,086 at April 1, 2006	89,281	86,901
Inventories	55,561	54,571
Deferred tax asset, net	12,644	11,156
Prepaid expenses and other current assets	15,760	15,109
Total current assets	433,277	418,404
Total property, plant and equipment	294,041	283,476
Less: accumulated depreciation	214,121	208,210
Net property, plant and equipment	79,920	75,266
Other assets:		
Other intangibles, less amortization of \$14,010 as of July 1, 2006 and \$14,447 as of April 1, 2006	23,321	22,945
Goodwill, net	18,625	18,483
Deferred tax asset, long term, net	2,153	1,237
Other long-term assets	10,938	10,208
Total other assets	55,037	52,873
Total assets	\$ 568,234	\$ 546,543
LIABILITIES AND STOCKHOLDERS EQUITY		
Current liabilities:		
Notes payable and current maturities of long-term debt	\$ 22,226	\$ 26,176
Accounts payable	15,477	14,217
Accrued payroll and related costs	15,992	18,318
Accrued income taxes	15,050	10,264
Other accrued liabilities	20,837	19,141
Total current liabilities	89,582	88,116
Long-term debt, net of current maturities	12,835	12,977
Other long-term liabilities	3,982	3,800
Commitments and contingencies (Note 13)		
Stockholders equity:		
Common stock, \$0.01 par value; Authorized - 80,000,000 shares; Issued and outstanding shares at July 1, 2006 and 26,829,249 shares at April 1, 2006	26,899,785 270	268