

Q4 2023 Earnings Call Presentation

February 6, 2024

Forward-Looking Statements & Non-GAAP Financial Measures



This presentation contains forward-looking statements regarding future results and events, including financial and operational guidance and projected estimates. For this purpose, any statements that are not statements of historical fact may be deemed forward-looking statements. Words such as “may,” “will,” “expect,” “plan,” “anticipate,” “estimate,” “intend,” “outlook,” and similar expressions (as well as other words or expressions referencing future events, conditions or circumstances) are intended to identify forward-looking statements. These forward-looking statements may include statements regarding future operating and financial performance, market growth, success of our products, customer trends, and the acquisition of Wyatt Technology and the realization of the benefits thereof. Forward-looking statements in this presentation are based on Waters’ expectations and assumptions as of the date of this presentation and are neither predictions nor guarantees of future events or performance. You should not place undue reliance on forward-looking statements, which speak only as of the date hereof and should not be relied upon as representing the Company’s estimates or views as of any date subsequent to the date of this presentation. Each of these forward-looking statements involves risks and uncertainties, including risks and uncertainties associated with the Wyatt acquisition, which include, among others, the risk that the Company does not realize the intended benefits of the acquisition and the increased indebtedness of the Company as a result of the acquisition, the repayment of which could impact the Company’s future results, as well as the Company’s ability to realize the expected benefits related to its various cost-saving initiatives, and actual results may differ materially from such forward-looking statements. We discuss various factors that may cause Waters actual results to differ from those expressed or implied in the forward-looking statements in this presentation, including, but not limited to, those factors relating to the impact on Waters’ operating results throughout the Company’s various market sectors or geographies from economic, environmental, regulatory, sovereign and political uncertainties, in the sections entitled “Forward-Looking Statements,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, and “Risk Factors” of the Company’s Annual Report on Form 10-K for the year ended December 31, 2022 as filed with the Securities and Exchange Commission (“SEC”) on February 27, 2023, as updated by the Company’s subsequent filings with the SEC, including the Company’s Quarterly Reports on Form 10-Q. Except as required by law, Waters does not assume any obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

To supplement the Company’s financial statements presented on a GAAP basis, the Company has provided certain non-GAAP financial measures, such as organic constant currency revenue and non-GAAP diluted earnings per share. Management uses these non-GAAP financial measures to evaluate the Company’s operating performance in a manner that allows for meaningful period-to-period comparison and analysis of trends in its business. Management believes that such measures are important in comparing current results with prior period results and are useful to investors and financial analysts in assessing the Company’s operating performance. The non-GAAP financial information presented herein should be considered in conjunction with, and not as a substitute for, the financial information presented in accordance with GAAP. Management strongly encourages investors to review the Company’s consolidated financial statements and publicly filed reports in their entirety. The Company’s definition of these non-GAAP financial measures may differ from similarly titled measures used by others. The non-GAAP financial measures used in this presentation adjust for specified items that can be highly variable or difficult to predict. Investors are encouraged to review the reconciliation of these non-GAAP measures to their most directly comparable GAAP financial measures set forth in the appendix of this presentation and also included in the Company’s press release dated February 6, 2024, available on the Company’s website at: <https://ir.waters.com/>.

Strong Execution in Tough Macro Conditions

Transformation is Delivering

Well Positioned for Future Growth

Q4 & FY 2023 Results

Q4 2023 Revenue

\$819M

Reported: **(4.5%)**

CC Organic
Revenue Growth

(8%)

M&A: **+3%** FX: **0%**

FY 2023 Revenue

\$2,956M

Reported: **(0.5%)**

CC Organic
Revenue Growth

(2%)

M&A: **+2.5%** FX: **(1%)**

Q4 2023 EPS
Non-GAAP

\$3.62

FY 2023 EPS
Non-GAAP

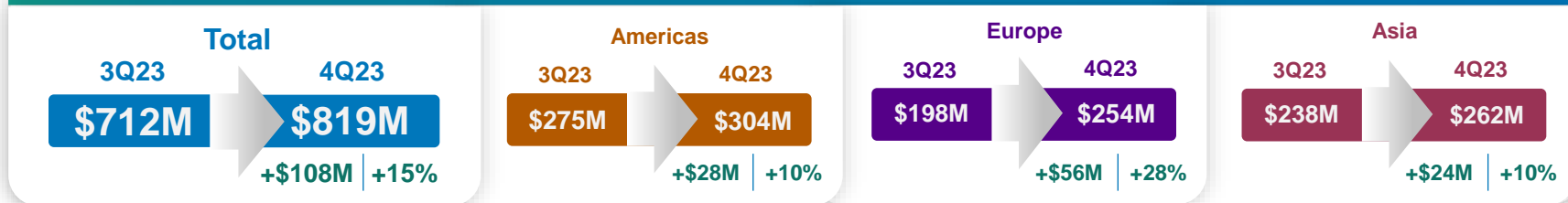
\$11.75

CC: Constant Currency Growth rates are versus prior year

Note: A reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures is included in the Appendix to this presentation and is also included in the Company's press release dated February 6, 2024, available on the Company's website at: <https://ir.waters.com/>

Continued Strong Execution in Tough Macro Conditions

3Q23 to 4Q23 As Reported Revenue Ramp¹ (in \$ and % Growth)



FY-23 Organic Sales Growth in CC

	Excluding China		Including China	
	Y/Y	4-YR ²	Y/Y	4-YR ²
Pharma	+2%	+8%	(5%)	+6%
Non-Pharma	+4%	+6%	+3%	+5%
FY-23 Total	+3%	+7%	(2%)	+6%

Note: A reconciliation of these non-GAAP measures to the most comparable GAAP measures is included in the Appendix and in the Company's press release dated February 6, 2024, available on the Company's website at: <https://ir.waters.com/> 1. Comparing 4Q23 as reported GAAP revenue levels to 3Q23 as reported GAAP revenue levels overall and by reported region, where 'ramp' is defined as the dollar or percentage elevation between that of 4Q23 as reported GAAP revenues and 3Q23 as reported GAAP revenues. 2. 4-Year CAGR = 4-year compound annual growth rate from year-over-year constant currency organic sales growth for Full Year 2020, 2021, 2022, and 2023. See the Appendix for further information on the presented CAGRs.

Strong Margin Results Despite Volume, FX, Inflationary Pressures



1 Pricing

2 Productivity

3 Proactive Cost Alignment

Gross Margin Expansion

4Q23
61.2%
+170bps
Y/Y

FY-23
59.6%
+160bps
Y/Y

Adj. Operating Margin Expansion

4Q23
34.9%
+120bps
Y/Y

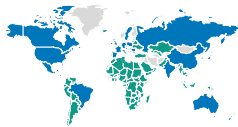
FY-23
30.9%
+70bps
Y/Y

Note: Operating margin results and percentage growth are in adjusted non-GAAP operating margin percentage terms. A reconciliation of these non-GAAP measures to the most directly comparable GAAP measures is included in the Appendix of this presentation and in the Company's press release dated February 6, 2024, available on the Company's website at: <https://ir.waters.com/>.

M&A Execution: Ahead of Plan for Synergy Progress

GOAL / KPI

**Geographic
& Segment
Expansion**



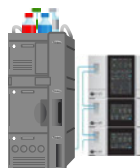
2023 PROGRESS

Initiated direct sales

Lead-sharing ahead of expectations

GOAL / KPI

**Increased
Attachment**



2023 PROGRESS

Waters SEC columns launched
and bundling as of 3Q23

LC databridge completed
ahead of schedule

GOAL / KPI

**Accelerate
LC-MALS in
QA/QC**



2023 PROGRESS

First beta expected in 2024

Initial workflows will cover mAbs
and AAVs

**Achieved
+2.5%
FY-23 sales
contribution
from Wyatt¹**

in line with
expectations
despite macro
slowdown

Waters™ | **WYATT
TECHNOLOGY**
**Industry-Leading Light
Scattering Detection**

ACQUIRED MAY 2023

Note: Synergy progress is based on internal data and estimates. Historical returns are not indicative of future performance. This data represents forward-looking statements and are subject to inherent uncertainties that could cause actual results to differ and such differences could be material. Please refer to the Company's Cautionary Statements. 1. Refers to GAAP metrics where Wyatt contributed 2.5% to as-reported, GAAP total company sales in full-year 2023.



Strengthened Execution

Strong results in challenging market conditions



Revitalized Innovation

Renewed portfolio addressing the needs of our customers



Higher Growth Segments

Progress into **higher-growth** adjacent markets

Revitalized Portfolio Setting New Standards

Waters™

Innovation driving customer spend in 2023 constrained capex environment

Liquid Chromatography



alliance^{is}

Eliminates common user errors by **up to 40%**

Mass Spectrometry



XeVO™
TQ ABSOLUTE

Class-leading **PFAS detection**

TA Instruments



TA | TAM IV
BATTERY CYCLER
MICROCALORIMETER SOLUTION

Accelerates battery safety, quality, performance validation by **up to 75%**

Precision Chemistry



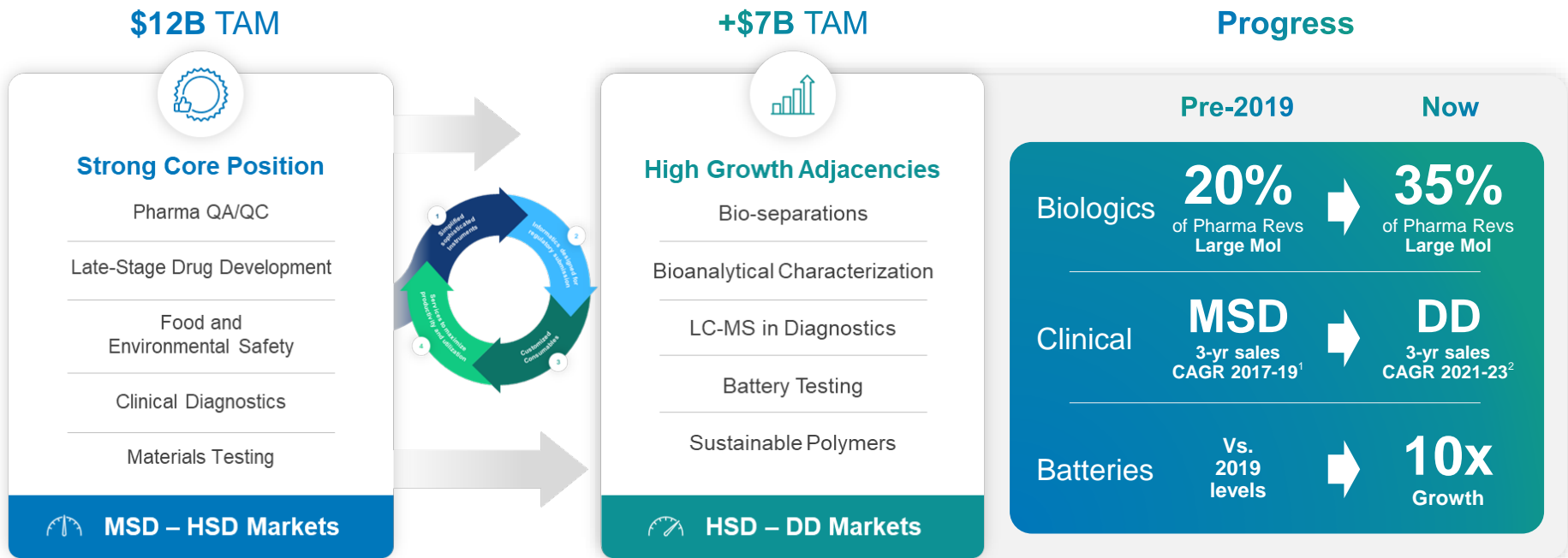
MAXPEAK™
PREMIER

17x faster, 12x more sensitive separation of large molecules

Note: Estimates on this slide are based on Waters internal analysis, and are subject to change

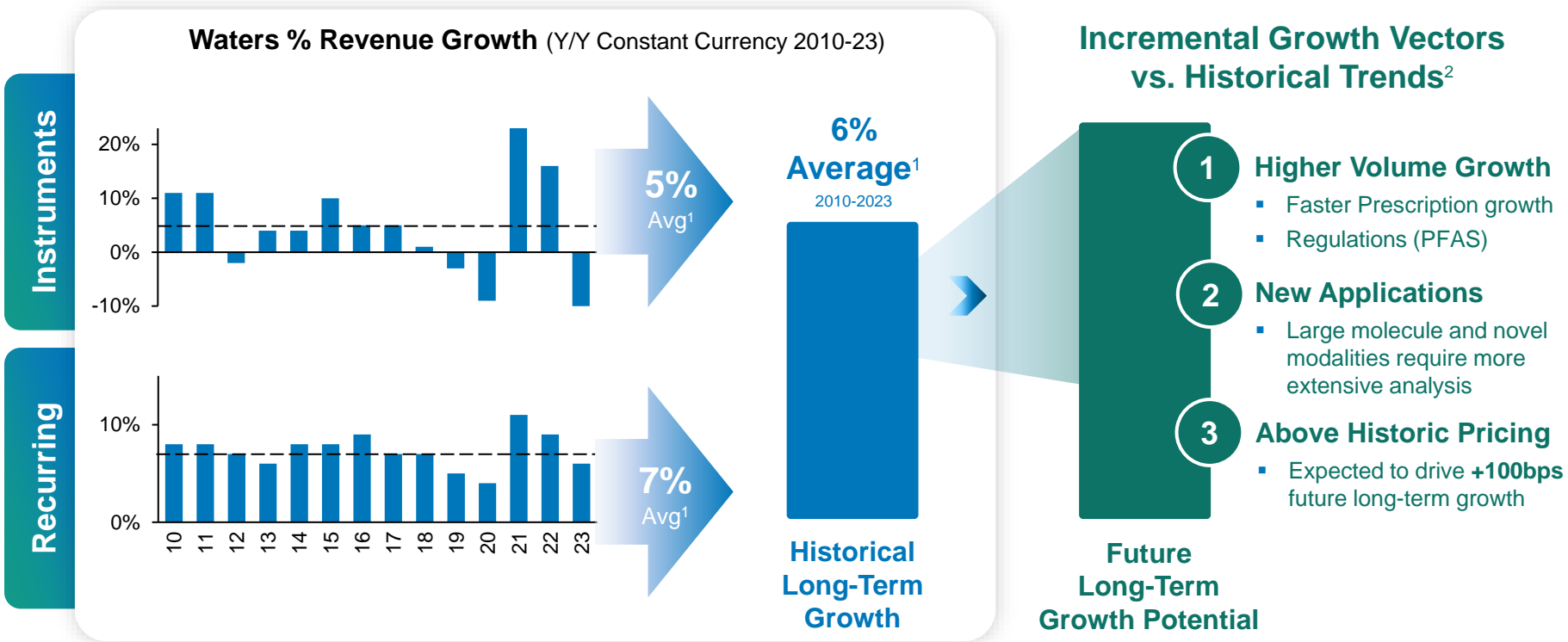
Expansion into Higher Growth Segments

Adjacencies progress yielding growth accretion



Note: \$12B Core TAM + \$7B Higher Growth Adjacencies TAM = \$19B TAM with MSD-HSD growth. Market growth rates are Waters internal estimates based on long-term historical data for more mature markets as well as current and recent historical growth rate data for more nascent, high-growth markets. These estimates are comprised of consulting data, industry reports and market research which are subject to change. This data also represents forward-looking statements and are subject to inherent uncertainties that could cause actual results to differ and such differences could be material. Please refer to the Company's Cautionary Statements. 1. 3-year organic constant currency sales growth CAGR for full year 2017, 2018, and 2019. 2. 3-year organic constant currency sales growth CAGR for full year 2021, 2022, and 2023.

Well Positioned for Future Growth



Note: 1. Average Annual Growth Rates of year-over-year, constant currency sales growth from 2010 to 2023. Growth rates here reflect our internal analysis of Waters historical, annual non-GAAP sales data which is publicly available, including the relevant GAAP to Non-GAAP reconciliations for each year. 2. Estimates on this page are comprised of internal analysis, consulting data, industry reports and market research which are subject to change. This data also represents forward-looking statements and are subject to inherent uncertainties that could cause actual results to differ and such differences could be material. Please refer to the Company's Cautionary Statements.

Drivers of Testing Volume Acceleration

Therapies



55 novel drugs approved by the FDA in 2023, second highest count ever with a **record number of biologics**³

New therapeutic areas expected to accelerate QA/QC testing:

- GLP-1s
- Alzheimer's Disease
- Cell and Gene Therapy

GLP-1s Expected Revenue Growth Tailwind
+30bps / yr¹

Avg annual growth contribution 2024-30 from QA/QC of injectables

PFAS



100,000x increase in sensitivity now required for PFAS detection in U.S. drinking water (from 200-400ppt to 4-20ppq)⁴

Xevo™ TQ Absolute most powerful instrument in its class, offering 15x better sensitivity⁵ while 45% more compact⁶

Market now expanding into detection of PFAS in food

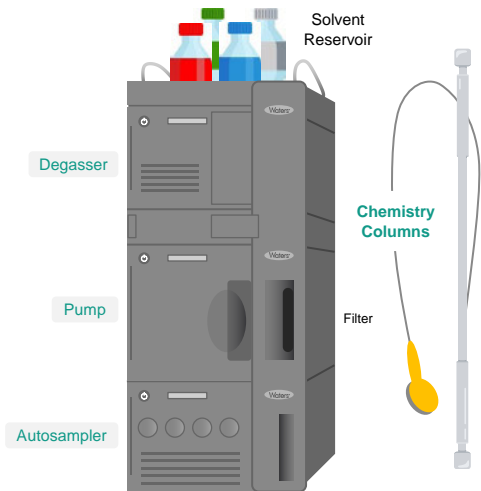
PFAS Expected Revenue Growth Tailwind
+30bps / yr

PFAS testing is a \$300M-\$350M global market, growing 20%²

Note: 1. Based on internal analysis and estimates where the QA/QC testing of GLP-1 injectables is expected to contribute an average 30bps growth tailwind annually for Waters from 2024 to 2030. 2. Total Addressable Market (TAM) sizing and market growth rates are Waters internal estimates based on long-term historical data for more mature markets as well as current and recent historical growth rate data for more nascent, high-growth markets. 3. Source: U.S. FDA New Drugs at FDA: CDER's New Molecular Entities and New Therapeutic Products Novel Drug Approvals for 2023. 4. According to the EPA, its provisional drinking water health advisory for PFAS compounds was 200-400ppt which has since evolved into an interim drinking water health advisory of 4-20ppq where PPT= Parts Per Trillion and PPQ = Parts Per Quadrillion. 5 Compared to its predecessor system. 6 Compared to other high-performance tandem quadrupole mass spectrometers available on the market. Estimates on this slide are comprised of consulting data, industry reports and market research which are subject to change. This data also represents forward-looking statements and are subject to inherent uncertainties that could cause actual results to differ and such differences could be material. Please refer to the Company's Cautionary Statements.

Successfully Pivoting Portfolio to Large Molecule Applications

Liquid Chromatography



Linked Detectors

UV



MEASUREMENT

Titer

Aggregation

Mass Spec



MEASUREMENT

Sequence

Charge variants

Post-translational
modifications

MALS



MEASUREMENT

Size

Molecular weight

Aggregation

Empty/Full ratio for
AAV and LNP

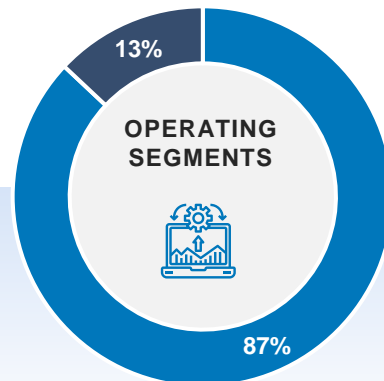
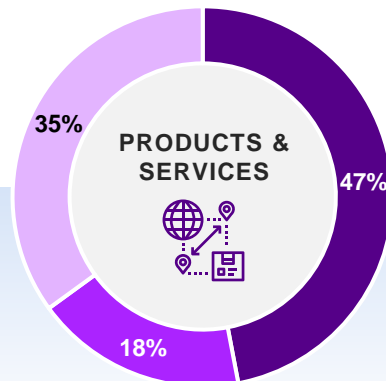
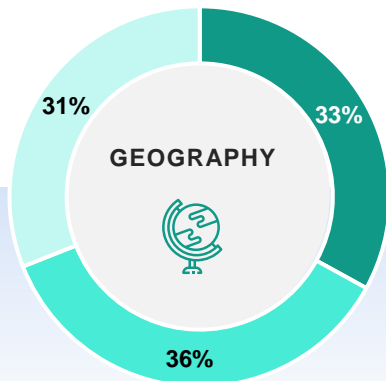
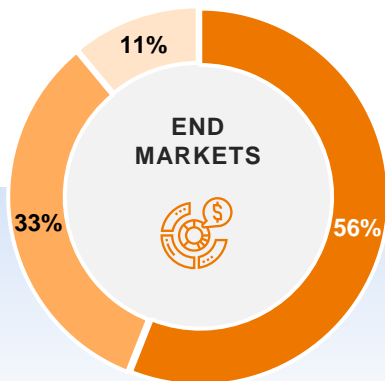
Well-positioned
to solve customer
challenges with
novel modalities

- Formulation development
- Characterization
- Raw materials testing
- Process control
- QA/QC

+40bps Expected LT Core Growth Accretion from Wyatt

Note: Estimates on this slide are comprised of consulting data, industry reports and internal market research which are subject to change. This data also represents forward-looking statements and are subject to inherent uncertainties that could cause actual results to differ and such differences could be material. Please refer to the Company's Cautionary Statements.

Q4 2023 Organic Revenue Stratification



	Growth %*
Pharma	(11%)
Industrial	(4%)
Academic & Government	(9%)

	Growth %*
Asia	(16%)
Americas	(2%)
Europe	(6%)

	Growth %*
Instruments	(20%)
Chemistry	+3%**
Service	+6%**

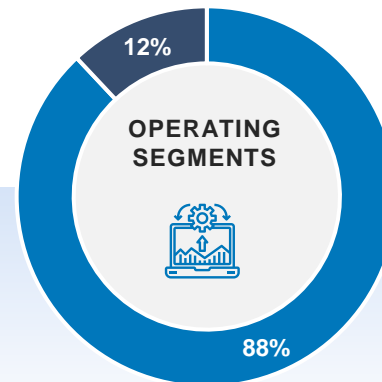
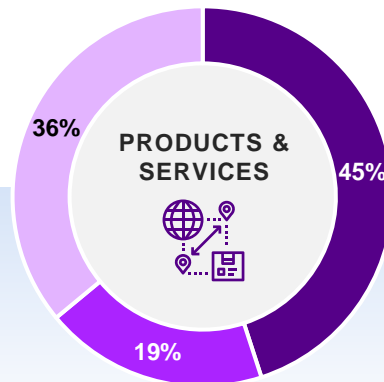
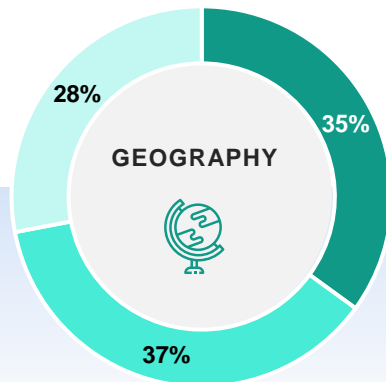
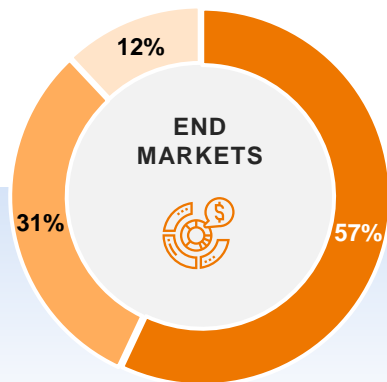
	Growth %*
Waters	(9%)
TA	(2%)

**Note: 4Q23 had 1 additional day vs. 4Q22

* Q4 2023 Organic Revenue Growth % vs. Q4 2022 in Constant Currency

A reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures is included in the Appendix to this presentation and is also included in the Company's press release dated February 6, 2024, available on the Company's website at: <https://ir.waters.com>

FY 2023 Organic Revenue Stratification



	Growth %*
Pharma	(5%)
Industrial	0%
Academic & Government	+10%

	Growth %*
Asia	(7%)
Americas	+1%
Europe	+2%

	Growth %*
Instruments	(10%)
Chemistry	+4%
Service	+7%

	Growth %*
Waters	(3%)
TA	+3%

* FY 2023 Organic Revenue Growth % vs. FY 2022 in Constant Currency

A reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures is included in the Appendix to this presentation and is also included in the Company's press release dated February 6, 2024, available on the Company's website at: <https://ir.waters.com>

FY 2024

**Organic Constant Currency
Revenue Growth vs. FY 2023**

(0.5%) to +1.5%

FX (1%); M&A +1.3%

Reported Growth 0% to +2%

NON-GAAP EPS

\$11.75 to \$12.05

Q1 2024

**Organic Constant Currency
Revenue Growth vs. Q1 2023**

(11%) to (9%)

FX (1%); M&A +3.5%

Reported Growth (8.5%) to (6.5%)

NON-GAAP EPS

\$2.05 to \$2.15

Based on current FX rate assumptions. A reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures is included in the Appendix to this presentation and is also included in the Company's press release dated February 6, 2024, available on the Company's website at: <https://ir.waters.com/>

ESG Highlights: Leaving the World Better Than We Found It



Environmental

Reducing our most significant environmental impacts.

~77%

of electricity from renewable or low-carbon sources in 2022, a 33% increase vs. 2021.

Social

Becoming more representative of the society we live in.

100/100

Score on Human Rights Campaign Foundation's 2023-2024 Corporate Equality Index

Governance

Enhancing long-term stakeholder value with effective oversight.

2024 Public Company Board of the Year

Named by the National Association of Corporate Directors NE Chapter

MEMBER OF
Dow Jones Sustainability Indices

Powered by the S&P Global CSA

BARRON'S
100 Most Sustainable Companies
2025
#5 Waters

MSCI
ESG RATINGS **AAA**
CCC B BB BBB A AA AAA

BEST COMPANIES TO WORK FOR
USNews
2023-2024

EQUALITY 100
HUMAN RIGHTS
2023 2024
Leader in LGBTQ+ Workplace Inclusion

Source: Waters Corporation data.

Appendix

GAAP to Non-GAAP Reconciliations

Sales Stratification – Q4 2023 & FY 2023 Reported & Organic CC Growth



(in millions USD)		2023	2022	% Growth Reported	Impact of Currency	Impact of Acquisitions	% Growth Organic Constant Currency
Q4 QTD							
Operating Segments	Waters	716.9	754.8	(5%)	0%	4%	(9%)
	TA	102.5	103.8	(1%)	1%	0%	(2%)
End Markets	Pharmaceutical	463.7	492.8	(6%)	1%	4%	(11%)
	Industrial	260.2	267.9	(3%)	(0%)	1%	(4%)
	Academic & Government	95.5	97.8	(2%)	1%	7%	(9%)
Geography	Asia	261.9	319.5	(18%)	(3%)	1%	(16%)
	Americas	303.7	293.1	4%	0%	6%	(2%)
	Europe	253.8	245.9	3%	6%	4%	(6%)
Products & Services	Instruments	397.2	463.0	(14%)	1%	5%	(20%)
	Chemistry	143.4	139.7	3%	(0%)	0%	3%
	Service	278.9	255.7	9%	1%	2%	6%
	Total Recurring	422.3	395.5	7%	0%	2%	5%
Total Sales – Q4 QTD		819.5	858.5	(5%)	0%	3%	(8%)
FY 2023							
Operating Segments	Waters	2,601.6	2,626.5	(1%)	(1%)	3%	(3%)
	TA	354.8	345.5	3%	0%	0%	3%
End Markets	Pharmaceutical	1,696.9	1,751.7	(3%)	(1%)	3%	(5%)
	Industrial	909.0	909.8	(0%)	(1%)	1%	0%
	Academic & Government	350.5	310.5	13%	(1%)	4%	10%
Geography	Asia	1,007.8	1,131.7	(11%)	(4%)	0%	(7%)
	Americas	1,108.6	1,055.6	5%	0%	4%	1%
	Europe	840.0	784.6	7%	3%	3%	2%
Products & Services	Instruments	1,361.6	1,462.8	(7%)	(1%)	4%	(10%)
	Chemistry	541.5	525.4	3%	(1%)	0%	4%
	Service	1,053.4	983.8	7%	(1%)	2%	7%
	Total Recurring	1,594.8	1,509.2	6%	(1%)	1%	6%
Total Sales – FY 2023		2,956.4	2,972.0	(1%)	(1%)	3%	(2%)

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.

Net Sales by End Markets – Reconciliation of GAAP to Adjusted Non-GAAP Full-Year 2023 Reported & Organic CC Growth

End Markets Full-Year (Total)	(in millions USD)	2023	2022	% Growth Reported	Impact of Currency	Impact of Acquisitions	% Growth Organic Constant Currency	2022	2021	% Growth Reported	% Growth CC
	Pharmaceutical	1,696.9	1,751.7	(3%)	(1%)	3%	(5%)	1,751.7	1,667.1	5%	10%
	Non-Pharma	1,259.5	1,220.3	3%	(1%)	2%	3%	1,220.3	1,118.8	9%	15%
Total Sales		2,956.4	2,972.0	(1%)	(1%)	3%	(2%)	2,972.0	2,785.9	7%	12%
End Markets Full-Year (Total)	(in millions USD)	2021	2020	% Growth Reported	% Growth CC	2020	2019	% Growth Reported	% Growth CC	Reported % 4-YR CAGR 2023 vs. 2019	Organic CC % 4-YR CAGR 2023 vs. 2019
	Pharmaceutical	1,667.1	1,387.0	20%	19%	1,387.0	1,365.3	2%	1%	6%	6%
	Non-Pharma	1,118.8	978.4	14%	13%	978.4	1,041.3	(6%)	(7%)	5%	5%
Total Sales		2,785.9	2,365.4	18%	16%	2,365.4	2,406.6	(2%)	(2%)	5%	6%

End Markets Full-Year (Ex-China)	(in millions USD)	2023	2022	% Growth Reported	Impact of Currency	Impact of Acquisitions	% Growth Organic Constant Currency	2022	2021	% Growth Reported	% Growth CC
	Pharmaceutical	1,492.2	1,428.1	4%	(1%)	4%	2%	1,428.1	1,364.1	5%	11%
	Non-Pharma	1,023.6	978.8	5%	(1%)	2%	4%	978.8	900.6	9%	15%
Total Sales Ex-China		2,515.7	2,406.8	5%	(1%)	3%	3%	2,406.8	2,264.7	6%	13%
End Markets Full-Year (Ex-China)	(in millions USD)	2021	2020	% Growth Reported	% Growth CC	2020	2019	% Growth Reported	% Growth CC	Reported % 4-YR CAGR 2023 vs. 2019	Organic CC % 4-YR CAGR 2023 vs. 2019
	Pharmaceutical	1,364.1	1,177.8	16%	15%	1,177.8	1,134.3	4%	3%	7%	8%
	Non-Pharma	900.6	783.2	15%	14%	783.2	832.8	(6%)	(7%)	5%	6%
Total Sales Ex-China		2,264.7	1,961.0	15%	15%	1,961.0	1,967.0	(0%)	(1%)	6%	7%

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.

GAAP to Non-GAAP Reconciliations

Operating Income Reconciliation of GAAP to Adjusted Non-GAAP

(in thousands USD)	Q4 2023 Operating Income	Q4 2023 Operating Income Percentage	Q4 2022 Operating Income	Q4 2022 Operating Income Percentage
GAAP	264,223	32.2%	286,283	33.3%
Adjustments:				
Purchased intangibles amortization (a)	12,148	1.5%	1,503	0.2%
Restructuring costs and certain other items (c)	1,036	0.1%	1,364	0.2%
Acquisition related costs (d)	649	0.1%	-	-
Retention bonus obligation (e)	7,634	0.9%	-	-
Adjusted Non-GAAP	285,690	34.9%	289,150	33.7%
Adjusted Operating Margin Expansion - Q4'23 vs. Q4'22		1.2%		

(in thousands USD)	FY 2023 Operating Income	FY 2023 Operating Income Percentage	FY 2022 Operating Income	FY 2022 Operating Income Percentage
GAAP	817,676	27.7%	873,395	29.4%
Adjustments:				
Purchased intangibles amortization (a)	32,558	1.1%	6,366	0.2%
Acquired in-process research and development (b)	-	-	9,797	0.3%
Restructuring costs and certain other items (c)	29,917	1.0%	8,551	0.3%
Acquisition related costs (d)	13,947	0.5%	-	-
Retention bonus obligation (e)	18,792	0.6%	-	-
Adjusted Non-GAAP	912,890	30.9%	898,109	30.2%
Adjusted Operating Margin Expansion - FY'23 vs. FY'22		0.7%		

- (a) 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.
- (b) Acquired in-process research and development was excluded as it relates to the cost of a licensing arrangement for charge detection mass spectrometry that the Company believes is unusual and not indicative of its normal business operations.
- (c) 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.
- (d) 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.
- (e) 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.

GAAP to Non-GAAP Reconciliations

Earnings Per Share				
	Q4 2023	Q4 2022	FY 2023	FY 2022
GAAP	\$ 3.65	\$ 3.81	\$ 10.84	\$ 11.73
Adjustments:				
Purchased intangibles amortization (a)	\$ 0.16	\$ 0.02	\$ 0.42	\$ 0.08
Acquired in-process research and development (b)	\$ -	\$ -	\$ -	\$ 0.12
Restructuring costs and certain other items (c)	\$ 0.02	\$ 0.02	\$ 0.38	\$ 0.07
Acquisition related costs (d)	\$ 0.01	\$ -	\$ 0.18	\$ -
Certain income tax items (e)	\$ (0.30)	\$ -	\$ (0.30)	\$ 0.02
Retention bonus obligation (f)	\$ 0.10	\$ -	\$ 0.24	\$ -
Adjusted Non-GAAP	\$ 3.62	\$ 3.84	\$ 11.75	\$ 12.02

- a) 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.
- b) Acquired in-process research and development was excluded as it relates to the cost of a licensing arrangement for charge detection mass spectrometry that the Company believes is unusual and not indicative of its normal business operations.
- c) 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.
- d) 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.
- e) Certain income tax items were excluded as these non-cash expenses and benefits represent updates in management's assessment of ongoing examinations, tax audit settlements, or other tax items that are not indicative of the Company's normal or future income tax expense.
- 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.

Q1 2024 and FY 2024 Guidance						
Projected Sales	Q1 2024			FY 2024		
Organic constant currency sales growth rate*	(11.0%)	-	(9.0%)	(0.5%)	-	1.5%
Impact of:						
Currency translation	(1.0%)	-	(1.0%)	(0.8%)	-	(0.8%)
Acquisitions	3.5%	-	3.5%	1.3%	-	1.3%
Sales growth rate as reported	(8.5%)	-	(6.5%)	0.0%	-	2.0%
Projected Earnings Per Diluted Share	Q1 2024			FY 2024		
GAAP earnings per diluted share	\$ 1.77	-	\$ 1.87	\$ 10.80	-	\$ 11.10
Adjustments:						
Purchased intangibles amortization (a)	\$ 0.18	-	\$ 0.18	\$ 0.70	-	\$ 0.70
Retention bonus obligation (f)	\$ 0.10	-	\$ 0.10	\$ 0.25	-	\$ 0.25
Adjusted non-GAAP earnings per diluted share	\$ 2.05	-	\$ 2.15	\$ 11.75	-	\$ 12.05

* 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.

The background features a complex network of light blue lines connecting various sized nodes, some of which are solid blue circles. This network is overlaid on a blue gradient background that transitions from a lighter shade on the left to a darker shade on the right. A horizontal dark blue band is positioned across the middle of the image, containing the text.

Waters™