

**Waters Corporation and Subsidiaries**  
**Reconciliation of GAAP to Adjusted Non-GAAP**  
**Net Sales by Operating Segments, Products & Services, Geography and Markets**  
**Three Months Ended June 29, 2024 and July 1, 2023**  
(In thousands)

	Three Months Ended		Percent Change	Impact of Currency	Impact of Acquisitions	Organic Constant Currency Growth Rate <sup>(a)</sup>
	June 29, 2024	July 1, 2023				
<b>NET SALES - OPERATING SEGMENTS</b>						
Waters	\$ 622,561	\$ 653,235	(5%)	(2%)	3%	(6%)
TA	85,968	87,341	(2%)	(2%)	0%	0%
<b>Total</b>	<b>\$ 708,529</b>	<b>\$ 740,576</b>	<b>(4%)</b>	<b>(2%)</b>	<b>2%</b>	<b>(4%)</b>
<b>NET SALES - PRODUCTS &amp; SERVICES</b>						
Instruments	\$ 294,059	\$ 342,007	(14%)	(1%)	4%	(17%)
Service	273,385	262,650	4%	(2%)	1%	5%
Chemistry	141,085	135,919	4%	(1%)	0%	5%
Total Recurring	414,470	398,569	4%	(2%)	1%	5%
<b>Total</b>	<b>\$ 708,529</b>	<b>\$ 740,576</b>	<b>(4%)</b>	<b>(2%)</b>	<b>2%</b>	<b>(4%)</b>
<b>NET SALES - GEOGRAPHY</b>						
Asia	\$ 237,431	\$ 254,623	(7%)	(5%)	1%	(3%)
Americas	274,468	282,927	(3%)	0%	4%	(7%)
Europe	196,630	203,026	(3%)	1%	3%	(7%)
<b>Total</b>	<b>\$ 708,529</b>	<b>\$ 740,576</b>	<b>(4%)</b>	<b>(2%)</b>	<b>2%</b>	<b>(4%)</b>
<b>NET SALES - MARKETS</b>						
Pharmaceutical	\$ 415,747	\$ 426,744	(3%)	(2%)	3%	(4%)
Industrial	221,385	229,655	(4%)	(1%)	1%	(4%)
Academic & Government	71,397	84,177	(15%)	(1%)	2%	(16%)
<b>Total</b>	<b>\$ 708,529</b>	<b>\$ 740,576</b>	<b>(4%)</b>	<b>(2%)</b>	<b>2%</b>	<b>(4%)</b>

(a) The Company believes that referring to comparable organic constant currency growth rates is a useful way to evaluate the underlying performance of Waters Corporation's net sales. Organic constant currency growth, a non-GAAP financial measure, measures the change in net sales between current and prior year periods, excluding the impact of foreign currency exchange rates during the current period and excluding the impact of acquisitions made within twelve months of the acquisition close date. See description of non-GAAP financial measures contained in this release.

**Waters Corporation and Subsidiaries**  
**Reconciliation of GAAP to Adjusted Non-GAAP**  
**Net Sales by Operating Segments, Products & Services, Geography and Markets**  
**Six Months Ended June 29, 2024 and July 1, 2023**  
(In thousands)

	Six Months Ended		Percent Change	Impact of Currency	Impact of Acquisitions	Organic Constant Currency Growth Rate <sup>(a)</sup>
	June 29, 2024	July 1, 2023				
<b>NET SALES - OPERATING SEGMENTS</b>						
Waters	\$ 1,184,460	\$ 1,255,310	(6%)	(1%)	3%	(8%)
TA	160,908	169,940	(5%)	(2%)	0%	(3%)
<b>Total</b>	<b>\$ 1,345,368</b>	<b>\$ 1,425,250</b>	<b>(6%)</b>	<b>(1%)</b>	<b>3%</b>	<b>(8%)</b>
<b>NET SALES - PRODUCTS &amp; SERVICES</b>						
Instruments	\$ 536,003	\$ 644,949	(17%)	(0%)	4%	(21%)
Service	534,073	510,867	5%	(2%)	2%	5%
Chemistry	275,292	269,434	2%	(1%)	0%	3%
Total Recurring	809,365	780,301	4%	(2%)	1%	5%
<b>Total</b>	<b>\$ 1,345,368</b>	<b>\$ 1,425,250</b>	<b>(6%)</b>	<b>(1%)</b>	<b>3%</b>	<b>(8%)</b>
<b>NET SALES - GEOGRAPHY</b>						
Asia	\$ 444,990	\$ 507,704	(12%)	(4%)	1%	(9%)
Americas	515,639	529,348	(3%)	0%	5%	(8%)
Europe	384,739	388,198	(1%)	2%	3%	(6%)
<b>Total</b>	<b>\$ 1,345,368</b>	<b>\$ 1,425,250</b>	<b>(6%)</b>	<b>(1%)</b>	<b>3%</b>	<b>(8%)</b>
<b>NET SALES - MARKETS</b>						
Pharmaceutical	\$ 789,954	\$ 811,642	(3%)	(1%)	4%	(6%)
Industrial	416,719	439,305	(5%)	(1%)	1%	(5%)
Academic & Government	138,695	174,303	(20%)	0%	3%	(23%)
<b>Total</b>	<b>\$ 1,345,368</b>	<b>\$ 1,425,250</b>	<b>(6%)</b>	<b>(1%)</b>	<b>3%</b>	<b>(8%)</b>

(a) The Company believes that referring to comparable organic constant currency growth rates is a useful way to evaluate the underlying performance of Waters Corporation's net sales. Organic constant currency growth, a non-GAAP financial measure, measures the change in net sales between current and prior year periods, excluding the impact of foreign currency exchange rates during the current period and excluding the impact of acquisitions made within twelve months of the acquisition close date. See description of non-GAAP financial measures contained in this release.

**Waters Corporation and Subsidiaries**  
**Reconciliation of GAAP to Adjusted Non-GAAP Financials**  
**Three and Six Months Ended June 29, 2024 and July 1, 2023**  
(In thousands, except per share data)

	Selling & Administrative Expenses <sup>(a)</sup>	Research & Development Expenses	Operating Income	Operating Income Percentage	Other (Expense) Income	Income from Operations before Income Taxes	Provision for Income Taxes	Net Income	Diluted Earnings per Share
<b>Three Months Ended June 29, 2024</b>									
<b>GAAP</b>	\$ 184,991	\$ 46,182	\$ 189,112	26.7%	\$ (302)	\$ 169,412	\$ 26,675	\$ 142,737	\$ 2.40
Adjustments:									
Purchased intangibles amortization <sup>(b)</sup>	(11,744)	-	11,744	1.7%	-	11,744	2,810	8,934	0.15
Restructuring costs and certain other items <sup>(d)</sup>	(1,139)	-	1,139	0.2%	-	1,139	280	859	0.01
Retention bonus obligation <sup>(f)</sup>	(3,817)	(1,272)	5,089	0.7%	-	5,089	1,221	3,868	0.07
<b>Adjusted Non-GAAP</b>	<u>\$ 168,291</u>	<u>\$ 44,910</u>	<u>\$ 207,084</u>	<u>29.2%</u>	<u>\$ (302)</u>	<u>\$ 187,384</u>	<u>\$ 30,986</u>	<u>\$ 156,398</u>	<u>\$ 2.63</u>
<b>Three Months Ended July 1, 2023</b>									
<b>GAAP</b>	\$ 193,768	\$ 45,873	\$ 199,859	27.0%	\$ (352)	\$ 180,275	\$ 29,721	\$ 150,554	\$ 2.55
Adjustments:									
Purchased intangibles amortization <sup>(b)</sup>	(6,815)	-	6,815	0.9%	-	6,815	1,616	5,199	0.09
Restructuring costs and certain other items <sup>(d)</sup>	(5,229)	-	5,229	0.7%	-	5,229	1,217	4,012	0.07
Acquisition related costs <sup>(e)</sup>	(3,693)	-	3,693	0.5%	-	3,693	886	2,807	0.05
Retention bonus obligation <sup>(f)</sup>	(2,643)	(881)	3,524	0.5%	-	3,524	846	2,678	0.05
<b>Adjusted Non-GAAP</b>	<u>\$ 175,388</u>	<u>\$ 44,992</u>	<u>\$ 219,120</u>	<u>29.6%</u>	<u>\$ (352)</u>	<u>\$ 199,536</u>	<u>\$ 34,286</u>	<u>\$ 165,250</u>	<u>\$ 2.80</u>
<b>Six Months Ended June 29, 2024</b>									
<b>GAAP</b>	\$ 381,603	\$ 90,777	\$ 322,958	24.0%	\$ 1,957	\$ 284,268	\$ 39,335	\$ 244,933	\$ 4.12
Adjustments:									
Purchased intangibles amortization <sup>(b)</sup>	(23,578)	-	23,578	1.8%	-	23,578	5,642	17,936	0.30
Litigation provision and settlement <sup>(c)</sup>	(10,242)	-	10,242	0.8%	-	10,242	2,458	7,784	0.13
Restructuring costs and certain other items <sup>(d)</sup>	(9,486)	-	9,486	0.7%	-	9,486	2,335	7,151	0.12
Retention bonus obligation <sup>(f)</sup>	(9,542)	(3,181)	12,723	0.9%	-	12,723	3,053	9,670	0.16
<b>Adjusted Non-GAAP</b>	<u>\$ 328,755</u>	<u>\$ 87,596</u>	<u>\$ 378,987</u>	<u>28.2%</u>	<u>\$ 1,957</u>	<u>\$ 340,297</u>	<u>\$ 52,823</u>	<u>\$ 287,474</u>	<u>\$ 4.84</u>
<b>Six Months Ended July 1, 2023</b>									
<b>GAAP</b>	\$ 377,203	\$ 88,564	\$ 374,027	26.2%	\$ 1,036	\$ 345,448	\$ 53,971	\$ 291,477	\$ 4.95
Adjustments:									
Purchased intangibles amortization <sup>(b)</sup>	(8,294)	-	8,294	0.6%	-	8,294	1,951	6,343	0.11
Restructuring costs and certain other items <sup>(d)</sup>	(4,824)	-	4,824	0.3%	-	4,824	1,473	3,351	0.06
Acquisition related costs <sup>(e)</sup>	(12,035)	-	12,035	0.8%	-	12,035	2,888	9,147	0.16
Retention bonus obligation <sup>(f)</sup>	(2,643)	(881)	3,524	0.2%	-	3,524	846	2,678	0.05
<b>Adjusted Non-GAAP</b>	<u>\$ 349,407</u>	<u>\$ 87,683</u>	<u>\$ 402,704</u>	<u>28.3%</u>	<u>\$ 1,036</u>	<u>\$ 374,125</u>	<u>\$ 61,129</u>	<u>\$ 312,996</u>	<u>\$ 5.31</u>

(a) Selling & administrative expenses include purchased intangibles amortization.

(b) The purchased intangibles amortization, a non-cash expense, was excluded to be consistent with how management evaluates the performance of its core business against historical operating results and the operating results of competitors over periods of time.

(c) Litigation provisions and settlement gains were excluded as these items are isolated, unpredictable and not expected to recur regularly.

(d) Restructuring costs and certain other items were excluded as the Company believes that the cost to consolidate operations, reduce overhead, and certain other income or expense items are not normal and do not represent future ongoing business expenses of a specific function or geographic location of the Company.

(e) Acquisition related costs include all incremental expenses incurred, such as advisory, legal, accounting, tax, valuation, and other professional fees. The Company believes that these costs are not normal and do not represent future ongoing business expenses.

(f) In connection with the Wyatt acquisition, the Company started to recognize a two-year retention bonus obligation that is contingent upon the employee's providing future service and continued employment with Waters. The Company believes that these costs are not normal and do not represent future ongoing business expenses.

**Waters Corporation and Subsidiaries**  
**Preliminary Condensed Consolidated Statements of Cash Flows**  
**Three and Six Months Ended June 29, 2024 and July 1, 2023**  
(In thousands and unaudited)

	<u>Three Months Ended</u>		<u>Six Months Ended</u>	
	<u>June 29, 2024</u>	<u>July 1, 2023</u>	<u>June 29, 2024</u>	<u>July 1, 2023</u>
Cash flows from operating activities:				
Net income	\$ 142,737	\$ 150,554	\$ 244,933	\$ 291,477
Adjustments to reconcile net income to net cash provided by operating activities:				
Stock-based compensation	11,433	10,929	22,346	23,734
Depreciation and amortization	47,229	38,884	95,743	70,038
Change in operating assets and liabilities and other, net	<u>(146,865)</u>	<u>(182,249)</u>	<u>(45,618)</u>	<u>(170,380)</u>
Net cash provided by operating activities	54,534	18,118	317,404	214,869
Cash flows from investing activities:				
Additions to property, plant, equipment and software capitalization	(36,104)	(46,607)	(64,759)	(80,997)
Business acquisitions, net of cash acquired	-	(1,285,907)	-	(1,285,907)
Investments in unaffiliated companies	-	-	(1,064)	-
Net change in investments	<u>(11)</u>	<u>-</u>	<u>(36)</u>	<u>(16)</u>
Net cash used in investing activities	(36,115)	(1,332,514)	(65,859)	(1,366,920)
Cash flows from financing activities:				
Net change in debt	(50,000)	1,149,742	(350,000)	1,054,782
Proceeds from stock plans	7,904	6,250	21,836	8,628
Purchases of treasury shares	(245)	(236)	(13,334)	(69,741)
Other cash flow from financing activities, net	<u>8,304</u>	<u>2,418</u>	<u>15,285</u>	<u>5,294</u>
Net cash used in financing activities	(34,037)	1,158,174	(326,213)	998,963
Effect of exchange rate changes on cash and cash equivalents	<u>4,755</u>	<u>(155)</u>	<u>6,019</u>	<u>2,252</u>
Decrease in cash and cash equivalents	(10,863)	(156,377)	(68,649)	(150,836)
Cash and cash equivalents at beginning of period	<u>337,290</u>	<u>486,070</u>	<u>395,076</u>	<u>480,529</u>
Cash and cash equivalents at end of period	<u>\$ 326,427</u>	<u>\$ 329,693</u>	<u>\$ 326,427</u>	<u>\$ 329,693</u>

**Reconciliation of GAAP Cash Flows from Operating Activities to Free Cash Flow <sup>(a)</sup>**

Net cash provided by operating activities - GAAP	\$ 54,534	\$ 18,118	\$ 317,404	\$ 214,869
Adjustments:				
Additions to property, plant, equipment and software capitalization	(36,104)	(46,607)	(64,759)	(80,997)
Tax reform payments	95,645	72,101	95,645	72,101
Litigation settlements paid (received), net	9,625	(375)	9,250	(750)
Major facility renovations	-	4,394	-	8,860
Payment of acquired Wyatt liabilities <sup>(b)</sup>	-	25,617	-	25,617
Payment of Wyatt retention bonus obligation <sup>(c)</sup>	19,770	-	19,770	-
Free Cash Flow - Adjusted Non-GAAP	<u>\$ 143,470</u>	<u>\$ 73,248</u>	<u>\$ 377,310</u>	<u>\$ 239,700</u>

(a) The Company defines free cash flow as net cash flow from operations accounted for under GAAP less capital expenditures and software capitalizations plus or minus any unusual and non recurring items. Free cash flow is not a GAAP measurement and may not be comparable to free cash flow reported by other companies.

(b) In connection with the Wyatt acquisition, the Company assumed certain obligations of Wyatt and paid those obligations immediately upon closing the transaction. The Company believes that the assumed obligations do not represent future ongoing business expenses.

(c) During the three months ended June 29, 2024, the Company made its first retention payment under the Wyatt retention bonus program. The Company believes that these payments are not normal and do not represent future ongoing business expenses.

**Waters Corporation and Subsidiaries**  
**Reconciliation of Projected GAAP to Adjusted Non-GAAP Financial Outlook**

	<u>Twelve Months Ended</u> <u>December 31, 2024</u>			<u>Three Months Ended</u> <u>September 28, 2024</u>		
	<u>Range</u>			<u>Range</u>		
<b>Projected Sales</b>						
Organic constant currency sales growth rate <sup>(a)</sup>	(2.0%)	-	(0.5%)	1.0%	-	3.0%
Impact of:						
Currency translation	(1.5%)	-	(1.5%)	(1.5%)	-	(1.5%)
Acquisitions	1.3%	-	1.3%	-	-	-
Sales growth rate as reported	<u>(2.2%)</u>	-	<u>(0.7%)</u>	<u>(0.5%)</u>	-	<u>1.5%</u>
<b>Projected Earnings Per Diluted Share</b>						
GAAP earnings per diluted share	\$ 10.47	-	\$ 10.57	\$ 2.42	-	\$ 2.52
Adjustments:						
Purchased intangibles amortization	\$ 0.60	-	\$ 0.60	\$ 0.15	-	\$ 0.15
Litigation settlement	\$ 0.13	-	\$ 0.13	\$ -	-	\$ -
Restructuring costs and certain other items	\$ 0.12	-	\$ 0.12	\$ -	-	\$ -
Retention bonus obligation	\$ 0.23	-	\$ 0.23	\$ 0.03	-	\$ 0.03
Adjusted non-GAAP earnings per diluted share	<u>\$ 11.55</u>	-	<u>\$ 11.65</u>	<u>\$ 2.60</u>	-	<u>\$ 2.70</u>

(a) Organic constant currency growth rates are a non-GAAP financial measure that measures the change in net sales between current and prior year periods, excluding the impact of foreign currency exchange rates during the current period and excluding the impact of acquisitions made within twelve months of the acquisition close date. These amounts are estimated at the current foreign currency exchange rates and based on the forecasted geographical sales in local currency, as well as an assessment of market conditions as of today, and may differ significantly from actual results.

These forward-looking adjustment estimates do not reflect future gains and charges that are inherently difficult to predict and estimate due to their unknown timing, effect and/or significance.