

PLEASE NOTE: This presentation contains financial projections and other forward-looking statements that are based on current expectations and assumptions and currently available data, and are neither predictions nor guarantees of future events or performance. They speak only as of the date hereof (or in the case of the Company's 2017 guidance, January 24, 2017, the date such guidance was first publicly disclosed) and should not be relied upon as representing the Company's estimates or views as of any date subsequent to such date. We do not undertake to update or revise any forward-looking statements after they are made, whether as a result of new information, future events, or otherwise, except as required by applicable law. In addition, the guidance that was provided with respect to 2017 on January 24, 2017 has been included in this presentation for reference purposes and has not been updated or reaffirmed as of the date hereof or as of any other date.

Waters Corporation 2017 Investor Day

March 2, 2017



Welcome and Overview

John Lynch

Vice President, Investor Relations



Cautionary Statements

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This presentation may contain “forward-looking” statements regarding future results and events. For this purpose, any statements that are not statements of historical fact may be deemed forward-looking statements. Without limiting the foregoing, the words, “may”, “will”, “should”, “feels”, “believes”, “anticipates”, “plans”, “expects”, “intends”, “suggests”, “appears”, “estimates”, “projects”, and similar expressions, whether in the negative or affirmative, are intended to identify forward-looking statements.

Forward-looking statements are based on current expectations and assumptions and currently available data, 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. We do not undertake to update or revise any forward-looking statements after they are made, whether as a result of new information, future events, or otherwise, except as required by applicable law. The Company’s actual future results may differ significantly from the results discussed in the forward-looking statements within this presentation for a variety of reasons, including and without limitation the effect on the Company’s financial results from the United Kingdom voting to exit the European Union; foreign exchange rate fluctuations potentially affecting translation of the Company’s future non-U.S. operating results; the impact on demand among the Company’s various market sectors from economic, sovereign and political uncertainties; fluctuations in expenditures by the Company’s customers, in particular large pharmaceutical companies; introduction of competing products by other companies and loss of market share; pressures on prices from competitors and/or customers; regulatory, economic and competitive obstacles to new product introductions; other changes in demand from the effect of mergers and acquisitions by the Company’s customers; increased regulatory burdens as the Company’s business evolves, especially with respect to the U.S. Food and Drug Administration and U.S. Environmental Protection Agency, among others; shifts in taxable income in jurisdictions with different effective tax rates; the outcome of tax examinations or changes in respective country legislation affecting the Company’s effective tax rate; the ability to access capital, maintain liquidity and service our debt in volatile market conditions, particularly in the U.S., as a large portion of the Company’s cash is held and operating cash flows are generated outside the U.S.; environmental and logistical obstacles affecting the distribution of products and risks associated with lawsuits and other legal actions, particularly involving claims for infringement of patents and other intellectual property rights. For discussion of these and other risks that we face, please consult the “Risk Factors” section of the Company’s most recent Annual Report on Form 10-K for the year ended December 31, 2016 as filed with the Securities and Exchange Commission on February 24, 2017.

This presentation contains certain non-GAAP measures, which are provided to assist in an understanding of the Company’s business and its performance. These measures should always be considered in conjunction with the appropriate GAAP measure. Reconciliations of non-GAAP amounts to the GAAP amounts are available in the appendix of this presentation, on the Company’s website, or in the Company’s historical Form 8-K filings with the SEC.

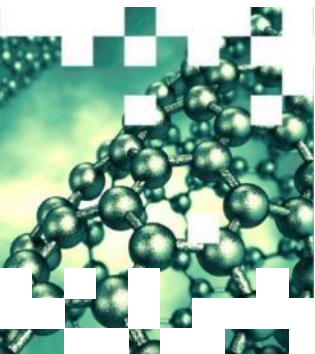
Agenda for the Day

8:30 am	Welcome and Cautionary Statements Strategy and Overview Pharmaceutical Materials	John Lynch Chris O'Connell Mike Harrington Terry Kelly
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10:20 am BREAK

Food Products and Innovation Financials Panel Q&A Closing Comments	Rohit Khanna Ian King Sherry Buck ALL Chris O'Connell
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12:45 pm Lunch



Chris O'Connell
President and Chief Executive Officer

1 Broad look at Waters' markets, products and growth strategies

2 Outline framework for long-term shareholder value creation

3 Gain insight from talented and experienced management team

Management Team

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Chris O'Connell
President and CEO



Mark Beaudouin
SVP, General Counsel
and Secretary



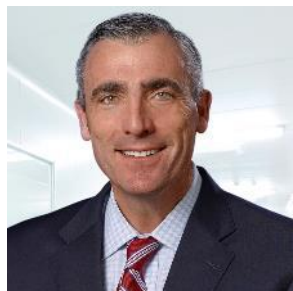
Sherry Buck
SVP, CFO



Gene Cassis
SVP, Senior Advisor



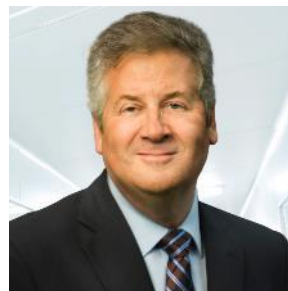
Mike Harrington
SVP, Global Markets



Terry Kelly
SVP and President,
TA Instruments



Rohit Khanna
SVP, Applied Technology



Ian King
SVP, Instrument Technology



Liz Rae
SVP, Global
Human Resources



Dave Terricciano
SVP, Global Operations

Summary: Focused on Long-Term Value Creation

Structurally attractive markets with larger growth opportunities

Unique growth strategy driven by robust organic innovation

Sustained operational improvement

Continued judicious use of capital

Performance-driven culture and proven management team

Values and Culture Are Key Performance Drivers

Deliver Benefit



“*Deliver Benefit* comes in a whole lot of different ways. You deliver benefit to your customers; you deliver benefit to your employees; you deliver benefit to your stockholders; you deliver benefit to the world. The secondary benefit, if the customer is having success, is that benefit is being delivered to somebody else.
So, in effect, you change the world.”

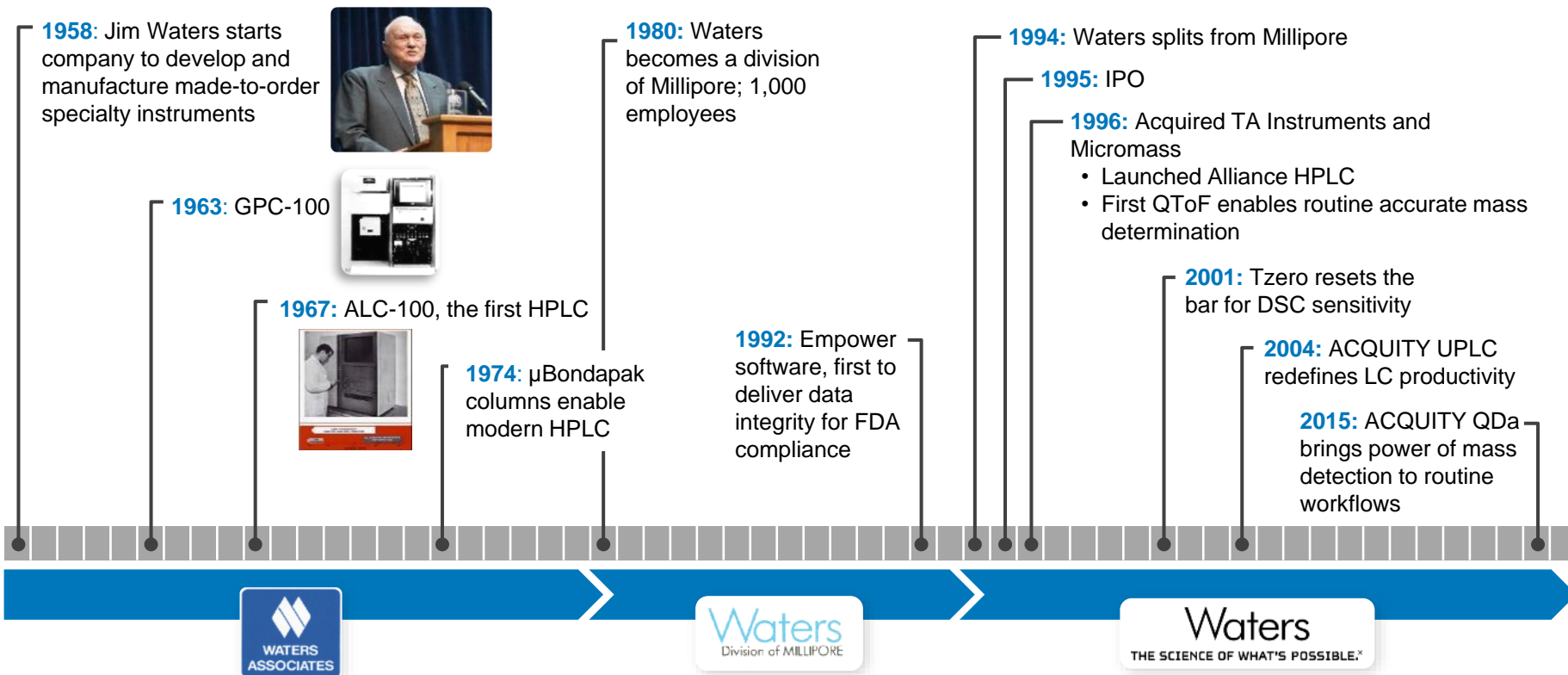
— *James L. Waters, Founder*

Culture Drivers: Results, Customer Success, Innovation, Science, Optimism

Rich History of Focus, Innovation and Growth

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Waters Today

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\$11 Billion

market served

\$2.2B

annual sales

\$555M

free cash flow¹

30%

operating margin¹

14%

ROIC



■ R&D Centers

■ Manufacturing

■ Major Sales Offices

6,900

employees
worldwide

active in

125 countries

52%

technology sales
and services employees

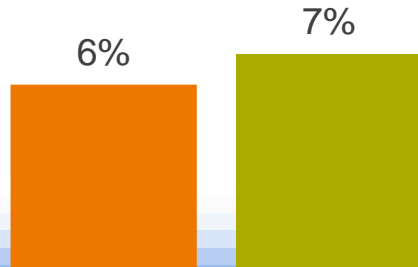
38%

employees with
10+ years
of service

¹Non-GAAP measure. See reference to reconciliation in appendix.

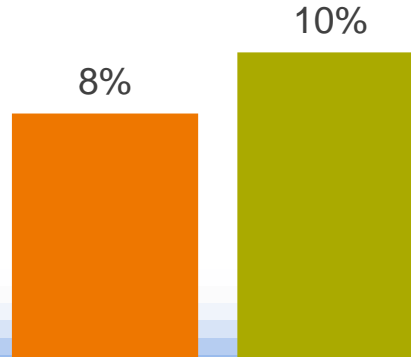
Strong 2016 Builds on Long-Term Track Record

**Above-market growth,
driven by focused
organic innovation**



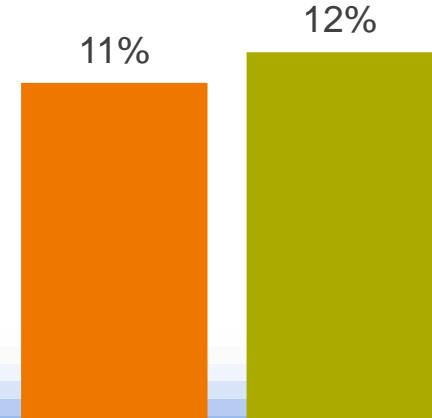
Revenue Growth

**Industry-leading operating
margins and continued
operating leverage**



Operating Profit Growth

**Modest financial
leverage to drive
double-digit EPS growth**



EPS Growth

■ 10-year CAGR ■ 2016 Results

Revenue shown in constant currency. See reconciliations in the appendix.

Delivering Strong ROIC for Investors

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Organic Revenue Growth

Operating Leverage

Cash Flow Generation

Efficient Capital Deployment

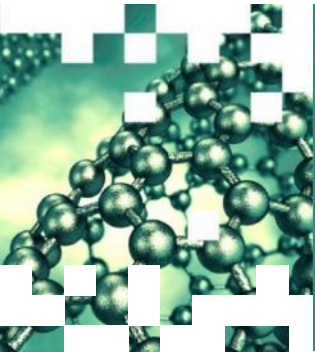
14%

10%

Waters

Comparator Group

FYE 2016: (Non-GAAP EBIT*(1-t)/Invested capital): Invested capital = equity + long term debt



Corporate Strategy

Waters is the world's
**leading specialty
measurement company,**
delivering benefit through
innovations and people that enable
customer success in the life,
materials, and food sciences.

WHERE WE COMPETE:

**Serve the most demanding
markets and exacting customers**

HOW WE COMPETE:

**Compete on the basis of focus,
innovation and quality**

Corporate Strategy Reflects Our Specialty Vision

1 Focused segments

Markets driven by regulation and rising quality standards

2 Sustained innovation

Product superiority in LC, LC/MS, Thermal and Rheology

3 Complete offerings

Transformational engineering to enable system intelligence

4 Expanding applications

Opportunity for new “standards of measurement” globally

5 Superior economics

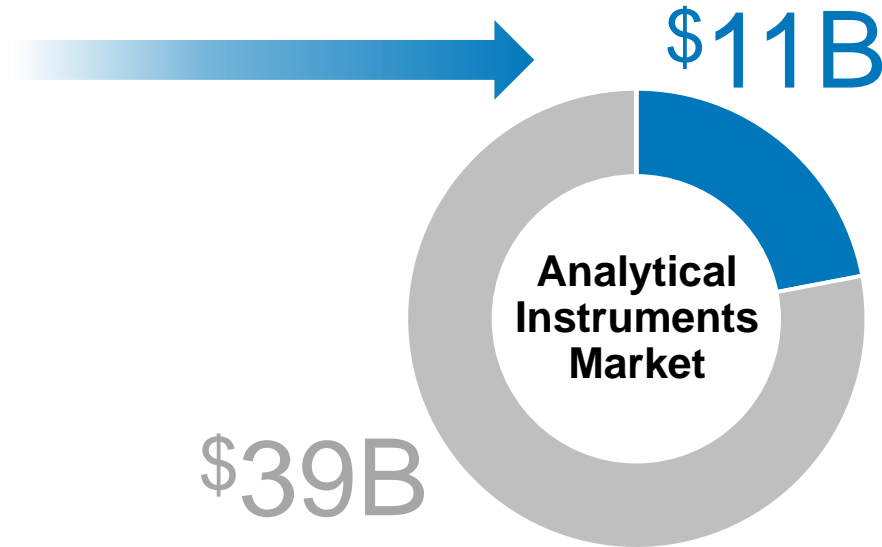
High-value commands premium price, margins and growth



Very Selective About Where We Compete

**Waters competes in
20% of the \$50B
global analytical
instruments market**

**Specialty segments
growing faster than
the total market**



2015, Worldwide Revenue. The analytical instrument market is based on industry data and management estimates.

Focused on High-Value Technology

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**Sophisticated,
high-precision
specialty
measurement
technologies
for the most
demanding
applications**



 Empower® 3



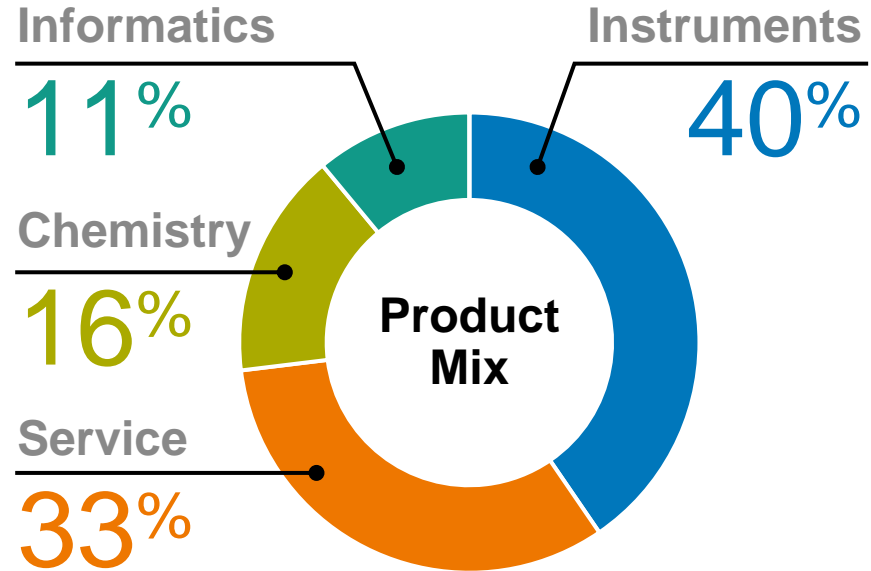
Specialty Measurement Model Drives Industry-Leading Margins

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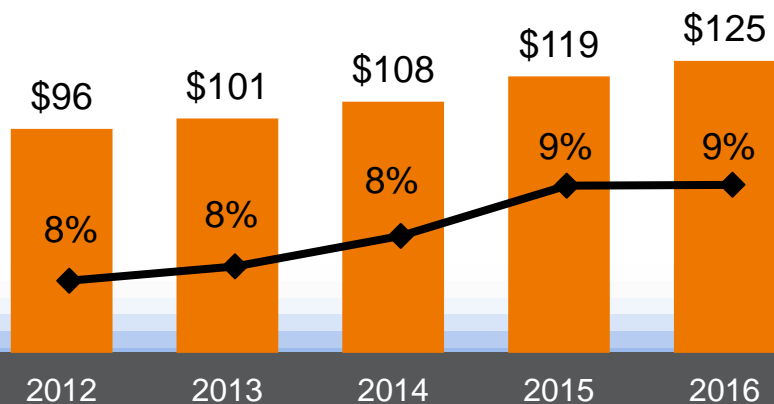
Unique product mix gradually trending to more profitable, recurring service, chemistry and informatics lines

Highly-differentiated system offerings and competitive advantage



Note: 2016 numbers, 100% = \$2.2B

Enhancing Waters' Organic Innovation Advantage



WATERS R&D SPEND
(MILLIONS, % OF PRODUCT SALES)

Innovation to Drive the Core

- Strong near-term product pipeline
- Informatics; LC upgrades; Discovery TA

Transformational Engineering

- Toward complete system intelligence
- Putting it all together: what's coming next

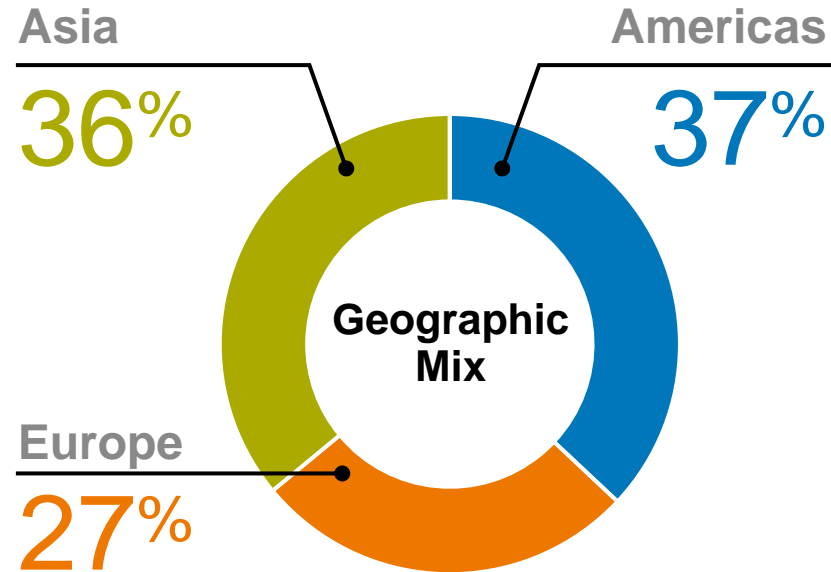
Breakthrough Innovation

- Harnessing the limitless potential of LC/MS
- Machine learning; Biochemical imaging

Broad Global Balance with Strength in Emerging Markets

Developed Markets:
sticky share, high
recurring revenue

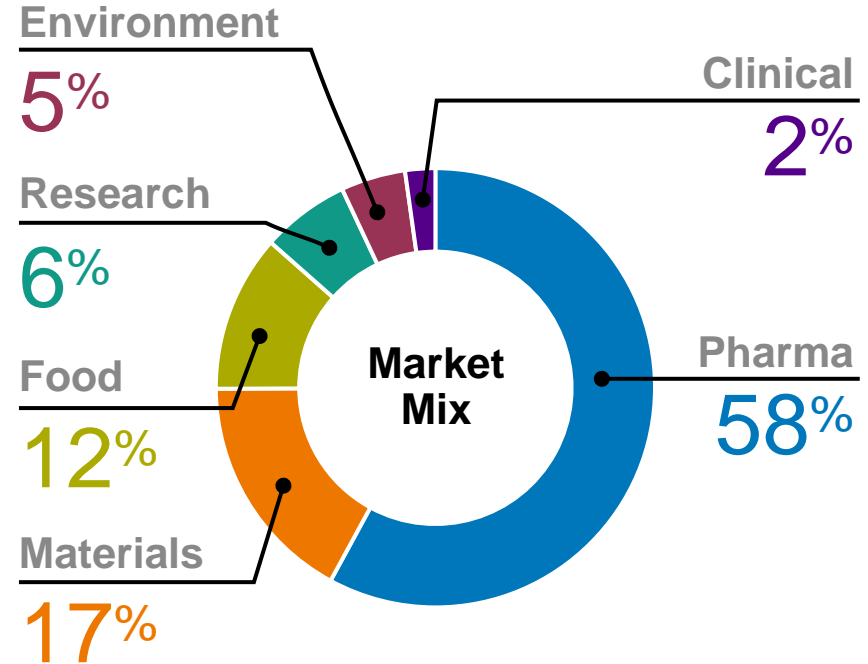
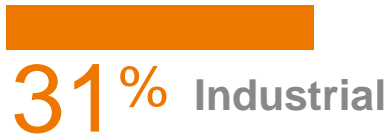
Emerging Markets:
leading position where
rising regulation and
market development
drive high growth



Note: 2016 numbers, 100% = \$2.2B

Concentrated in Structurally Attractive Markets

Reporting Mix



Note: 2016 numbers, 100% = \$2.2B

Global Market Trends Shaping Our Strategy

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Global **expansion of patient access** to medicines

Increasing complexity of biologic molecules

Rising standards for materials **performance and quality**

Increasing regulation and safety standards for food

Growing **medical research funding**

Unmet measurement needs in clinical diagnostics

Increasing Customer Needs in High-Value Measurement

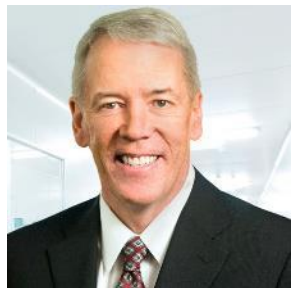
- Data security and integrity
- More accessible technologies
- Better, complete systems
- Corporate standardization
- Partner expertise and insight

Summary of Markets and Strategies



	PHARMA	MATERIALS	FOOD	RESEARCH	ENVIRONMENT	CLINICAL
Total Tools Market	\$15B	\$10B	\$9B	\$8B	\$4B	\$4B
Waters Chosen Segments						
Segment Market Growth	MSD+	MSD-	M-HSD	L-MSD	L-MSD	HSD
Waters Position and Approach	Core business Market leader Top priority	#2 business Market leader Scalable	High potential Regulation ↑ Market growth	High-visibility Innovative Lumpy	Intriguing Cyclical Regulation ↑	Significant upside Longer timetable Staged investment

Up Next: Markets, Products, Strategies and Financials



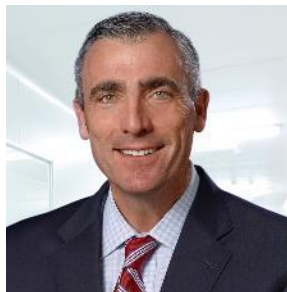
Mike Harrington

Pharma

Sustainable market trends

Unique WAT position

Rising advantage, winning strategy



Terry Kelly

Materials

Attractiveness of Materials market

TA competitive advantage

Broader opportunities



Rohit Khanna

Food

Increasing regulation

Increasing LC/MS adoption

WAT advantage



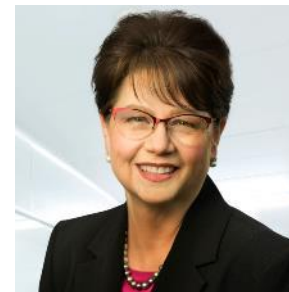
Ian King

Innovation

Strong near-term core innovation

Transformational engineering

Breakthrough innovation



Sherry Buck

Financials

Organic growth, leading margins

Strong balance sheet

Judicious capital deployment

Summary: Focused on Long-Term Value Creation

Structurally attractive markets with larger growth opportunities

Unique growth strategy driven by robust organic innovation

Sustained operational improvement

Continued judicious use of capital

Performance-driven culture and proven management team

Reflection: An Exciting Journey



- Delivering strong results
- Enhancing innovation
- Developing the organization
- Expanding the vision
- Staying true to core values

Our best days are ahead!

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Mike Harrington, Ph.D.
Senior Vice President, Global Markets

Pharmaceutical



- Waters in the Pharmaceutical Market Today
- Keys to Sustainable Growth
- How Waters is Positioned to Win

Key Messages—Pharmaceutical

Global pharmaceutical trends support sustainable growth for Waters

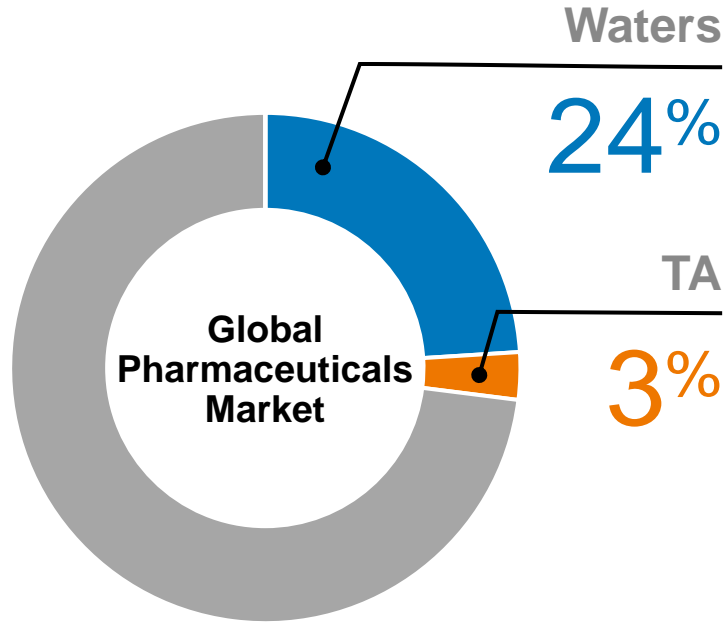
Regulation and drug production volumes drive Waters' business

Waters has sustainable “annuities” in chemistry, service and informatics

Waters is the leading player in high-value, regulated workflows

Pharmaceuticals: Our Core Business and Top Priority

We compete in ~\$4B of the \$15B global pharmaceuticals tools market

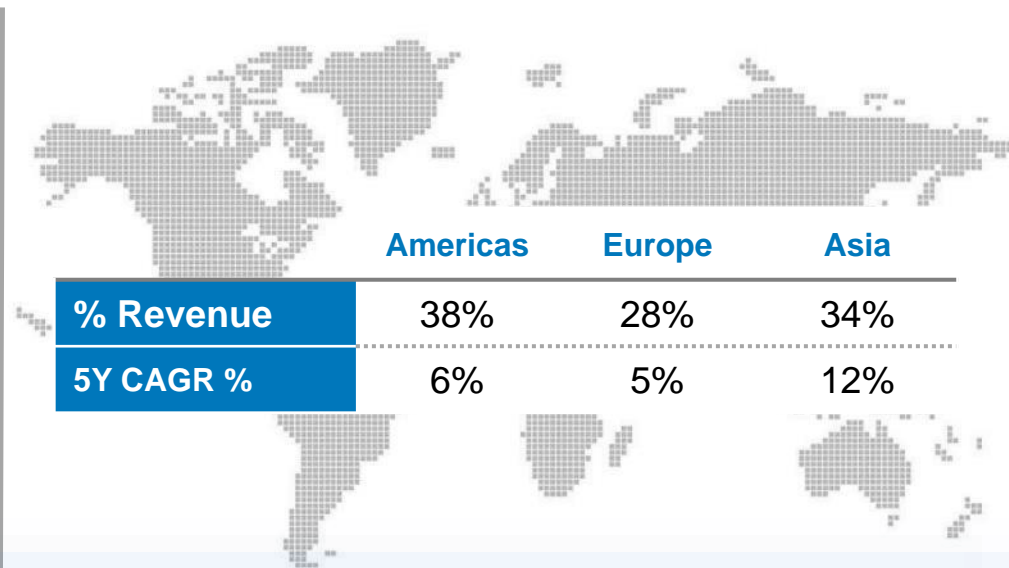
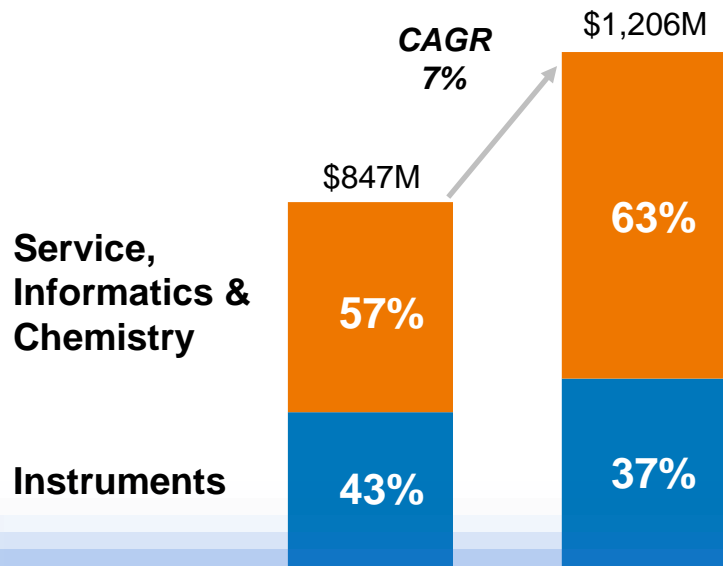


6%
market growth

~25%
market share

Note: The pharma market is based on industry data and management estimates.

Pharmaceutical Business Overview



REVENUE BY PRODUCT, %¹

REVENUE PERCENTAGE AND GROWTH PERCENTAGE BY MAJOR GEOGRAPHY¹

¹Revenue amounts, percentages, and growth rates are in constant currency. See reconciliation of GAAP sales to constant currency sales in the appendix.

Prescription Medicine Growth

Increasing drug development and production globally

Growing Diversity

Industry growth is less dependent on “big pharma”

Rise of Generics

Longer lifecycles for drug production and testing

Increasing Complexity

Increasing demands for testing and characterization

Rising Standards

Need compliant-ready systems, processes and training



Prescription Medicine Growth

Prescription Medicine Growth

Global healthcare landscape



6.0%

of Global GDP

Up from 5.2% in 2000

(WHO report, 2015)



\$628 BILLION

on prescription drugs

~15% of Total Healthcare

(IMS Institute report, Nov 2015)

50%



of the world's population
without regular access to

healthcare *(UNILo report, 2015)*



400 MILLION

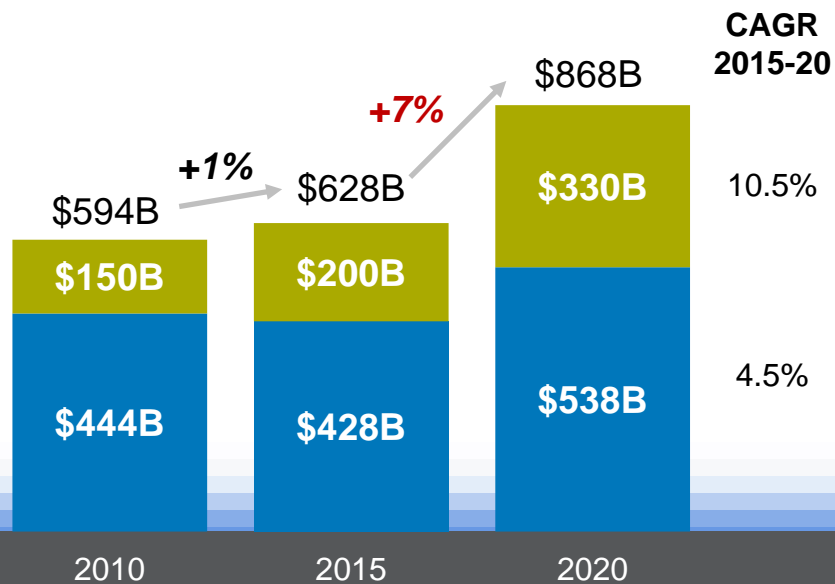
Without access to basic
healthcare, clean water and
sanitation *(WHO Report, 2013)*

We strive to improve global healthcare by enabling the development and manufacture of more innovative, safer and more effective drug treatments

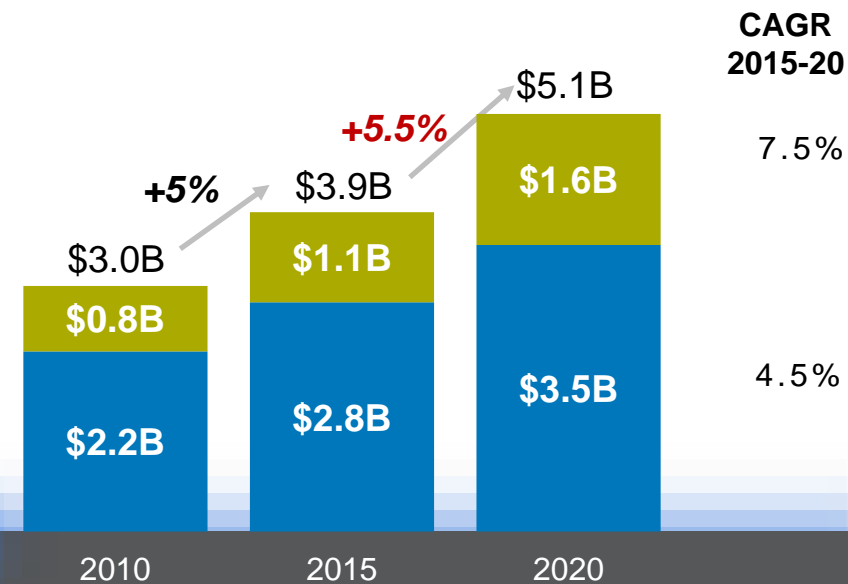
Prescription Medicine Growth

Faster, more global in the coming years

- Large Molecule
- Small Molecule



PHARMA END MARKET DRUG REVENUE (\$B)



WATERS ADDRESSABLE MARKET (\$B)

Pharma end market statistics are based on industry data and management estimates.

Prescription Medicine Growth

Drives spending in development and QA/QC

REVENUE DRIVERS

	Discovery	Development	QA/QC
R&D Spending	\$\$	\$\$\$	–
Relative # of Tests	Low	Medium	High
Drug Sales	–	\$	\$\$\$

WATERS REVENUE BY FUNCTION, %¹

	Discovery	Development	QA/QC
Small Molecule	12%	38%	50%
Large Molecule	12%	63%	25%
Total	12%	44%	44%

**Waters
Revenue
Drivers**

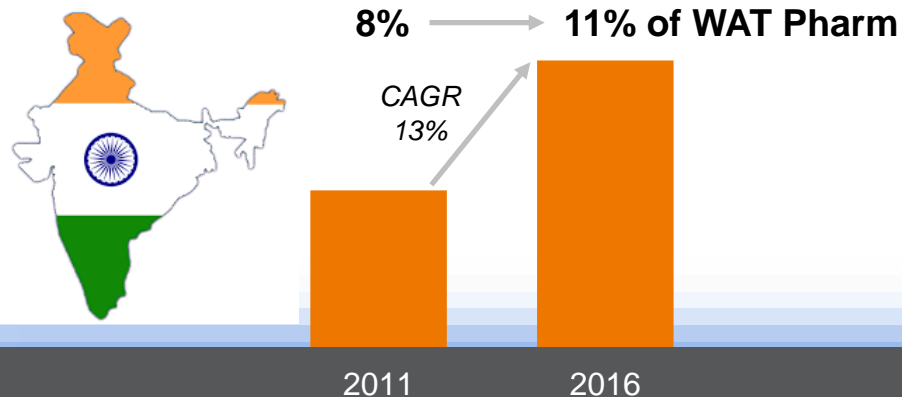
¹ Waters Pharmaceutical Revenue at Constant Currency



Growing Diversity

Growing Diversity

Strong and sustainable growth in India and China

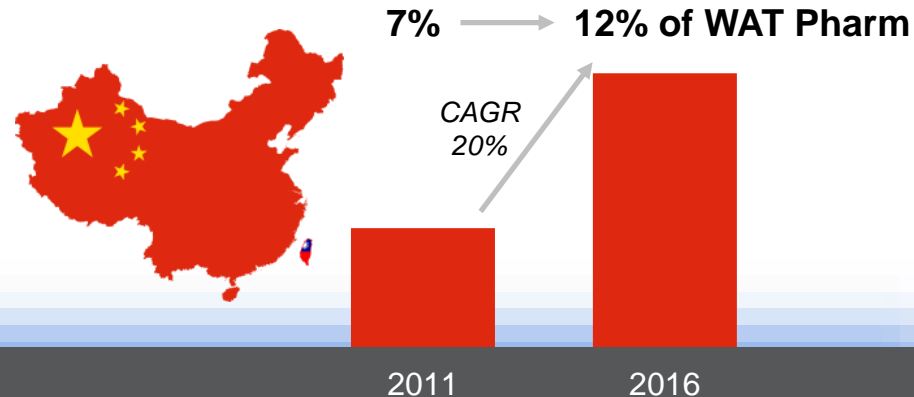


INDIA REVENUE

Largest # of FDA-approved manufacturing sites outside of US

Waters India is ranked #1¹; 30-year presence

\$30B Pharma sector at 18% 5YR CAGR



CHINA REVENUE

Huge growth in APIs, drug product and TCM

“Gold Pharma” Joint Open Lab with ChP

CFDA announced “Generics Consistency Evaluation” Initiative in 2015

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¹ BioSpectrum Top 20 Rankings.

India and China revenue percentages and growth rates are in constant currency. See reconciliation of GAAP sales to constant currency sales in the appendix.

Growing Diversity

More biologics, more generics

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2005

Drug	Manufacturer	\$B
Lipitor	Pfizer	6.3
Nexium	AZ	3.4
Prevacid	Takeda	3.3
Zocor	Merck	3.1
Advair Diskus	GSK	2.8
Zoloft	Pfizer	2.6
Plavix	BMS	2.5
Effexor XR	Pfizer	2.2
Singularir	Merck	2.1
Norvasc	Pfizer	2.1
Total Top 10		30.4

2015

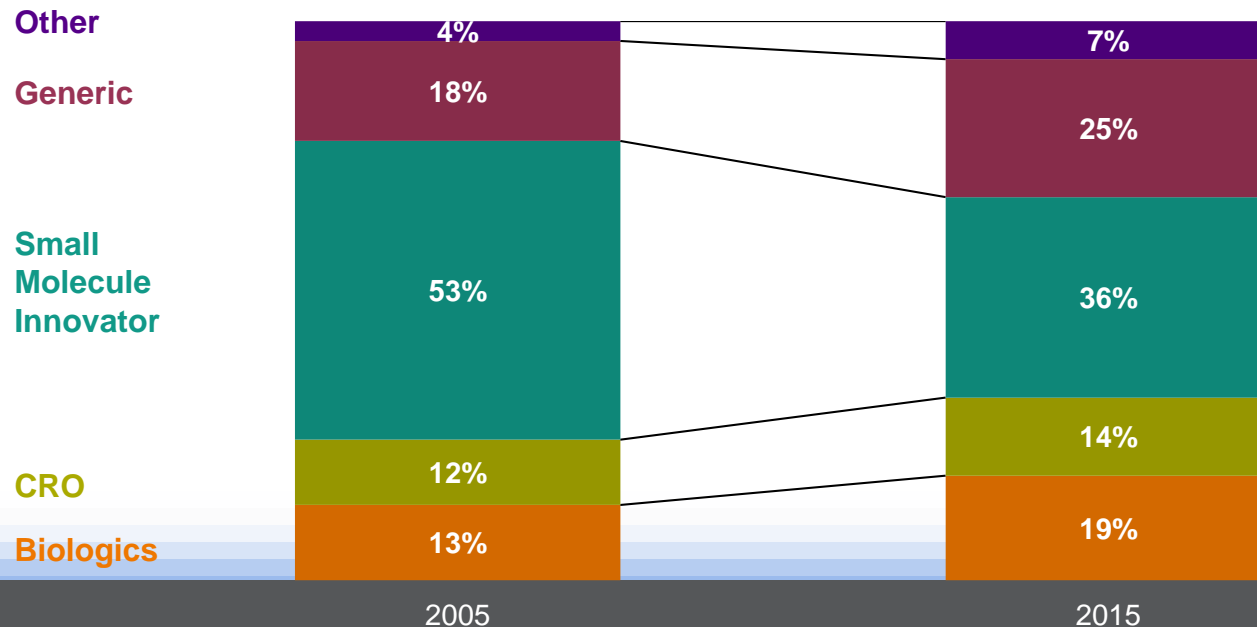
Drug	Manufacturer	\$B
Humira	Abbott	8.6
Abilify	Otsuka	7.2
Enbrel	Amgen	6.1
Crestor	AZ	6.1
Lantus	SA	5.0
Sovaldi	Gilead	4.9
Advair	GSK	4.8
Nexium	AZ	4.7
Januvia	Merck	3.8
Lyrica	Pfizer	3.4
Total Top 10		54.6

3 of the Top 10
are now
Biologics

Only 2 remained
on the list between
2005 and 2015

Growing Diversity

More biologics, more generics



Top Ten Pharma Companies:
33% in 2005
18% in 2015

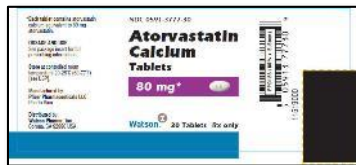
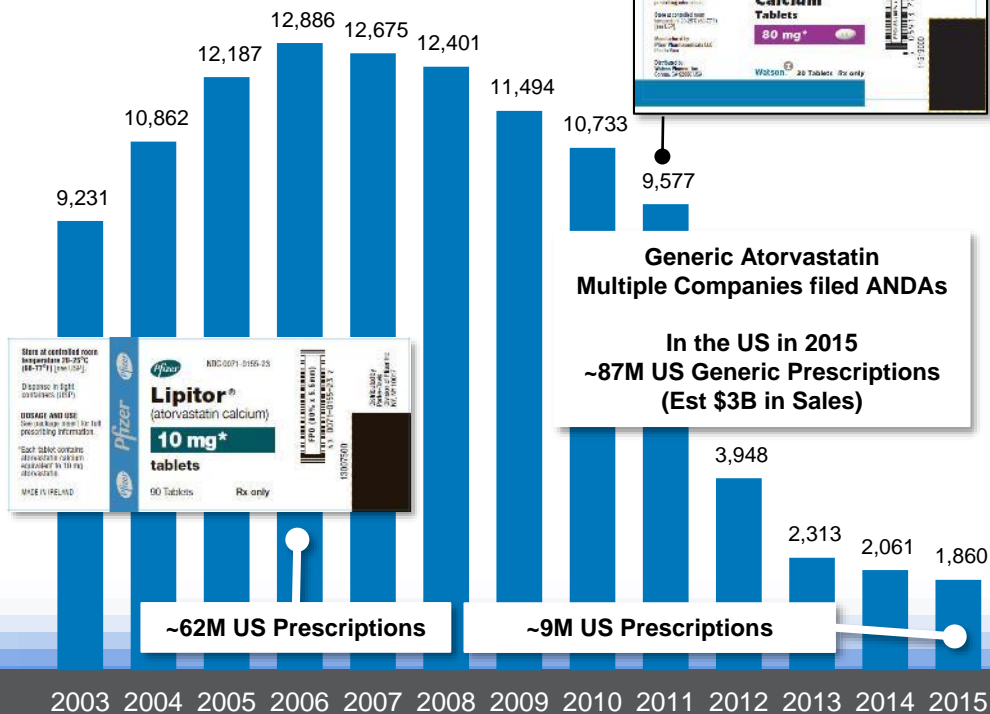
WATERS BUSINESS BY SEGMENT



Rise of Generics

Rise of Generics

Lipitor (atorvastatin) example



Generic Atorvastatin
Multiple Companies filed ANDAs

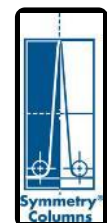
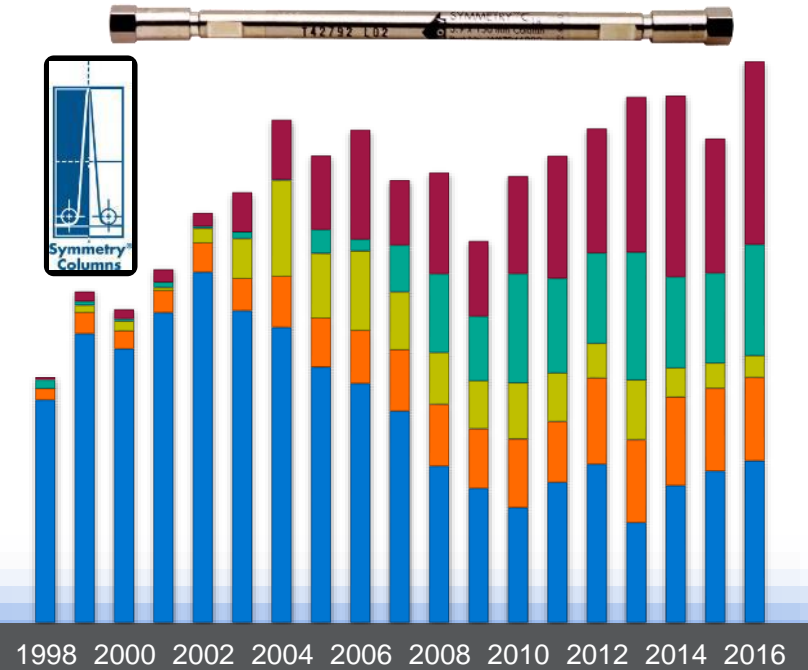
In the US in 2015
~87M US Generic Prescriptions
(Est \$3B in Sales)



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■ Pfizer Inc ■ Mylan ■ Watson (Actavis) ■ Dr Reddys ■ Ranbaxy (Sun)



LIPITOR WW REVENUE (IN MILLION USD)

WATERS SYMMETRY COLUMN SALES

Rise of Generics

HPLC column “annuity” resulting from extended drug lifecycles

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Approaching 1M Columns



1974 1978 1982 1986 1990 1994 1998 2002 2006 2010 2014

μBONDAPAK REVENUE STREAM

- CORTECS
- XSELECT CSH
- XBRIDGE
- ACQUITY UPLC
- SunFire
- ATLANTIS
- XTERRA
- SYMMETRY
- NOVA-PAK
- SPHERISORB
- UBONDAPAK

1974 1976 1978 1980 1982 1984 1986 1988 1990 1992 1994 1996 1998 2000 2002 2004 2006 2008 2010 2012 2014 2016

CUMULATIVE WATERS COLUMN SALES

Rise of Generics

Longer lifecycles also deliver service revenue annuity

80%

of ALL Waters LC systems sold since 1996 are still in ACTIVE USE

83%

of those are maintained by Waters

10%

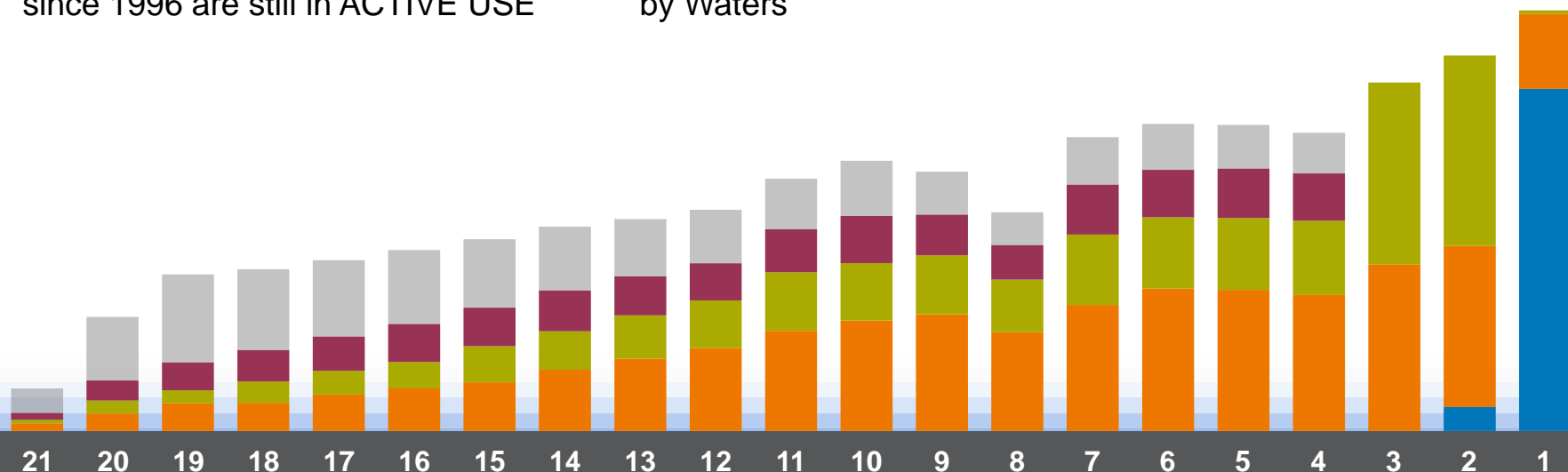
Self-Service

7%

Other Vendors Service

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ACTIVE LC BY AGE IN PHARMA (YEARS)

Warranty On Plan Billable 3P & Self Inactive



Increasing Complexity

Increasing Complexity

Emergence of biologics and biosimilars

**907 Biologics in development (Phase I, II & III),
targeting more than 100 diseases**

Source: PhRMA Report, Medicines in Development, 2013

**FDA Clears Amgen (AMGN) Copy of AbbVie (ABBV)'s
Blockbuster Humira**

Like Share Tweet in Share 11 G+

9/26/2016 5:49:14 AM



**Sandoz Enbrel Biosimilar Gets Okay
from FDA**

Aug 31, 2016 By Pharmaceutical Technology Editors

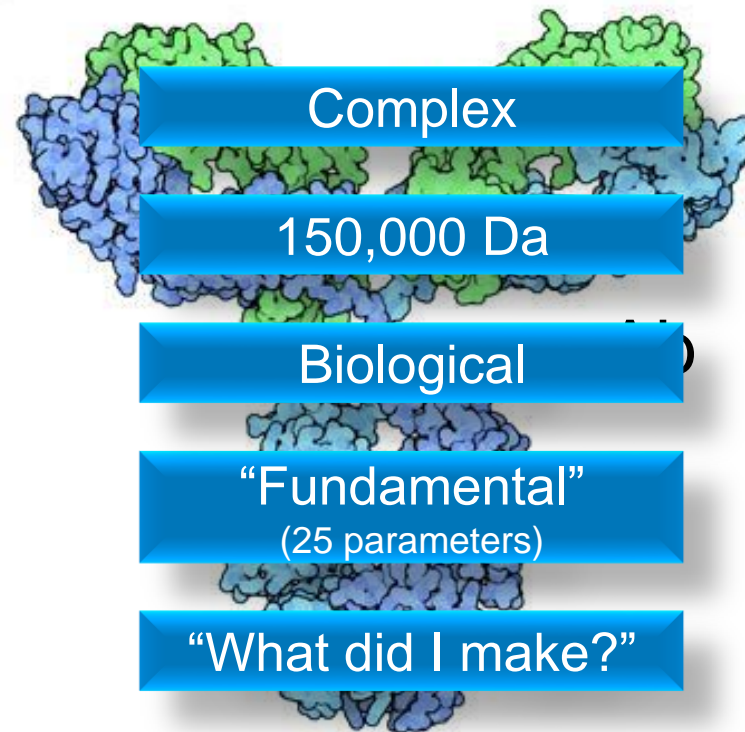
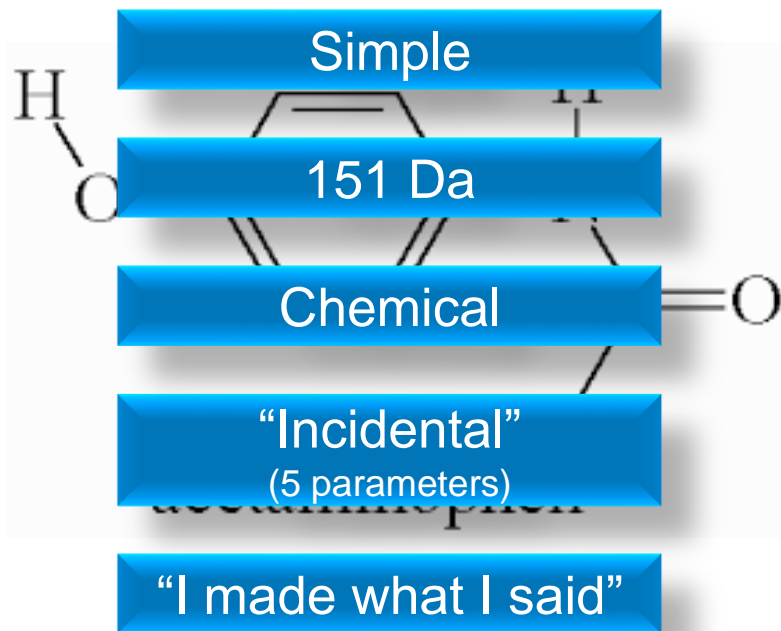
Sandoz, a Novartis division that produces biosimilars, announced on August 30, 2016 that FDA approved Erelzi (etanercept-szszs), a biosimilar to etanercept, for all indications included in the reference product label, including rheumatoid arthritis, plaque psoriasis, psoriatic arthritis, ankylosing spondylitis, and polyarticular juvenile idiopathic arthritis.

Increasing Complexity

Small molecule vs. large molecule biologics

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Increasing Complexity

Small and simple vs. large and complex

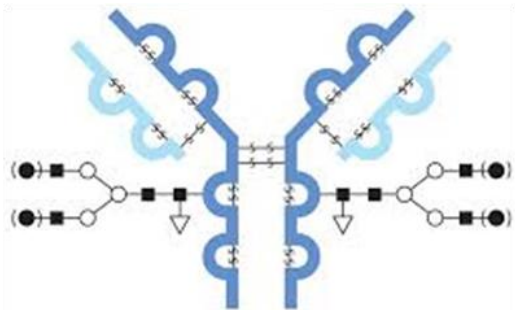
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Increasing Complexity

Biopharmaceutical workflows



Monoclonal Antibodies

DEVELOPMENT

Protein Integrity

Antibody Subunits (Fc, Fab)

Peptide Mapping

PTM ID

Disulfide Characterization

Glycan Characterization

QUALITY CONTROL

N-Glycan Monitoring

Peptide Mapping Monitoring

PTM Monitoring

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UNIFI
SCIENTIFIC INFORMATION SYSTEM



Empower®

COMPLIANT DATA ACQUISITION, PROCESSING AND REPORTING



Rising Standards

Rising Standards

FDA presentation | June 2015

The slide is tilted and features the FDA logo and name at the top left, and the website www.fda.gov at the top right. The main title is 'Why is Data Integrity Important?' and the content is a bulleted list of three points.

FDA U.S. Food and Drug Administration
Protecting and Promoting Public Health www.fda.gov

Why is Data Integrity Important?

- We rely on accurate information to ensure drug quality
- Data integrity problems erode confidence
- We rely largely on confidence that the firm will do the right thing when we are not there

Rising Standards

FDA presentation | June 2015

Waters

THE SCIENCE OF WHAT'S POSSIBLE.®

Why is D

- We rely on drug quality
- Data integ
- We rely lar will do the there

2nd Most Common Citation

- Your firm failed to exercise appropriate controls over computer or related systems to assure that only authorized personnel institute changes in the master production and control records, or other records (21 CFR 211.68(b)).
– Cited in 15 warning letters

Rising Standards

FDA presentation | June 2015

Waters

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www.fda.gov

FDA U.S. Food and Drug Administration
Protecting and Promoting Public Health

Why is D

- We rely on drug quality
- Data integ
- We rely lab will do the there

www.fda.gov

FDA U.S. Food and Drug Administration
Protecting and Promoting Public Health

2nd Mo

- Your firm f controls ov to assure t institute ch and contro CFR 211.6 – Cited in 1

www.fda.gov

FDA U.S. Food and Drug Administration
Protecting and Promoting Public Health

Most Common Citation

- Your firm failed to ensure that laboratory records included **complete data** derived from all tests necessary to assure compliance with established specifications and standards (21 CFR 211.194(a)). – Cited in 21 warning letters

Rising Standards

Data integrity guidances

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Website Q and A 2015,
DRAFT Guidance April 2016



Medicines & Healthcare Products
Regulatory Agency (UK)

GMP Data Integrity, March 2015
GxP Data Integrity, DRAFT July 2016



Pharmaceutical Inspection
Co-Operation Scheme

PI-041-1 (DRAFT 2),
August 2016



Released June 2016,
as WHO_TRS_996 Annex 5



EUROPEAN MEDICINES AGENCY
SCIENCE MEDICINES HEALTH

Q and A: August 2016



For GLP, April 2016



Points to Consider Series:
Conduct: March 2016
Fundamentals: Sept 2016



ISPE® &



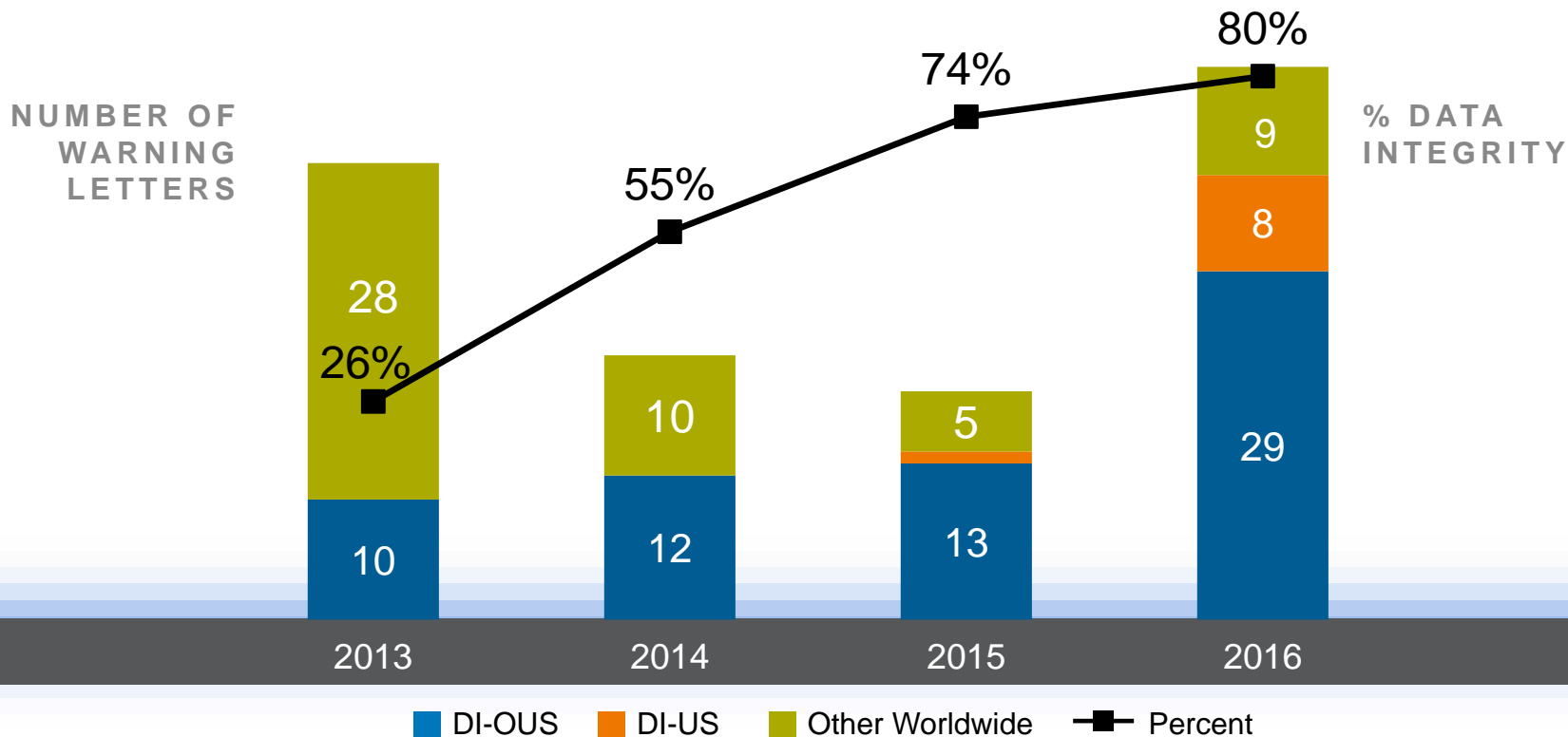
Coming soon

Rising Standards

FDA warning letters show data integrity issues increasing

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Rising Standards

Data integrity—what is the cost?

	Lost Revenue	Hard Costs	Opportunity Costs
Major Global Manufacturer WL in 2012; Plant closed for 9 months; WL closed out after 2 years	(\$20M) In FY 2012	(\$35M) Remediation	(\$9M) Based on 20% ROCE
Indian Manufacturer WL in 2015; Innovator drug declined; Generics moved; currently unresolved	(\$50M) 18 month import alert	~(\$35M) Will be in 2016 Annual Report	(\$14M) Based on 22% ROCE & 33% net margin
Global Manufacturer WL & Import ban in 2015; Currently in remediation	(\$48M) Revenue decline from prior year	~(\$55M) Expected in 2016 Annual Report	(\$26M) Based on 20% ROCE & ANDA delays
Indian Manufacturer WL in 2013; FDA & MHRA import ban and multiple recalls	(\$760M) Revenue decline over multiple years	(\$18M) Already written off; more expected	(\$51M) Based on 19% ROCE

Source: J Davidson, PhD, Lachman Consultants in Pharmaceutical Engineering, July/Aug 2016

Rising Standards


Empower: the “gold standard” chromatography data system

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Over
70
countries

More than 
400,000
users

Installed
on over 
4,000
networks


Supporting **10**
languages

>60%

CDS market share
in Pharma

20.5%

CAGR for Empower
sales (Q4 2010-Present)

Deployed at all
**50 OF THE
TOP 50**
pharmaceutical
customers

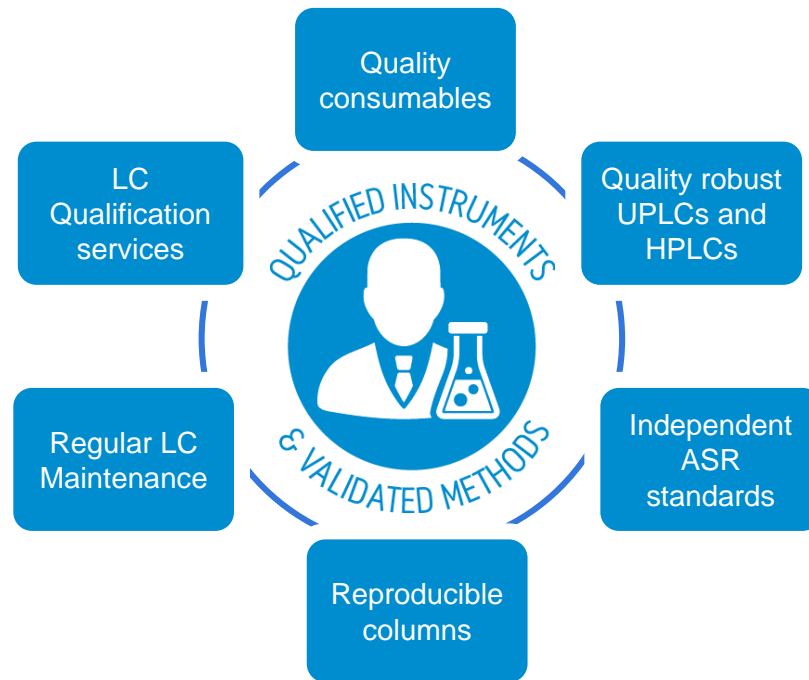
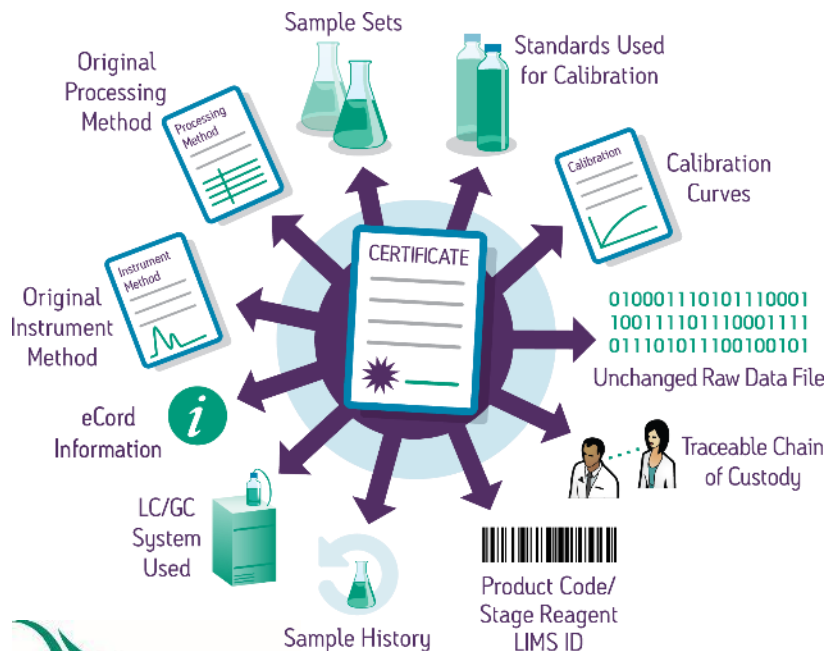
Regulators and
customers
**TRAINED
BY WATERS**

Rising Standards

Data integrity is about more than just software

Waters

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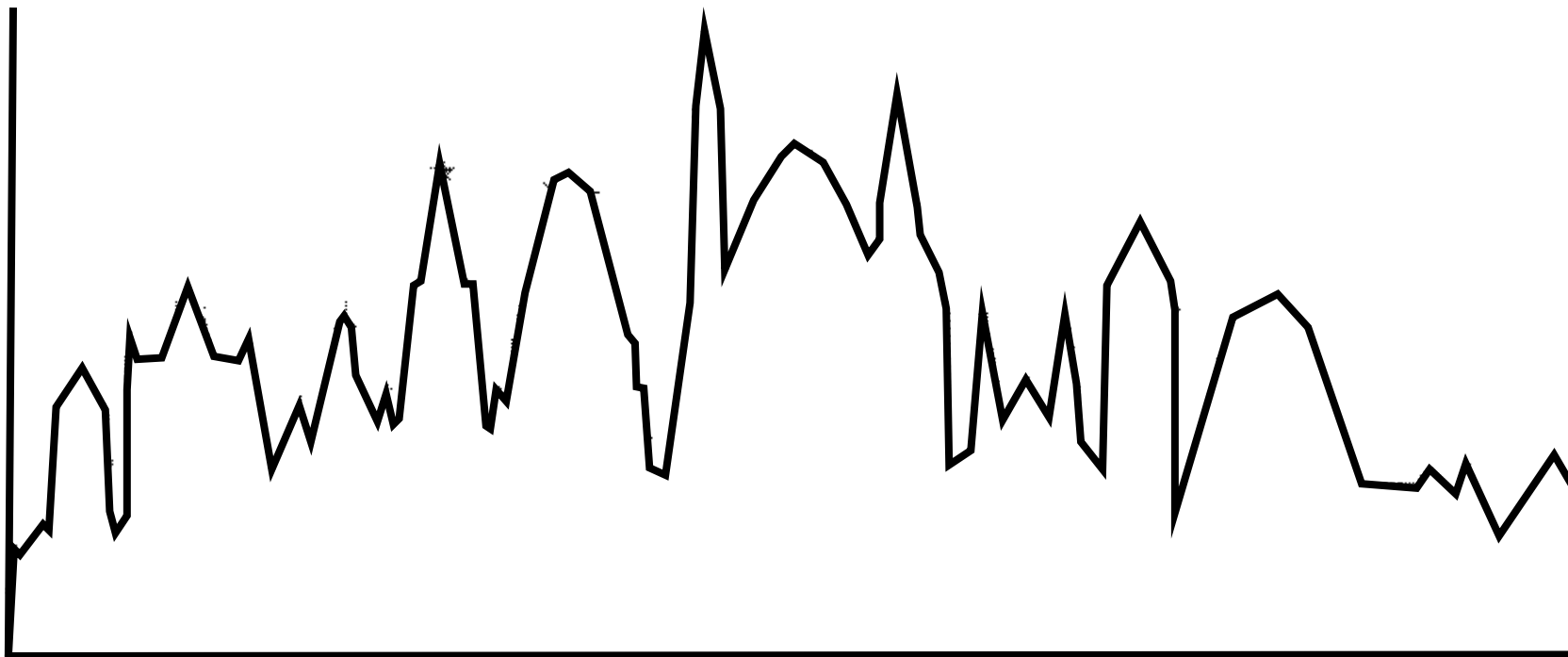


Rising Standards

ACQUITY QDa Systems give more information, clarity and confidence

Waters

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Rising Standards

Towards ACQUITY QDa becoming a “Standard of Measurement”

Waters

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- Method Development
- Drug Discovery
- Library Purification and Analysis
- On-line Reaction Monitoring
- Genotoxic Impurities
- *In vitro* Metabolism assays
- Peptide Drug QC



All of the above applications have been published by the companies shown in peer reviewed journals; bibliography available on request

Pharmaceutical Industry Trends

Play to Waters' strengths

Prescription
Medicine Growth

Fuels growth in Development and QA/QC, where Waters is strong

Growing Diversity

Gives more stable, predictable growth in our core business

Rise of Generics

Growth in our profitable “annuity” revenue streams

Increasing
Complexity

Biologics revolution will drive a new wave of growth for Waters

Rising Standards

Waters is a preferred partner in regulated markets

Key Messages—Pharmaceutical

Global pharmaceutical trends support sustainable growth for Waters

Regulation and drug production volumes drive Waters' business

Waters has sustainable “annuities” in chemistry, service and informatics


Waters is the leading player in high-value, regulated workflows



Terry Kelly

Senior Vice President and President, TA Instruments

Materials

- 
- Waters in the Materials Market Today
 - Growth Drivers
 - Positioned to Win

Key Messages—Materials

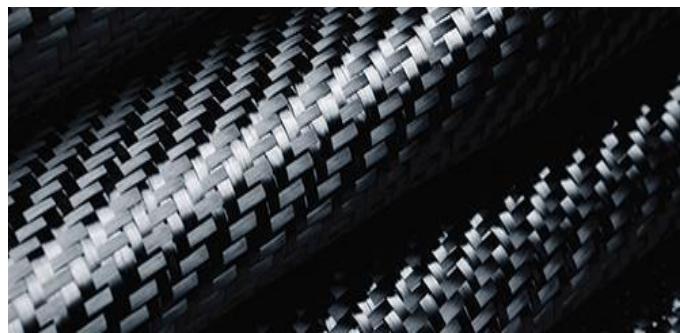
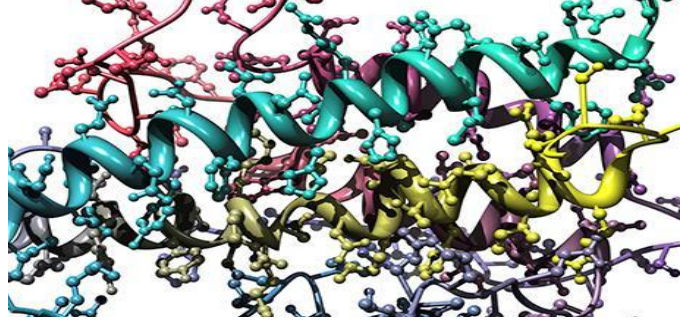
Characterizing material properties is critical for a wide range of industries

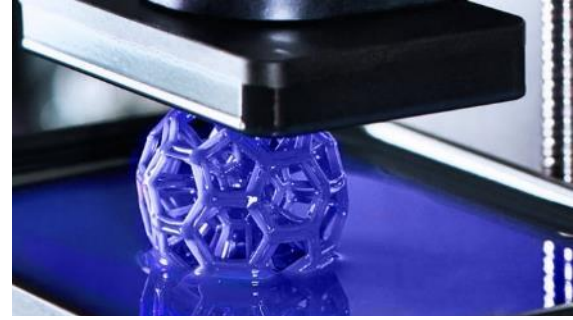
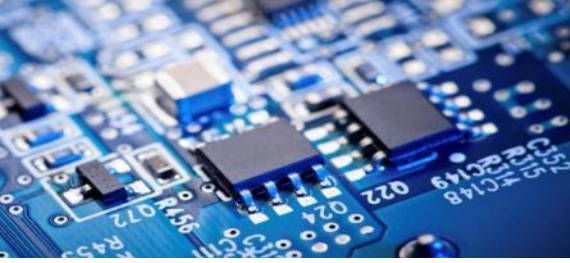
TA has a robust new product pipeline and opportunities for additional M&A

Strategically well positioned with global organization

Opportunities for synergies with Waters technology and customers









Materials Characterization Market

\$2.5B

Approximate size of materials characterization market. Growing at 4-5%

\$1.3B

Addressable market. Leading technology in acquired products, with opportunity to grow share.

19%

TA share of this highly fragmented market, making it the #1 player.

#1

Market leading position in thermal analysis and rheology.

Note: Materials characterization market is based on industry data and management estimates.

7%

10-year CAGR for
TA Instruments

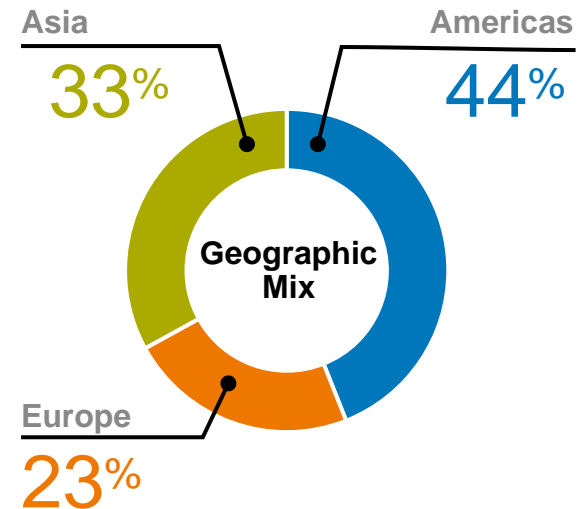
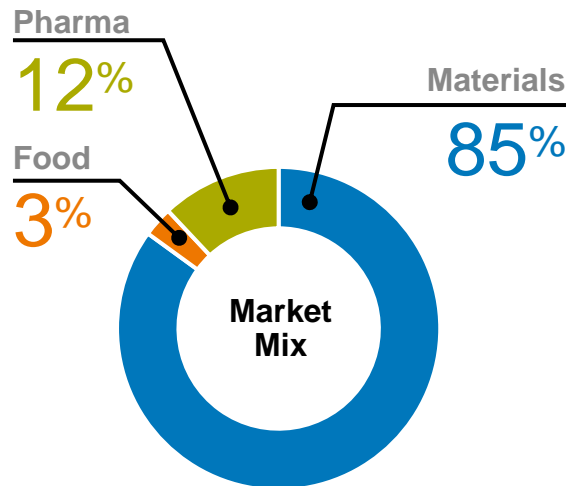
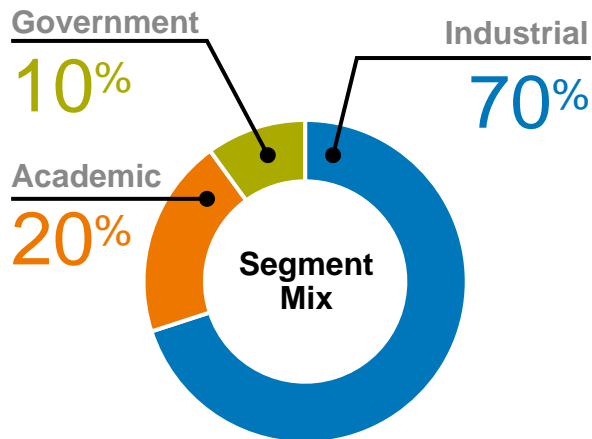
2/3

Organic growth

1/3

Acquisition of
complementary
technologies

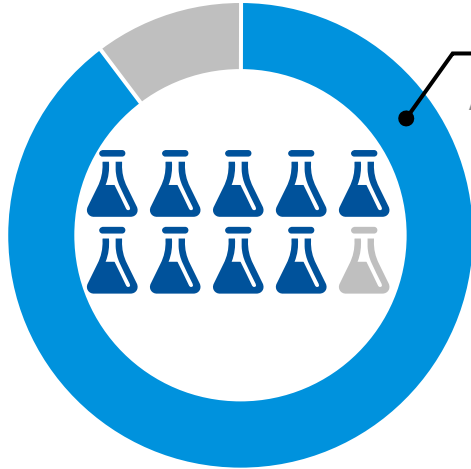
Customer Base



Build Instruments That Can Handle....

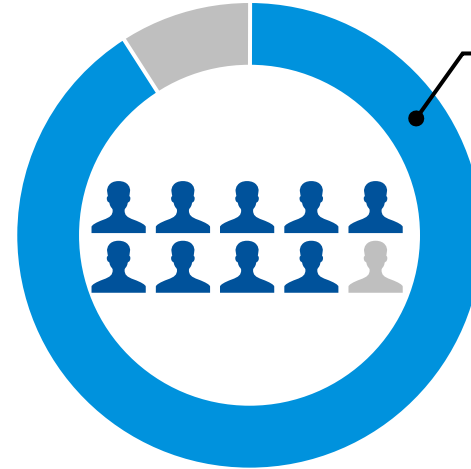
90%

APPLICATIONS



90%

CUSTOMERS



...and build them over and over again, efficiently.

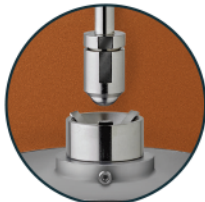
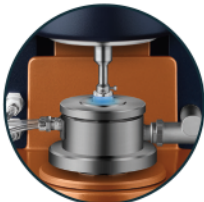
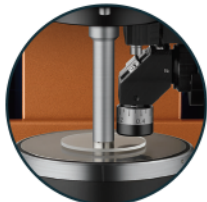
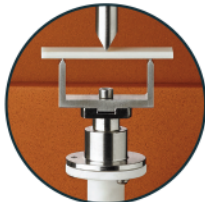
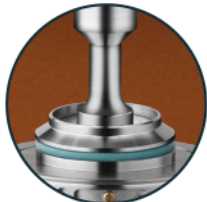
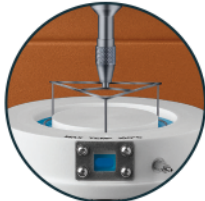
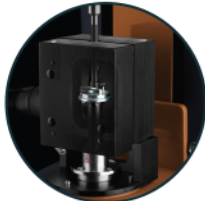
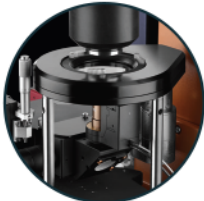
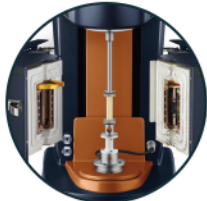
Common Platforms—Thermal

Waters

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Common Platforms—Rheology



Tiered Product Strategy

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TOP OF THE LINE

All features and accessories included as standard.
Unmatched performance.
Price inflexible.

HIGH

COMPETITION

Specs and features targeting competitive units performance.
Flexible on price and configuration.

MID

PRICE

Good basic performance.
Targeting price sensitive segment of the market.

LOW

Tiered Product Strategy

Waters

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HR-1

HR-2

HR-3



DSC 25

DSC 250

DSC 2500



TGA 55

TGA 550

TGA 5500

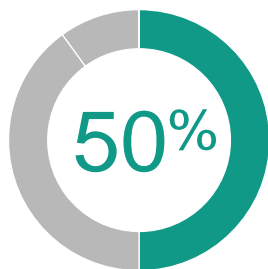


ASP

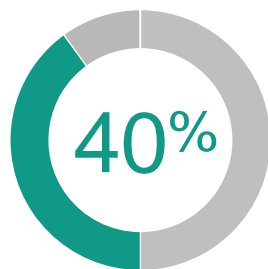
+ \$10-15K

+ \$15-20K

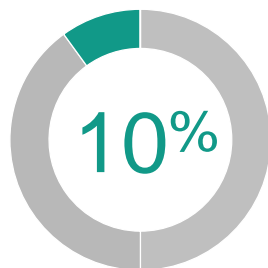
NEW SYSTEM SALES



TA Customers



New Users



Competitive Users

25,000 installations

45% of customers say...
...the needs for tests are increasing

96%

TA customers
that would buy
from TA again

96%

Would recommend
TA to a colleague

Growth Drivers—New Products

High performance, good cost structure

7

New thermal analysis
products last
12 months

6

New products for high
temp thermal analysis

3

New microcalorimeter
platforms



Growth Drivers—Acquired Products

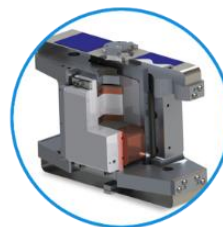
Strong technology, market share growth opportunity

Waters

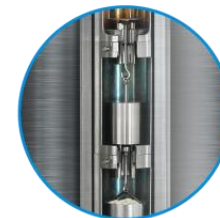
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RUBBER RHEOMETERS



ELECTROFORCE



NEW MAG-LEV TGA



Growth Opportunity—Leverage TA and Waters



- **\$400M+ in combined business at chemical and materials accounts**
- **Direct overlap in key customer accounts:**
 - Thermal, Rheology, LC, LC-MS, GPC overlap at chemical and materials accounts
 - All top 25 pharmaceutical companies are TA customers (thermal, rheology, microcalorimetry)
- **Leverage technology, brands, marketing, and customer relationships**





Bolt-on opportunities. Complement current core measurements, smaller deals.



Consolidate. Grow share in existing markets, leverage combined organizations.



Adjacent. Gain larger share of materials labs. Same space, new technology.

Materials Characterization Summary

MARKET ATTRACTIVENESS

- Large addressable market; TA segments grow at or above 4% market growth
- Strong margins, accretive
- New users, needs increasing

RIGHT TO WIN

- Technology leadership: New and acquired products
- Large installed base of satisfied customers
- Global footprint; Leverage to grow acquired products

STRATEGY SUMMARY

- Organic R&D investment “win the measurement”
- 90/90, platforms, tiers
- Field investment
- Synergies with Waters products and customers
- M&A opportunities

Short Break





Rohit Khanna, Ph.D.
Senior Vice President, Applied Technology

Food

Global Food Landscape

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by 2050, the world population will increase by 28%

50-60%

of the US population takes a prescription drug...



...BUT 100% have a desire to eat safe food

More than 10% of the food entering the Japanese market undergoes a lab test



BUT...



~0.2% of the food coming into the U.S. undergoes a lab test



30% of the food produced is wasted post-harvest in some way.

THAT'S \$1 TRILLION OF FOOD ANNUALLY

The UN has established sustainable development goals to reduce the amount of food waste



- Food Testing Market Today
- Food Industry Trends
- Waters' Unique Value Proposition

Key Messages—Food Market

Food security, brand value and regulations drive opportunity

Growing market challenges drive LC/MS as standard of measurement

Waters' strength is in fastest growing segments of food testing

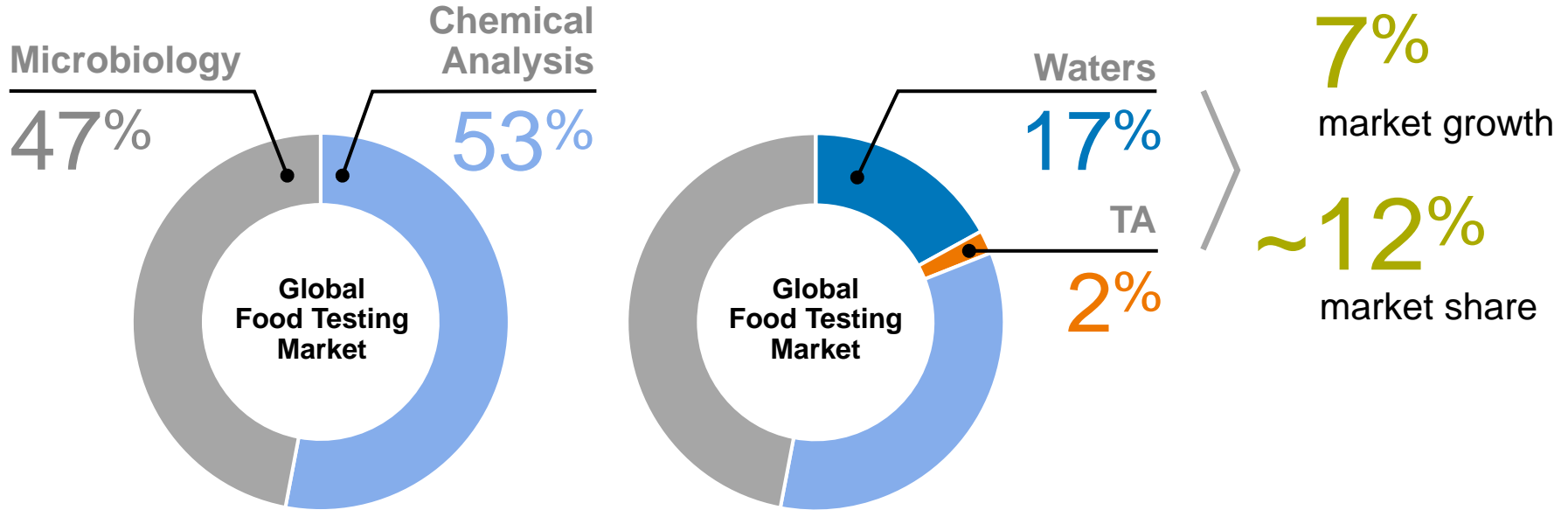
Waters is strongly positioned with key technologies and relationships



Food Market Today

Food Market: A High-Priority Growth Market

We compete in \$1.8B of the \$9B global food testing market



Note: The food testing market is based on industry data and management estimates.

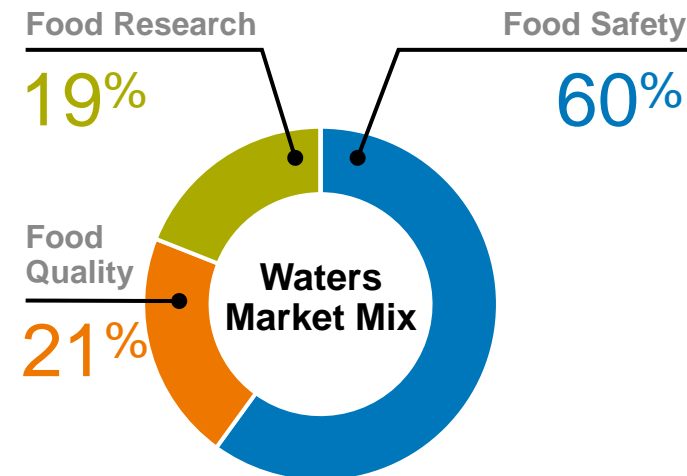
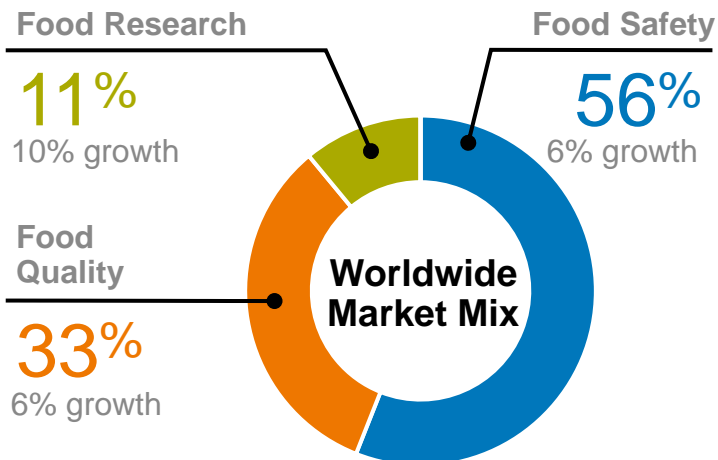
Food Testing Market

Waters is concentrated in the fastest growth segments

Waters

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Research and Safety have strong growth and complexity of analysis



100% = \$1.8B addressable market

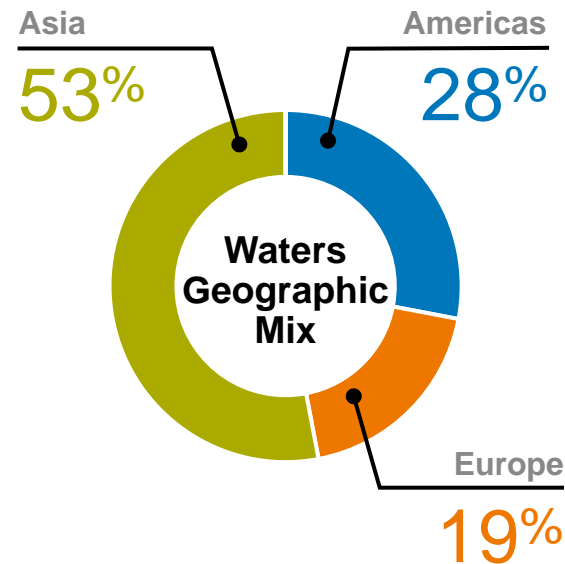
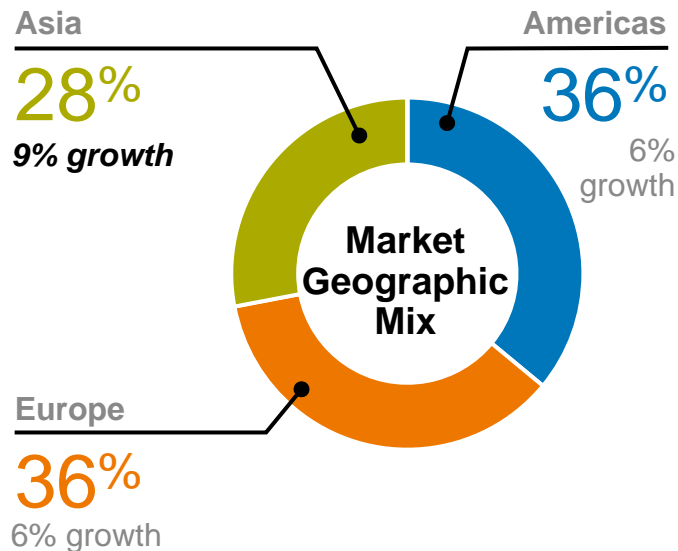
Food Testing Market

Waters particularly well positioned in fast growing Asia Market

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Emerging economies represent fastest growing markets; strong opportunity exists in developed economies for food research



100% = \$1.8B addressable market



Food Industry Trends

Food Industry Trends

Growing need for selective, sensitive, flexible technologies

Food Security

All people, at all times, have access to sufficient, safe and nutritious food

Increased Food Production

Increasing consumer demand for availability, safety, quality, authenticity

International Food Trade

An essential element of meeting global food security

Increasing Regulations

Initially export driven, but then shifting to domestic consumption

Brand and Product Value

Ultimate drivers for food manufacturers

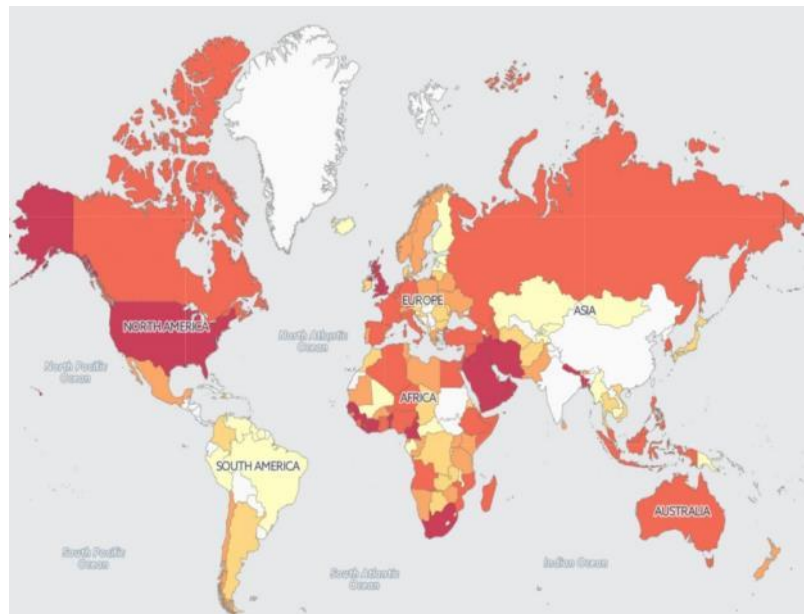
International Food Trade

Drives testing at export site and again at import site

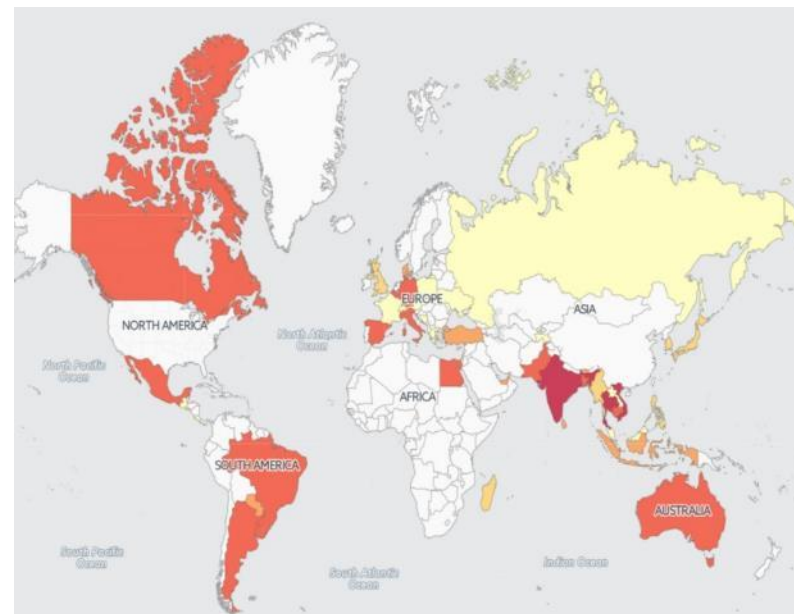
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INDIA RICE EXPORTS



USA RICE IMPORTS

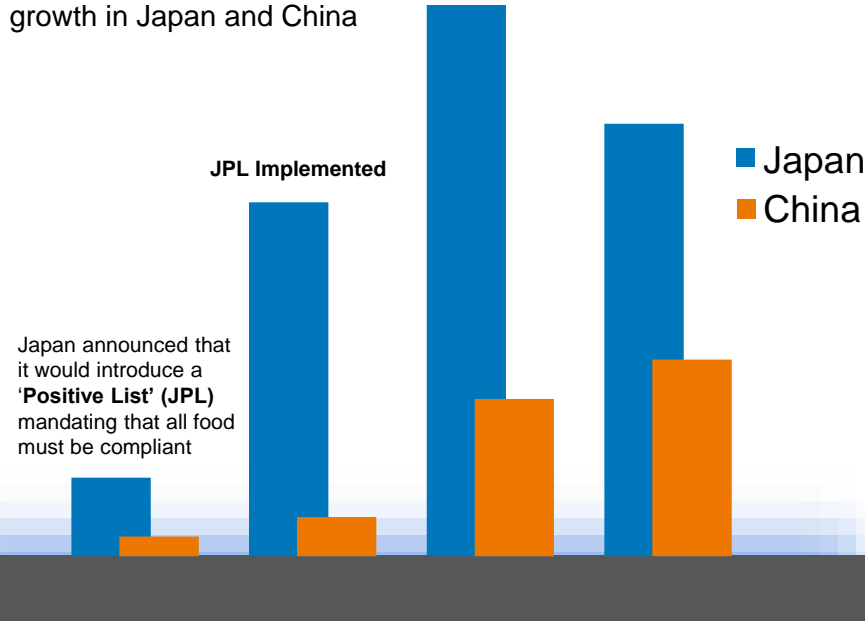


Note: Data derived from FAOSTAT—China not included.

Increasing Regulations

Drive food testing requirements

Illustrative example of Japan regulations driving sales growth in Japan and China



WATERS FOOD SAFETY SALES

Waters

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SELECTION OF RECENT REGULATIONS

2011: US signed FSMA¹ into law

2015: China introduced new food safety law

2016: Implementing rules finalized for FSMA

2017: India published draft rule on fortification of foods

2017: Korea begins phased implementation of Korean Positive List

¹Food Safety Modernization Act

Brand and Product Value

Escalating press coverage of food fraud and adulteration

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China dairy products found tainted with melamine

Chinese food safety officials have seized 54 tonnes of raw dairy materials contaminated with the toxic industrial chemical melamine.

The Chinese state news agency, Xinhua, reported that the quality watchdog in Qinghai province took the material from a dairy plant there.

Test samples showed the milk powder carried up to 500 times the maximum allowed level of the chemical.



Six babies died and 300,000 were ill during the 2008 melamine scandal

Daily Record

New food fraud scandal as cheap fish is passed off as more expensive varieties in stores across Scotland

07:57, 17 MAR 2013 | UPDATED 06:13, 22 MAR 2013 | BY NICHOLAS SILVESTER

WATCHDOGS have called for a major programme of DNA tests to stop the widespread fake food racket.



Seafood fraud: A fishy business that's on the rise

By AIMEE PICCHI | MONEYWATCH | September 7, 2016, 3:03 AM

Last Updated Sep 8, 2016 4:24 AM EDT

Americans are increasingly concerned about where and how their food is grown and harvested. Yet many may not be aware that one type of food carries a high rate of fraud: seafood.

One in five of more than 25,000 seafood samples tested in studies across the globe have been found to be mislabeled, according to a report from the ocean conservation group Oceana. In most cases, the mislabeling involved a cheaper fish passed off as a more expensive type, which means consumers are overpaying in stores and restaurants.

The problem of mislabeling is serious on a number of fronts, Oceana said. Aside from the loss to consumers' wallets, mislabeling can lead to serious health problems. Almost six in 10 of the mislabeled samples were fish that posed species-specific health risks to consumers, including toxins and environmental chemicals such as mercury.



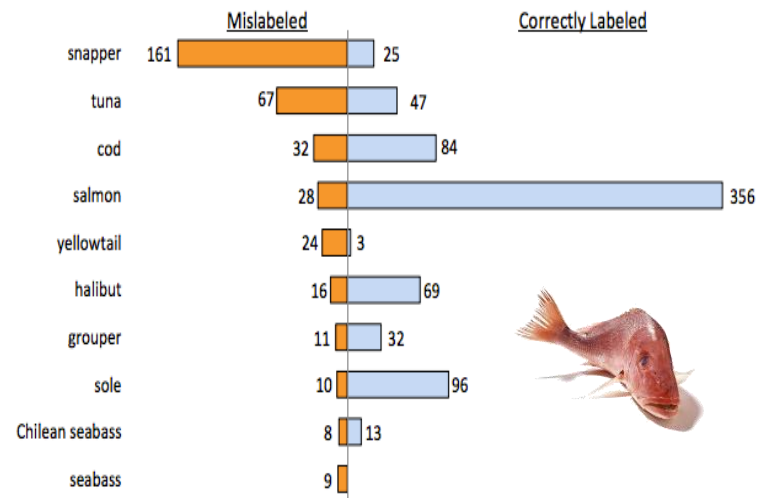
Play VIDEO

The fishy business of seafood fraud

"Safe food choices absolutely depend on accurate fish labeling that says what fish it was and where it was caught," said Kimberly Warner, one of the authors of the report and senior scientist at Oceana. While some perpetrators go to jail or are fined, "there are plenty that don't get caught," she added.

The scope of mislabeling can be quite large, such as in the case of the "Codfather," or New England fishing fleet owner Carlos Rafael. He was indicted earlier this year by federal prosecutors for

Mislabeling Among the Most Commonly Sampled Fish Types¹



Guardian.co.uk

Manuka honey costing £55 a jar creates a buzz

Cornwall-made manuka honey has healing qualities, say creators.

Steven Morris

guardian.co.uk, Monday 18 May 2009 14:00 BST
Article history





Waters' Unique Value Position

Market Drivers

Key market drivers support LC/MS as standard of measurement

Food Quality

ATTRIBUTES

- Increasing **regulatory** oversight
- High throughput

CURRENT ANALYTICAL SITUATION

- Measure analytes to **strict tolerances**
- Improving **precision** reduces costs of additives

Food Safety

- Increasing **regulatory** oversight
- Economic impact of failure
- Emerging markets

- Regulations setting **low permitted levels**
- **Sample complexity/sensitivity**

Food Research

- **Sample complexity/workflow**
- Increasing media coverage
- Governments protect industries

- Functional ingredients difficult to identify
- Growing market, with **diverse applications**
- Fraud is a tough analytical challenge

Types of Testing

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LABEL CLAIMS

By law, in most countries there is some requirement to state the content of nutrients with limited allowable deviation throughout the shelf-life of the product.

FORTIFICATION

Many governments have mandated fortification of foods with micronutrients either to reduce the incidence of specific diseases or to address widespread under nutrition.

FUNCTIONAL FOODS

Food is typically a high volume, low margin business. Companies often justify premium prices by identifying health-giving properties of their products.



Types of Testing

Waters

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CHEMICAL COMPLIANCE

Governments have established strict criteria around the permissible levels of agricultural chemicals such as pesticides and veterinary drugs in food.



ECONOMIC ADULTERATION

Melamine is an example of economic adulteration. Melamine was added to milk to 'fool' the test for protein.



SUBSTITUTION

Substituting high value fish with an inferior species is a common occurrence.

NAME THAT FISH

1. Atlantic Cod?



2. Grouper?



Waters' Unique Value Proposition

Demonstrated Industry Leadership

Global food regulators, food industry groups, and global food companies

Key Opinion Leader Network

Ensuring fit-for-purpose workflow solutions

Global Applications Expertise

Delivery of assured success globally

Regulatory Support

Leading partner for compliance and data integrity

Food-Focused Innovation

Sensitivity, direct analysis, ease-of-use

Waters' Unique Value Proposition

Demonstrated industry leadership

Waters
THE SCIENCE OF WHAT'S POSSIBLE.®

Leadership and commitment to food testing are highly valued attributes (especially in emerging economies)

- Food testing training laboratories
- Support of US Senate on Food Safety regulation
- Chairing APEC working groups on food safety capacity building
- Leadership position on the World Bank Global Food Safety Partnership



Waters' Unique Value Proposition

Key opinion leader network

Waters

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**KOLs ensure
fit-for-purpose
workflow
solutions**

**Prof. Chris Elliot
Queens U, Belfast**

**Author of UK Gov't
commissioned
Elliot report on
integrity of food
supply**



**Prof. Clare Mills
U. of Manchester**

**Leading research
in food allergens**

- Allergens number one cause of food recalls



**Prof. Devin Peterson
Ohio State U.**

**Flavor and taste
research**

- Increased food yields since 1960 have come at the expense of flavor



**Global food companies
and research institutes**

Prevention of disease

Vitamin analysis in blood

'Omics'



Waters' Unique Value Proposition

Global application expertise

**Application
expertise and
local support
critical for
emerging
geographies**

In-depth knowledge of customer's analytical challenges

Development of solutions for specific customer challenges

Rapid response to emerging issues

Melamine in pet food and
subsequently in infant formula



Waters' Unique Value Proposition

Food-focused innovation—sensitivity

Waters

THE SCIENCE OF WHAT'S POSSIBLE.®



ACQUITY I-Class/Xevo TQ-XS

Detect and accurately quantify contaminants at low regulatory limits



CHALLENGE

- Regulations require export testing for banned chemical residues at trace levels in complex matrices
- Non-compliance can result in significant loss of business to the exporter!

SOLUTION

- LC-MS is the “gold standard”¹
- ACQUITY I-Class/Xevo TQ-XS provides robust sensitivity even in the most challenging matrices
- Data confidence ensures global food regulations can be achieved

¹Commission Decision 2002/657/EC]

Waters' Unique Value Proposition

Food-focused innovation—ease of use

Waters

THE SCIENCE OF WHAT'S POSSIBLE.®



ACQUITY QDa

Make mass spectrometry accessible and available closer to point of need



CHALLENGE

- R&D group required to quantify capsaicinoids at lower LOQs
- Legacy UV and FLR method could not reach required quantitation limits
- **Losing money as they were undercharging their customers!**

SOLUTION

- ACQUITY H-Class/PDA/QDa tested in R&D
- Required Limit of Quantitation achieved
- ACQUITY H-Class/PDA/QDa in QC
- **Generating more revenue**

Waters' Unique Value Proposition

Food-focused innovation— direct analysis

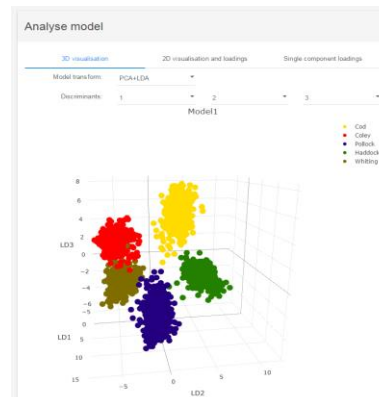


REIMS

Reduce the need for lengthy sample preparation procedures

CHALLENGE

- Economic or malicious adulteration or substitution
- Current technologies (rt-PCR, NGS, ELISA) slow, expensive, or simply unavailable

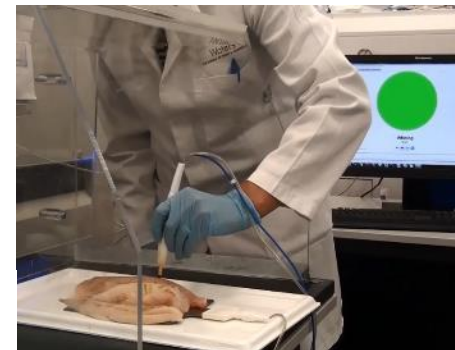


Each cluster representative of a fish species

SOLUTION

REIMS offers a tool for rapid, automated speciation in raw and processed foods

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Key Messages—Food Market

Food security, brand value and regulations drive opportunity

Growing market challenges drive LC/MS as standard of measurement

Waters' strength is in fastest growing segments of food testing

Waters is strongly positioned with key technologies and relationships

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Ian King

Senior Vice President, Instrument Technology

Products and Innovation

Key Messages—Products and Innovation

Focused and disciplined R&D program, investing for growth

Innovation to drive the core business

Transformational engineering to meet changing market needs

Breakthrough innovation to change the world

The Diversity of Problems Our Products Solve

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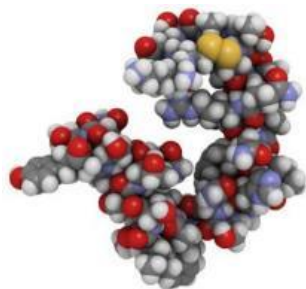
Can I sell this coffee to the EU?



Does this new composite have the right mechanical properties?



Does our new drug give us the results we expect?



Will this ADC deliver its cytotoxic payload effectively?



Is my water safe to drink?








Can we release this batch?



What poisoned this patient?

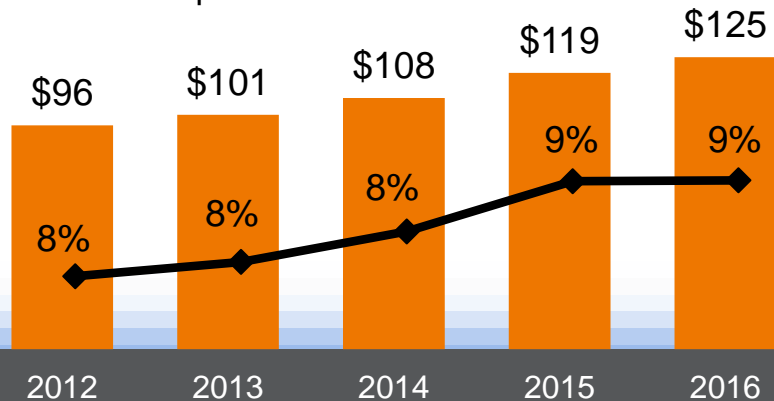
Global R&D network with centers of excellence in

-  Massachusetts (Liquid Chromatography)
-  Delaware (Thermal Analysis)
-  UK (Mass Spectrometry)
-  Singapore (Mass Spectrometry)
-  Romania (Informatics)



Research and Development Investment

- Specialty measurement allows deep focus
- Investment not diluted by broad technology portfolio
- Prioritized resource allocation to support strategy
- Leads to superior returns



WATERS R&D INVESTMENT AS PERCENT OF PRODUCT SALES (IN MILLIONS)

RECENT SIGNIFICANT RETURNS ON R&D INVESTMENT

LC: ACQUITY Arc

MS: ACQUITY QDa mass detection

Chemistry: Glycoworks and Proteinworks

Informatics: UNIFI

Thermal Analysis: Launch of 6 new Discovery series products

Extensive Intellectual Property Coverage

Informatics

5%

Thermal Analysis

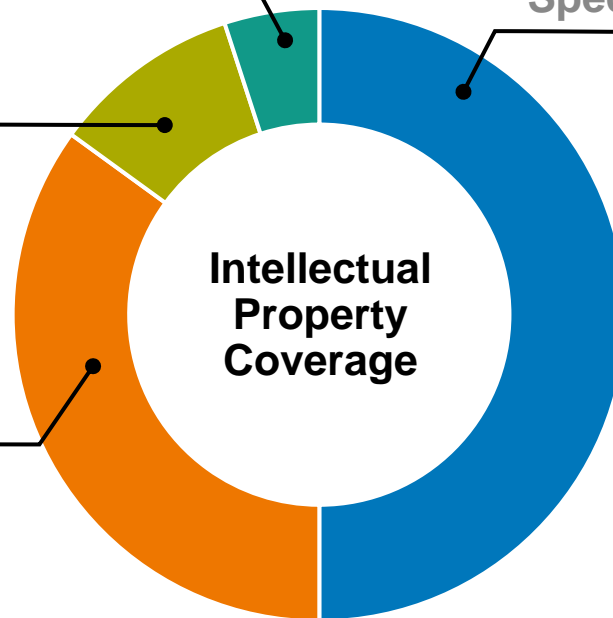
10%

Liquid Chromatography
and Chemistry

35%

Mass
Spectrometry

50%



Intellectual
Property
Coverage

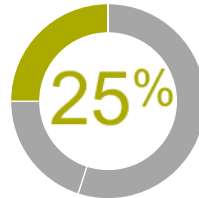
- Over 4,500 patents issued or pending
- All elements of the portfolio covered

Focused and Disciplined R&D Framework

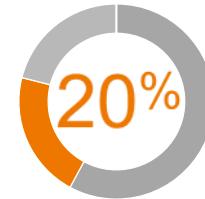
Innovation to Drive the Core



Transformational Engineering



Breakthrough Innovation



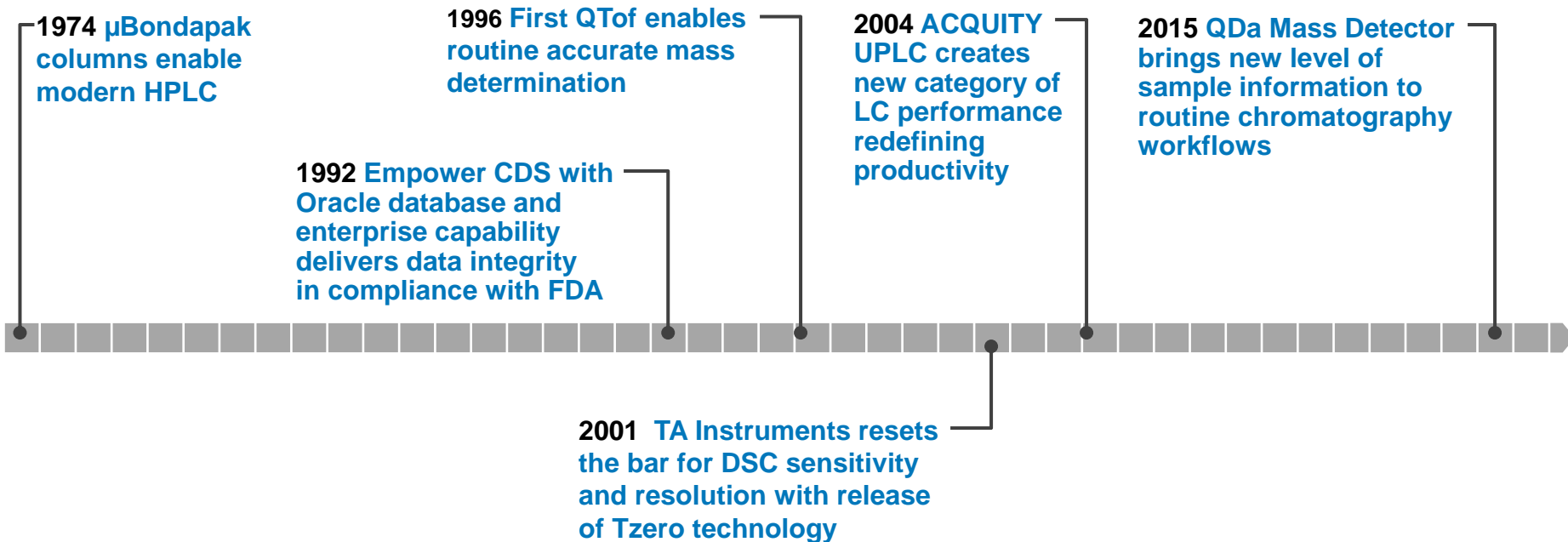


Innovation to Drive the Core

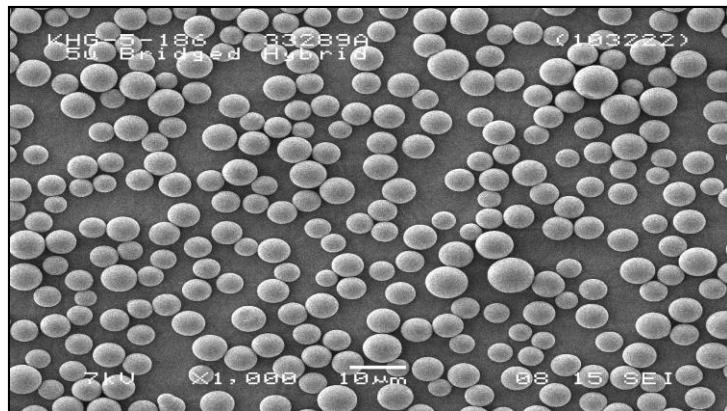
Setting the Standard of Measurement for 40 Years

Waters

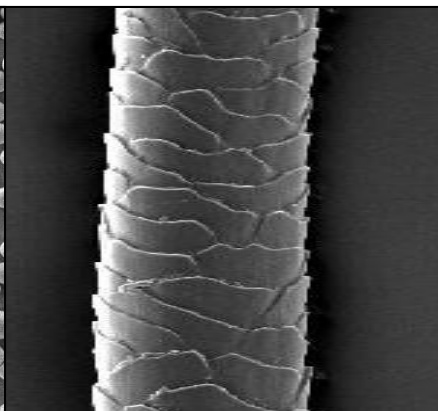
THE SCIENCE OF WHAT'S POSSIBLE.®



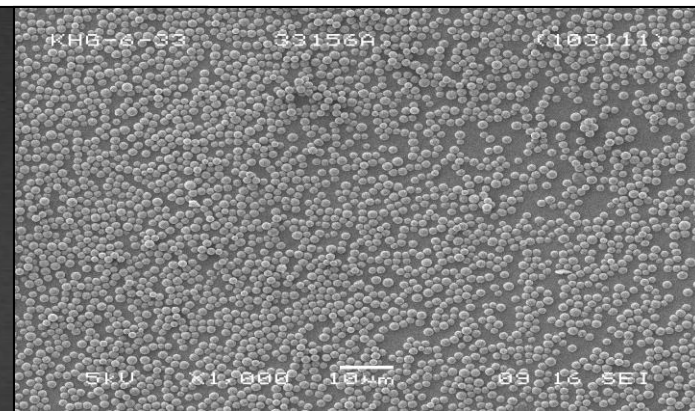
A Journey of Innovation



5 µm Analytical Particles



60 µm Human Hair



1.7 µm UPLC Particles

A Journey of Innovation

Waters

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SETTING THE STANDARD OF MEASUREMENT



Redefined LC performance in terms of:

- Productivity x10 faster
- Separating power x3 resolution
- **Established as the standard of measurement for liquid chromatography**

DELIVERING CUSTOMER BENEFIT



HPLC analysis was a rate-limiting step in releasing 'polypellet' batches

	HPLC	UPLC
Waiting time	3 hrs	30 mins
# Batches/Day	2	4
# Caps/Month	25 M	40 M

Company was able to delay building a new plant to meet capacity requirements

Innovation Drives Real Business Value

\$60,000

average ACQUITY
system cost

8-10 years

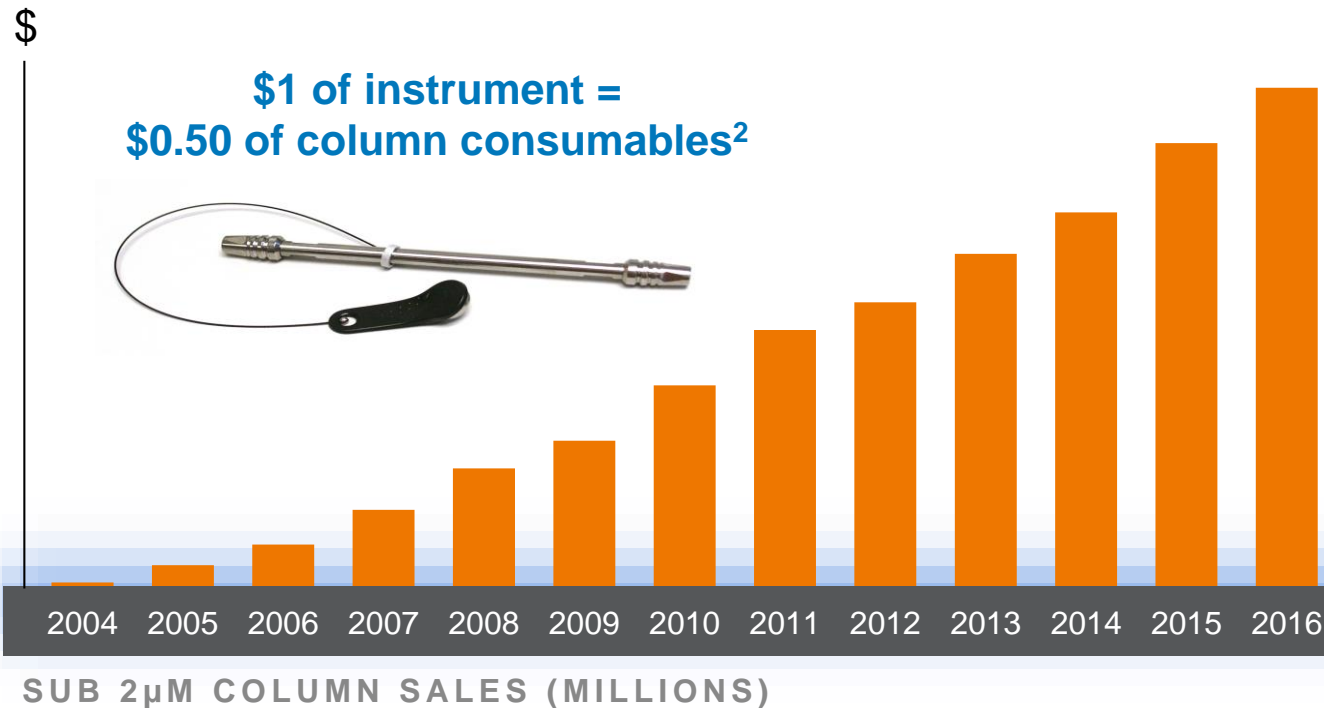
average lifetime

6 per year¹

average column usage

\$500

average column price



¹Independent surveys of ACQUITY users showed greater than 65% compliance (use with ACQUITY columns) using an average of 6 columns per year for total installed base.

²Compare to HPLC at \$0.10 (assume 20% share).

Near Term Product Pipeline is Strong

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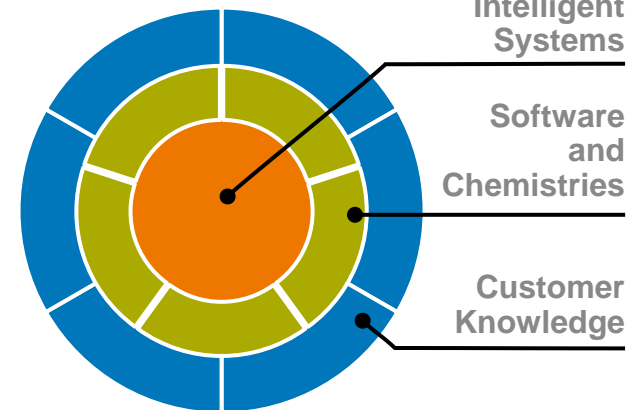
EARLY ADOPTION PHASE



NEAR-TERM 0-18 MONTHS



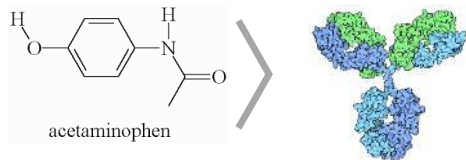
TRANSFORMATIONAL ENGINEERING



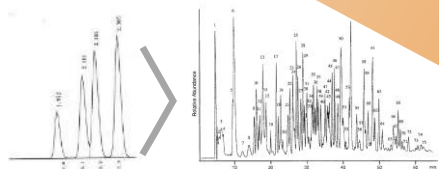


Transformational Engineering

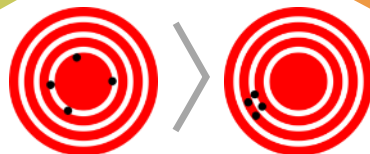
Scientists Want to Be Scientists



Molecular Complexity



Problem Complexity



Data Aggregation

COMPLEXITY

LC/MS EXPERTISE

WORKFLOW

INCREASING

The complexity of the analysis is increasing as the users become less expert in the tool

This requires ever more powerful tools that are also “smarter”

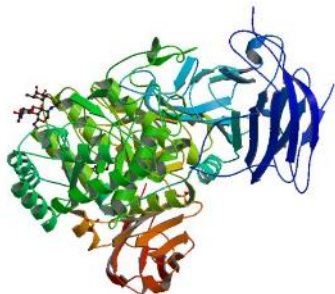
DECREASING

TIME



What's Driving Molecular Complexity?

More than **65%**
of recombinant
biopharmaceutical
products on the
market are
GLYCOproteins



$C_{4758} H_{7262} N_{1274} O_{1369} S_{35}$
MW 105,270.8 Daltons

Biosynthesis of attached glycans is
DIFFICULT TO CONTROL and
that has an impact on safety, efficacy and
immunogenicity.



EVERY STAGE
of the manufacturing process
NEEDS TO BE
MONITORED
to ensure safety and
effectiveness.

In 2008, **Genzyme** invested
\$53M to scale the
production of Myozyme.
FDA rejected application to sell scaled
up version saying the differences in
glycosylation meant that the drug was
no longer the same as the original.¹

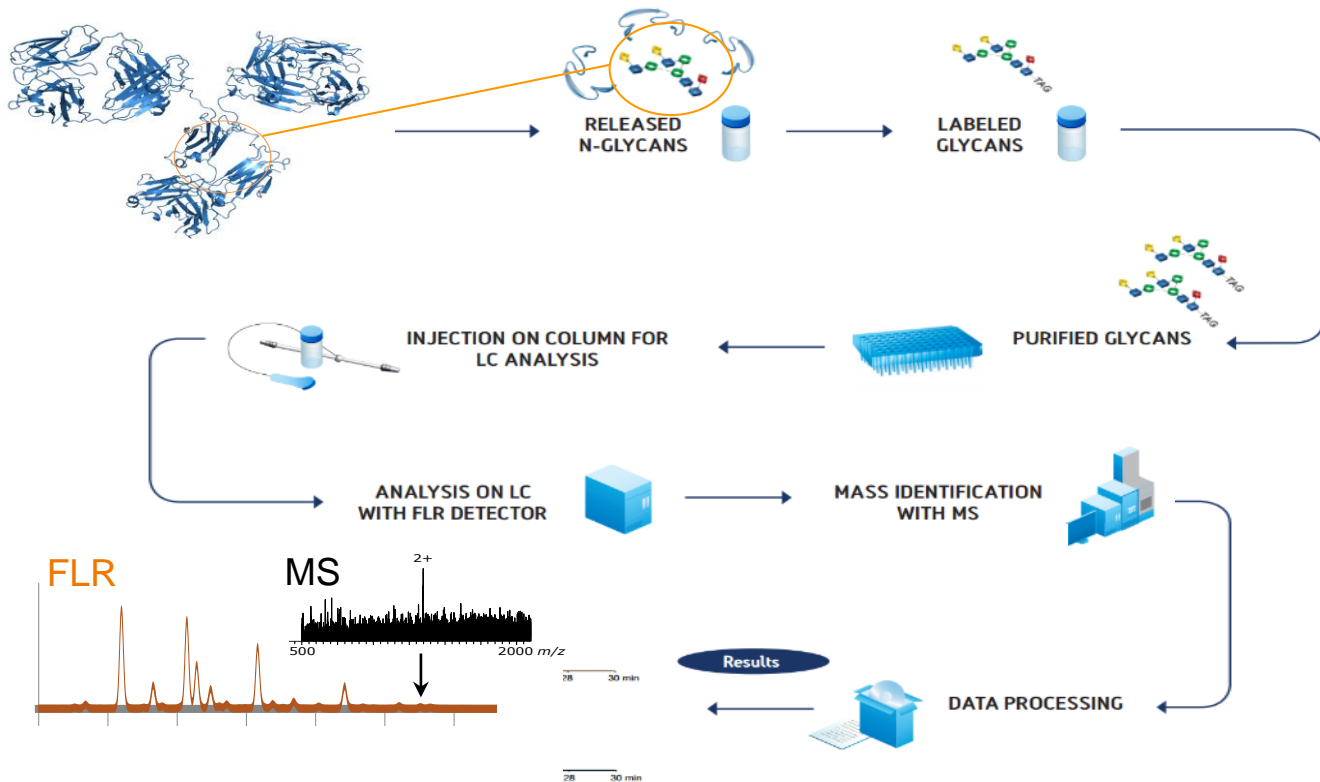
¹International Biopharma Vol 28 Issue 10 pp32-37

Biologic Workflows Are Complex

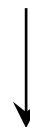
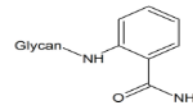
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RELEASED GLYCAN ANALYSIS



Conventional 2-AB

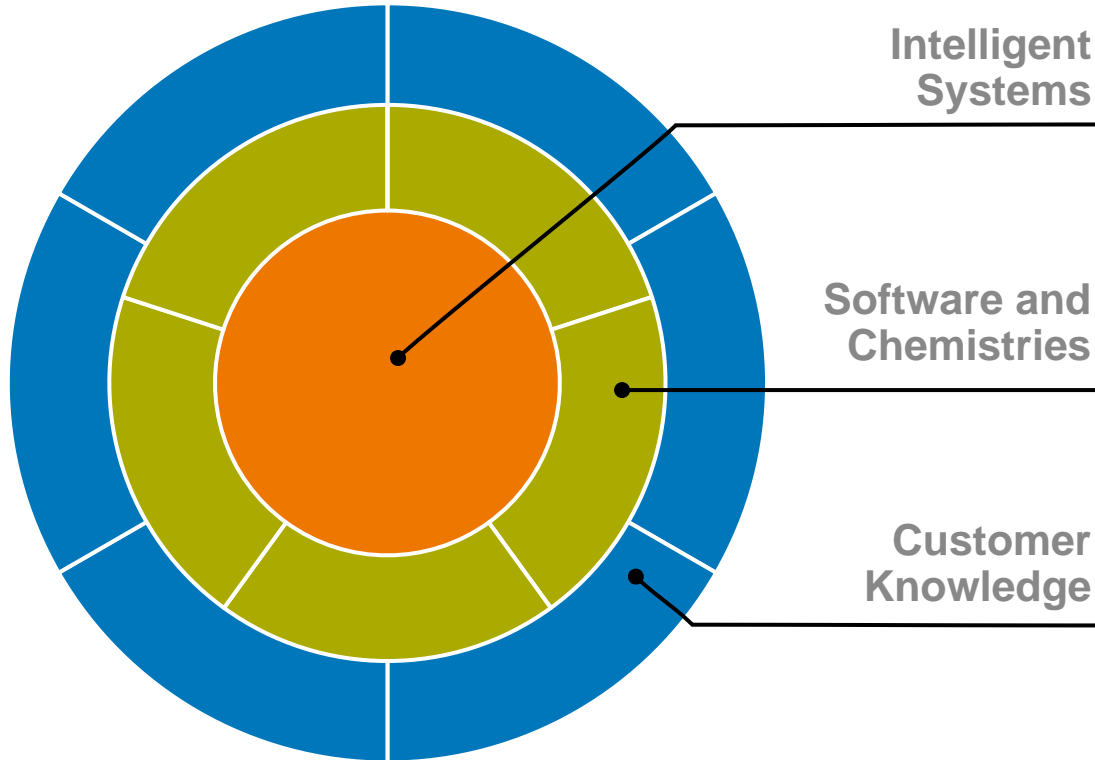


2 Days to complete

Delivering Transformational Engineering

Waters

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LEADING POSITIONS IN ALL ELEMENTS

- Domain knowledge
- Functional knowledge
- Systems knowledge
- Unique manufacturing expertise
- Deep customer understanding

New Bio-TOF–Based System for Biomolecular Characterization

Waters

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Pre-analytics

**Robust and
reproducible**

**Simple and intuitive
interface**

**Predictive
diagnostics**

Connected

**System wellness
...looks after itself**

**Multi-attribute
monitoring**



True bench top scale

**High performance data
acquisition and sensitivity**

Intelligent consumables

Accessibility

Deployability

Dependability

Performance



Breakthrough Innovation

Breakthrough Innovation Is a Collaboration

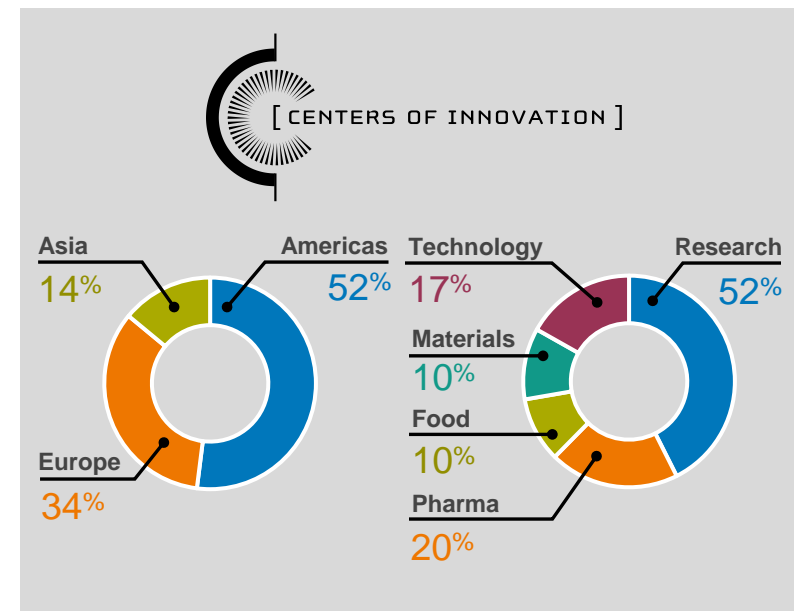
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KEY BUILDING BLOCKS

Machine Learning	Microfluidics	Chemical Synthesis	Ionization Technology
Cloud Computing	Automation	Intelligent Consumables	Ion Mobility
IOT	Scientific Libraries	Surface Modification	Mass Detection

OVER 100 ACTIVE COLLABORATIONS WITH 34 CENTERS OF INNOVATION



Limitless LC/MS Potential Powers Our Growth



...you could identify phenotypes of disease in a single sample?

...you could reconstruct a virtual organ with mass spectral data?

...you could do real time pathology during cancer surgery?

Challenge: Identify 6000 pairs of faces as same person or not

Human error: 0.8%

Best AI system (Google): 0.37%



Nicole Kidman — Nicole Kidman



Jim Carrey — Eric Christian Olsen

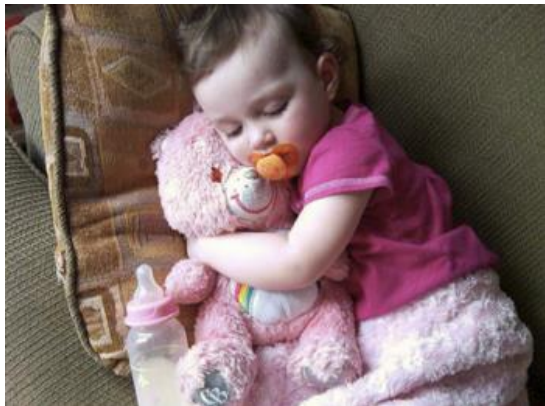


Debra Messing — Debra Messing

Scene Classification and Parsing

Waters

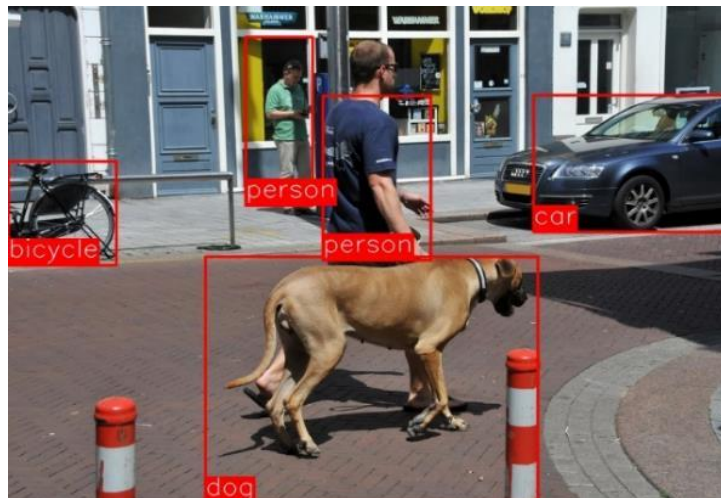
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A baby is asleep next to a teddy bear.



A man holding a tennis racquet on a tennis court.



Predictive diagnostics

- Machine learning to develop predictive models from the stream of diagnostic data from our instruments

Method development

- Typically a trained instrument specialist is needed to identify the right set of instrument conditions to achieve a measurement
- Machine learning is being explored to automate this process

Mass spectrometry data analysis

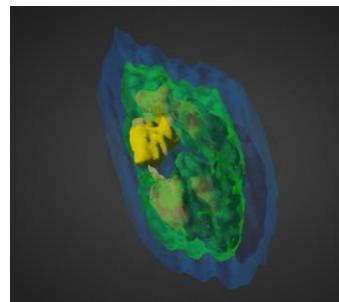
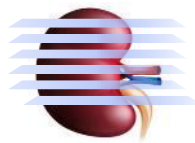
- Feature-rich, complex spectra offers similar challenges as picture analysis
- Can benefit from the open-source tools available

The image is a composite graphic. At the top left is a portrait of a man with dark hair. To his right is a chromatogram with a y-axis labeled from 100 to 250. Further right is a logo for 'Corbeil Laboratory' featuring a stylized circular design and the text 'Compound...' and 'Corbeil Laboratory'. The bottom half of the image shows an aerial view of a city with a large body of water. Overlaid on this is the text 'Bioinformatics for improved health' in a large, white font. Below this, in smaller text, is: 'Comparing genomes to understand pathogenesis and epidemiology. Analysing microbial populations to decipher their interactions with environment and health. Integrating omics sciences to gain a comprehensive system biology interpretation.' At the bottom of the cityscape, there are two small buttons labeled 'About' and 'Contact'.

Advanced Biochemical Imaging

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Mouse Kidney

1.4 x 1 x 0.4 cm

40 sections

100 x 100 x 100µm

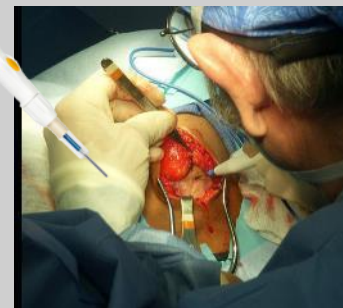
10 hours

**MS imaging with
DESI and MALDI**

**Automated slide loading
of sectioned kidney**

Combine data and visualize

REAL-TIME IDENTIFICATION WITH REIMS



Key Messages—Products and Innovation

Focused and disciplined R&D program, investing for growth

Innovation to drive the core business

Transformational engineering to meet changing market needs

Breakthrough innovation to change the world



Sherry Buck
Senior Vice President and Chief Financial Officer

Financials



Financial Framework

Key Messages

Attractive end markets with consistent organic revenue growth

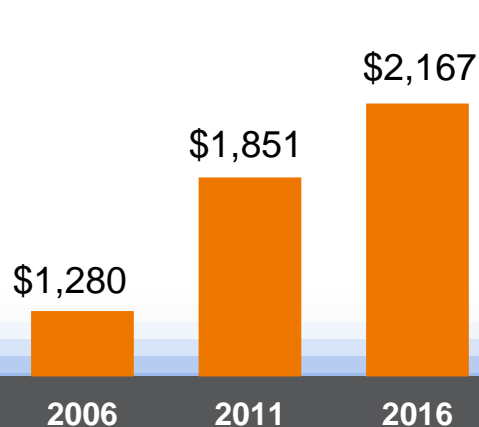
Operational discipline leading to margin opportunity

Strong free cash flow and balance sheet

Disciplined capital deployment to create shareholder value

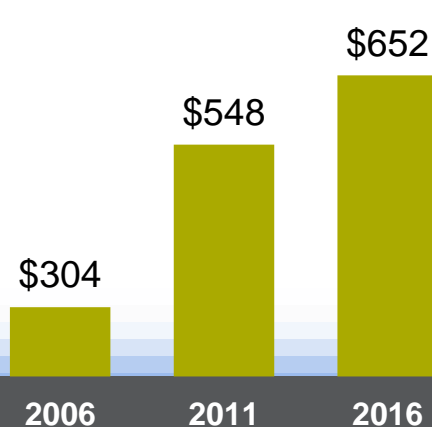
Delivering Consistent Growth and Earnings Leverage

Revenue = 6%



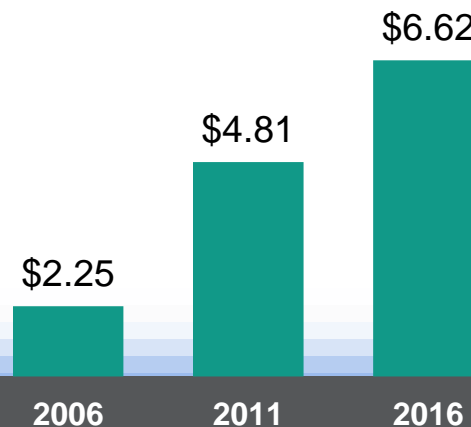
REVENUE
(MILLIONS)

Operating Income = 8%



OPERATING INCOME
(MILLIONS)

EPS = 11%



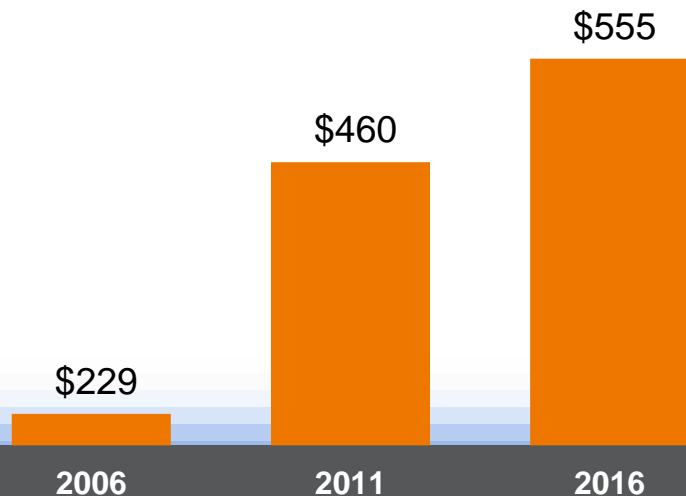
EPS

Revenue Growth – 10 Year CAGR is in constant currency (as reported in USD 5%).

Operating Income & EPS - Exclude the after tax impact of special items disclosed. See GAAP to Non-GAAP reconciliations in the appendix and on the Company's website.

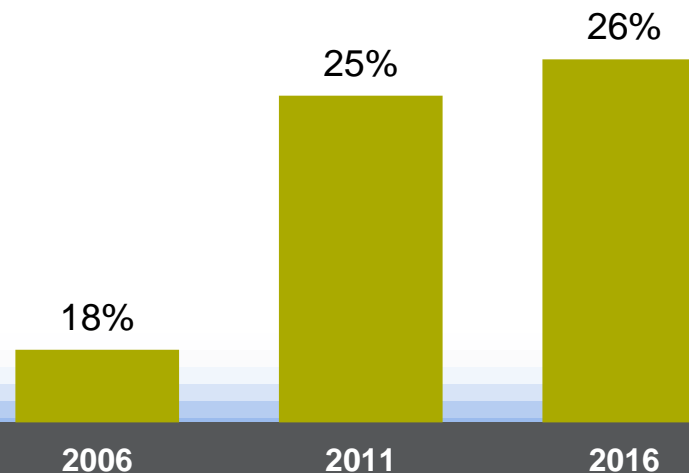
Strong Cash Flow Generation

10-Year CAGR 9%



**GROWTH IN FREE CASH FLOW
(MILLIONS)**

Robust FCF to Sales

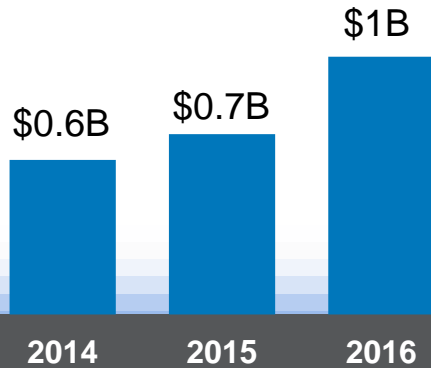


**FREE CASH FLOW AS
A PERCENT OF SALES**

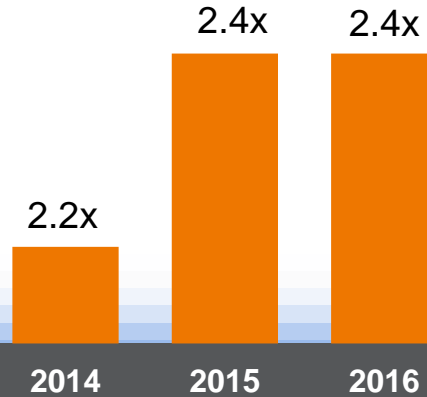
Free Cash Flow = Cash from operations after funding capital expenditures, add back stock compensation tax benefits and exclude capital expenditures associated with major facility improvements. See reconciliations in the appendix.

High Quality Balance Sheet

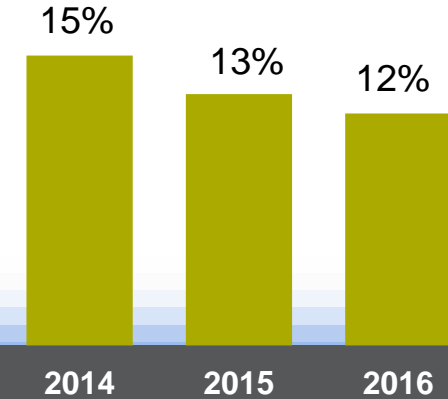
Strong net cash position



Moderate gross debt leverage



Intangibles represent small portion of assets



NET CASH POSITION AT
YEAR END (BILLIONS)

LEVERAGE RATIO¹

INTANGIBLE ASSETS

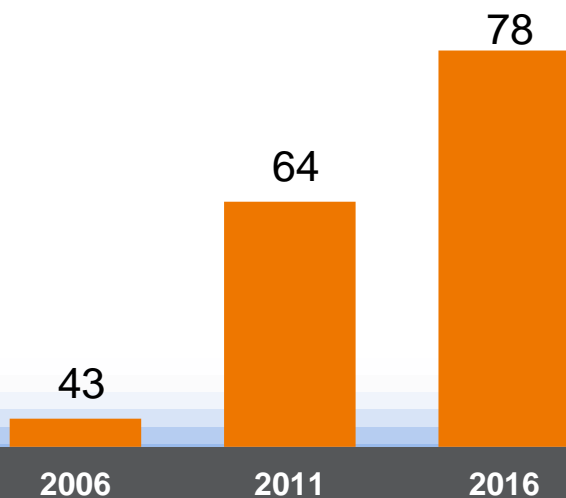
¹Leverage ratio = debt/EBITDA; EBITDA = Net income + interest expense + income tax expense + depreciation and amortization + FAS 123 stock option expense – deferred finance costs + extraordinary or non-recurring non-cash expenses or losses – extraordinary gains. See cross reference to reconciliations in the appendix.

Demonstrated Commitment to Return Value to Shareholders

Established 14-year share repurchase program

Outstanding shares reduced by ~ 50%

~70% average FCF for share repurchases



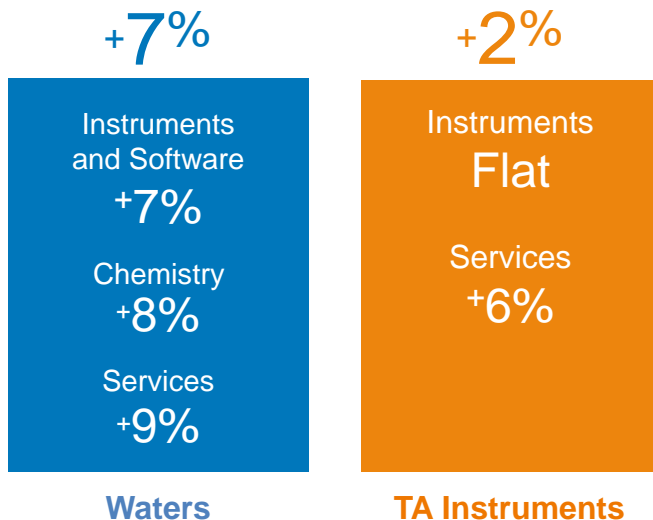
\$4.4B
in share repurchases since 2002

CUMULATIVE SHARE REPURCHASES
(MILLIONS OF SHARES)

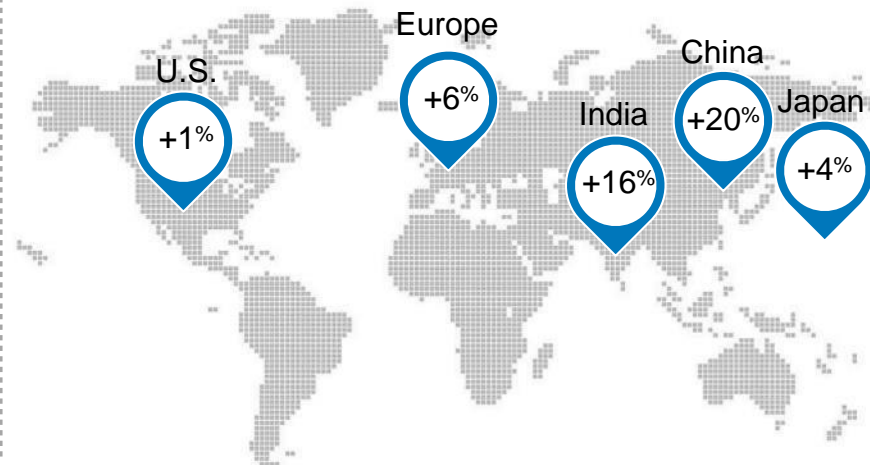
2016 Recap: Ongoing Strong Performance

	2015	2016	Growth
Sales (millions) ¹	\$2,042	\$2,167	7%
Earnings Per Share²	\$5.89	\$6.62	12%

GROWTH BY PRODUCT¹



GROWTH BY MAJOR GEOGRAPHY²



¹Sales, product, and geography growth rates are in constant currency. See GAAP to non-GAAP reconciliations in the appendix.

²Stated as non-GAAP operating figures. See GAAP to non-GAAP reconciliations in the appendix and on the Company's website.

2016 and 2017 Guidance Recap

Full year	Initial 2016 Guidance	2016 Actual	2017 Guide
CC Sales growth	MSD	7%	MSD
FX impact	-1%	-1%	-2% to -3%
Gross Margin %	~59%	59%	58.5% – 59%
EPS range ¹	\$6.10 – \$6.35	\$6.62	\$6.85 – \$7.10
FX impact	-2%	1%	-4%

¹EPS - Exclude the after tax impact of special items disclosed. See GAAP to Non-GAAP reconciliations in the appendix and on the Company's website.
Note: 2017 Guide as communicated on January 24, 2017 Q4 2016 earnings call.

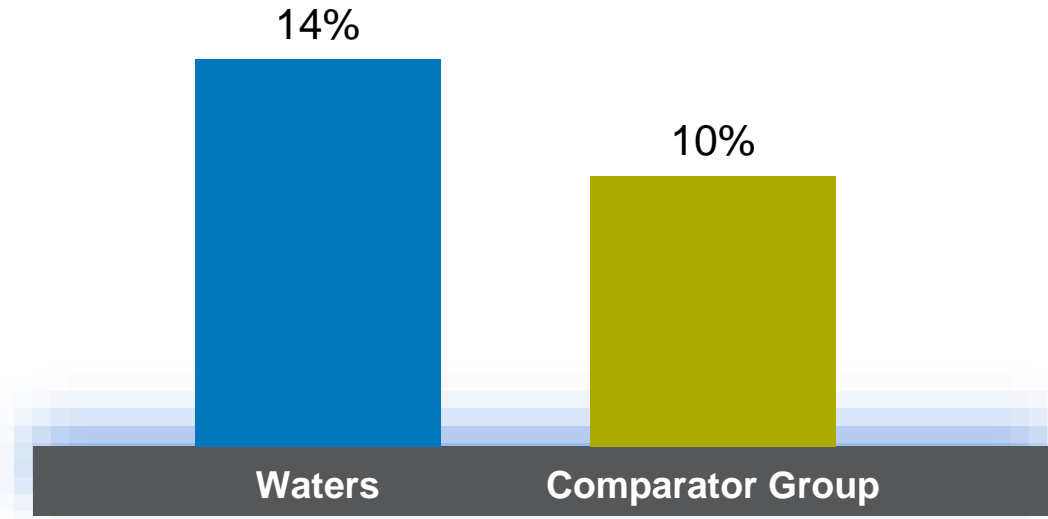
Delivering Strong ROIC for Investors

Organic Revenue Growth

Operating Leverage

Cash Flow Generation

Efficient Capital Deployment

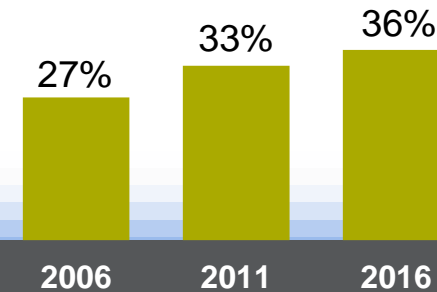
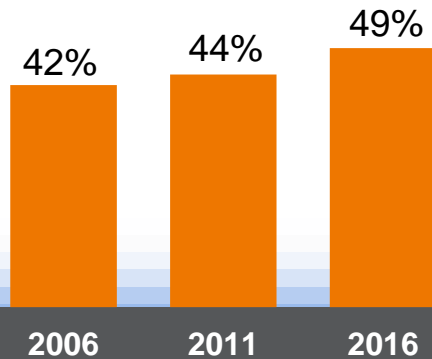
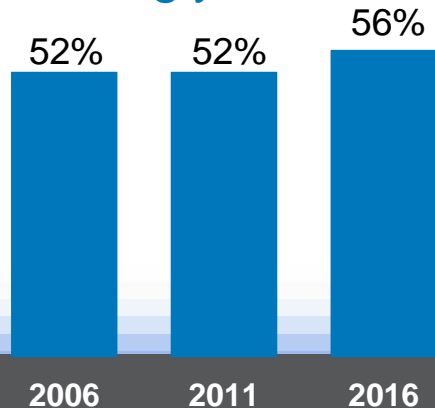


FYE 2016: ROIC = (Non-GAAP EBIT*(1-t)/Invested capital): Invested capital = equity + long term debt . See reconciliations in the appendix.

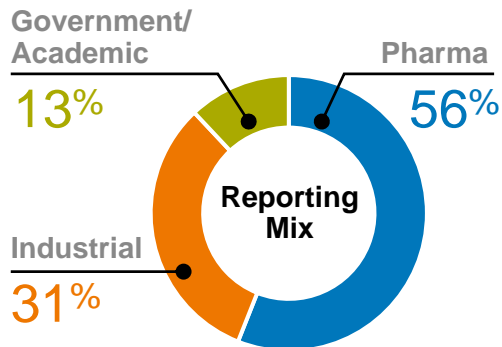
Increasingly Attractive Businesses

Waters

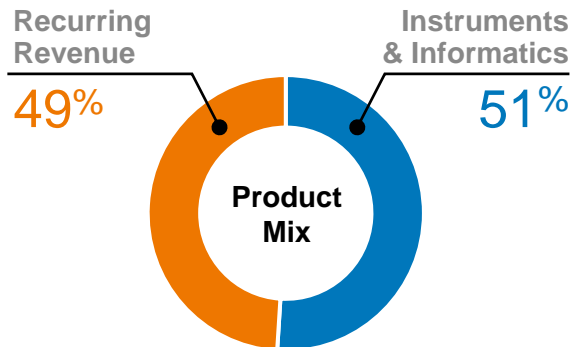
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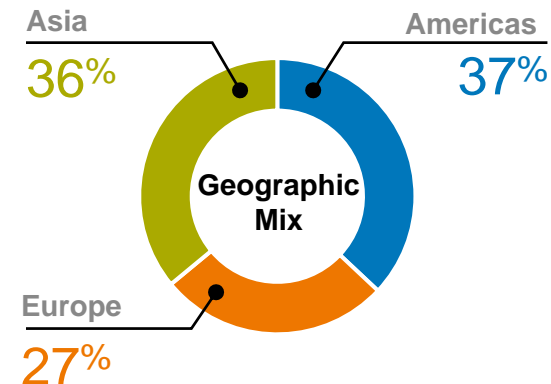
PHARMA



RECURRING REVENUES



ASIA



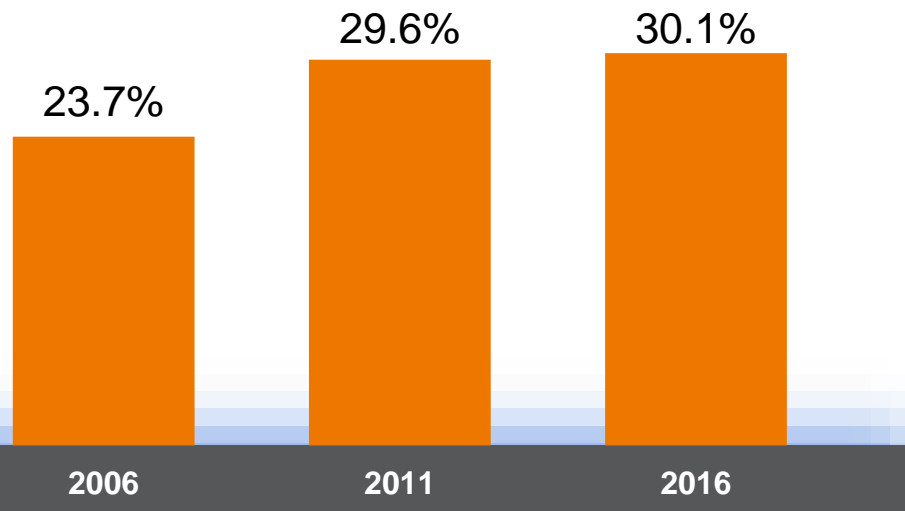
Note: 2016 sales numbers 100% = \$2.2B

Organic Growth: Pathway Forward

Business	3-Year Outlook	Drivers and Trends
Pharma	MSD – HSD	Regulation, pill volume, biologics
Materials	MSD	Product performance demands
Food	MSD – HSD	Regulation, LC-MS strength
Environmental	LSD – MSD	Globalization of standards
Medical Research		Public and private spending
Clinical		Longer term opportunity

Growing Operating Margins

10-year Operating Income CAGR 8%



OPERATING MARGINS

KEY DRIVERS

Business
Mix

Leveraging
Growth

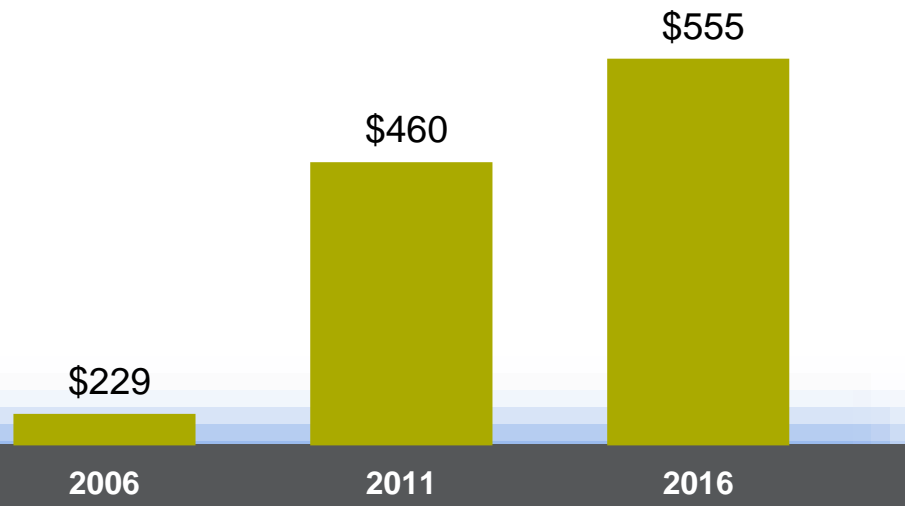
Operating
Improvement
Initiatives

Disciplined
Expense
Management

Operating Margin Percentages and Operating Income – Exclude the after tax impact of special items disclosed. See GAAP to Non-GAAP reconciliations in the appendix and on the Company's website.

Strong Free Cash Flow

10-year CAGR 9%



**GROWTH IN FREE CASH FLOW
(MILLIONS)**

KEY DRIVERS

Revenue
Growth

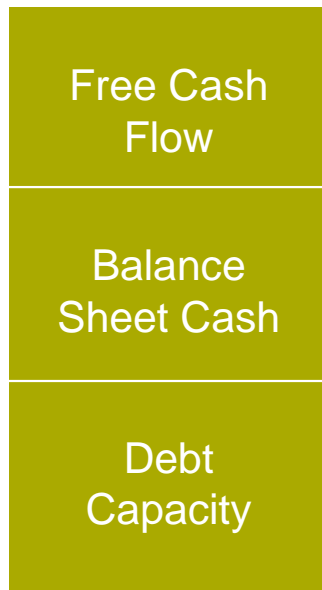
Operating
Leverage

Balance Sheet
Management

Capital
Allocation

Free Cash Flow = Cash from Operations after funding capital expenditures, add back stock compensation tax benefits and exclude capital expenditures associated with major facility improvements. See reconciliations in the appendix.

Priorities for Capital Allocation



Invest in the business

- Organic innovation
- Capital investments
- Acquisitions

Maintain financial strength and flexibility

- Strong and flexible balance sheet
- Moderate debt profile

Return capital to shareholders

- Share repurchase
- Dividend consideration

**Early proposals
appear beneficial**



**Active strategy
development process**



**Manufacturing
footprint flexibility**



Aligning Our Business to Drive Strong Sustainable Total Shareholder Returns

Income Statement	Historical Average	3-Year Outlook	Upside Potential
Revenue 10 yr CC CAGR	6%	MSD+	Pharma and Asia growth
Gross Margin	59%	Stable	Product mix dynamics
Op. Margin	~ 30%	Growth	Faster revenue growth
Tax Rate	~14 %	Mid-teens	Favorable results of tax reform
EPS Growth 10 yr. CAGR	Double Digit	Sustain	Increased flexibility of cash

Note: Op Margin, Tax Rate & EPS - Exclude the after tax impact of special items disclosed. See GAAP to Non-GAAP reconciliations in the appendix and on the Company's website.

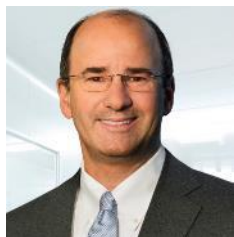
Key Messages

Attractive end markets with consistent organic revenue growth

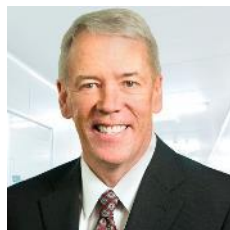
Operational discipline leading to margin opportunity

Strong free cash flow and balance sheet

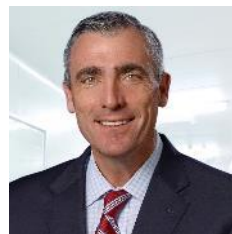
Disciplined capital deployment to create shareholder value



Chris O'Connell
President and CEO



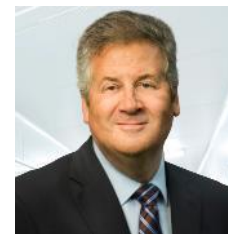
Mike Harrington
SVP, Global Markets



Terry Kelly
SVP and President,
TA Instruments



Rohit Khanna
SVP, Applied
Technology



Ian King
SVP, Instrument
Technology



Sherry Buck
SVP, CFO

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Reconciliation of GAAP to Adjusted Non-GAAP Financial Measures



Non-GAAP Financial Measures

This presentation contains financial measures, such as constant currency growth rate, adjusted operating income, adjusted earnings per diluted share and adjusted operating income, among others, which are considered “non-GAAP” financial measures under applicable U.S. Securities and Exchange Commission rules and regulations. These non-GAAP financial measures should be considered supplemental to and not a substitute for financial information prepared in accordance with generally accepted accounting principles (GAAP). The Company’s definition of these non-GAAP 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. The Company generally uses these non-GAAP financial measures to facilitate management’s financial and operational decision-making, including evaluation of Waters Corporation’s historical operating results, comparison to competitors’ operating results and determination of management incentive compensation. These non-GAAP financial measures reflect an additional way of viewing aspects of the Company’s operations that, when viewed with GAAP results and the reconciliations to corresponding GAAP financial measures, may provide a more complete understanding of factors and trends affecting Waters Corporation’s business. Because non-GAAP financial measures exclude the effect of items that will increase or decrease the Company’s reported results of operations, management strongly encourages investors to review the Company’s consolidated financial statements and publicly filed reports in their entirety. Reconciliations of the non-GAAP financial measures to the most directly comparable GAAP financial measures are included in the appendix of this presentation.

Additionally, please refer to the Company’s website or its historical Form 8-K filings with the SEC, for explanations as to why the Company believes that presentation of these non-GAAP financial measures provide useful information to investors.

Non-GAAP Financial Measures

Waters Corporation and Subsidiaries
 Reconciliation of GAAP to Adjusted Non-GAAP Financials
 Twelve Months Ended December 31, 2014 - 2016
 (In thousands, except per share data)

	Selling & Administrative Expenses ^(a)	Research & Development Expenses ^(a)	Operating Income	Operating Income Percentage	Income from Operations before Income Taxes	Provision for Income Taxes	Net Income	Diluted Earnings per Share
Twelve Months Ended December 31, 2016								
GAAP	\$ 526,444	\$ 125,187	\$ 624,339	28.8%	\$ 600,114	\$ 78,611	\$ 521,503	\$ 6.41
Adjustments:								
Purchased intangibles amortization ^(b)	(9,889)	-	9,889	0.5%	9,889	2,864	7,025	0.09
Stock award modification ^(c)	(7,085)	-	7,085	0.3%	7,085	2,657	4,428	0.05
Restructuring costs, asset impairments, acquisition-related costs & certain other items ^(d)	(6,856)	-	6,856	0.3%	6,856	2,812	4,044	0.05
Litigation provisions ^(f)	(3,524)	-	3,524	0.2%	3,524	1,321	2,203	0.03
Certain income tax items ^(g)	-	-	-	-	-	135	(135)	-
Adjusted Non-GAAP	\$ 499,090	\$ 125,187	\$ 651,693	30.1%	\$ 627,468	\$ 88,400	\$ 539,068	\$ 6.62
Twelve Months Ended December 31, 2015								
GAAP	\$ 509,809	\$ 122,400	\$ 567,451	27.8%	\$ 541,919	\$ 72,866	\$ 469,053	\$ 5.65
Adjustments:								
Purchased intangibles amortization ^(b)	(10,123)	-	10,123	0.5%	10,123	2,888	7,235	0.09
Restructuring costs, asset impairments, acquisition-related costs & certain other items ^(d)	(7,455)	-	7,455	0.4%	7,455	2,377	5,078	0.06
Acquired in-process research and development ^(e)	-	(3,855)	3,855	0.2%	3,855	786	3,069	0.04
Litigation provisions ^(f)	(3,939)	-	3,939	0.2%	3,939	1,478	2,461	0.03
Certain income tax items ^(g)	-	-	-	-	-	(2,326)	2,326	0.03
Adjusted Non-GAAP	\$ 488,292	\$ 118,545	\$ 592,823	29.0%	\$ 567,291	\$ 78,069	\$ 489,222	\$ 5.89
Twelve Months Ended December 31, 2014								
GAAP	\$ 523,341	\$ 123,182	\$ 517,908	26.0%	\$ 490,740	\$ 59,120	\$ 431,620	\$ 5.07
Adjustments:								
Purchased intangibles amortization ^(b)	(10,634)	-	10,634	0.5%	10,634	3,024	7,610	0.09
Restructuring costs, asset impairments, acquisition-related costs & certain other items ^(d)	(17,697)	-	17,697	0.9%	17,697	4,979	12,718	0.15
Acquired in-process research and development ^(e)	-	(15,456)	15,456	0.8%	15,456	3,323	12,133	0.14
Litigation provisions ^(f)	-	-	-	-	-	-	-	-
Certain income tax items ^(g)	-	-	-	-	-	(2,383)	2,383	0.03
Adjusted Non-GAAP	\$ 495,010	\$ 107,726	\$ 561,695	28.2%	\$ 534,527	\$ 68,063	\$ 466,464	\$ 5.48

- (a) Selling & administrative expenses include purchased intangibles amortization and litigation provisions. Research & development expenses include acquired in-process research and development.
- (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) The non-cash expense associated with accelerating the vesting of certain stock awards was excluded as the Company believes these expenses are not indicative of normal operating costs.
- (d) Restructuring costs, asset impairments, acquisition-related costs and certain other items were excluded as the Company believes that the cost to consolidate operations and reduce overhead; the cost to complete acquisitions; the non-cash expense to record asset impairments 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) Acquired In-Process Research and Development was excluded as it relates to milestone payments associated with a licensing arrangement for mass spectrometry that the Company believes is infrequent, unusual and not indicative of its normal business operations.
- (f) Litigation Provisions were excluded as these costs are isolated, unpredictable and not expected to recur regularly.
- (g) Certain income tax items were excluded as these non-cash expenses and benefits represent updates in management's assessment of ongoing examinations or other tax items that are not indicative of the Company's normal or future income tax expense.

Non-GAAP Financial Measures

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Waters Corporation and Subsidiaries
 Reconciliation of GAAP to Adjusted Non-GAAP Financials
 Twelve Months Ended December 31, 2013 - 2006
 (In thousands, except per share data)

	2013	2012	2011	2010	2009	2008	2007	2006
GAAP Gross Profit	\$ 1,120,762	\$ 1,106,027	\$ 1,120,691	\$ 990,068	\$ 903,818	\$ 913,858	\$ 841,926	\$ 744,044
Asset Impairments	-	1,903	-	-	-	-	-	-
Restructuring Costs	-	-	-	-	-	1,432	-	-
Out-of-Period Adjustments	-	-	-	-	-	8,685	-	-
Adjusted Non-GAAP Gross Profit	\$ 1,120,762	\$ 1,107,930	\$ 1,120,691	\$ 990,068	\$ 903,818	\$ 923,975	\$ 841,926	\$ 744,044
GAAP Selling and Administrative Expenses (including Purchased Intangibles Amortization and Litigation Provisions)	\$ (502,883)	\$ (498,533)	\$ (499,744)	\$ (455,862)	\$ (432,062)	\$ (442,516)	\$ (412,398)	\$ (371,587)
Purchased Intangibles Amortization & Step-Up Expenses	9,964	14,420	10,583	10,934	11,144	9,290	8,695	5,439
Restructuring Costs, Asset Impairments, Acquisitions & Other One-Time Costs	9,499	5,843	6,291	3,632	5,282	501	12,167	14,331
Litigation Provisions	-	7,434	-	-	-	6,527	-	-
Non-Income Tax Audit Settlement Provisions	-	484	2,050	3,380	-	-	-	-
Lease Termination Provision	-	-	-	-	5,910	-	-	-
Adjusted Non-GAAP Selling & Administrative Expenses	\$ (483,420)	\$ (470,352)	\$ (480,820)	\$ (437,916)	\$ (409,726)	\$ (426,198)	\$ (391,536)	\$ (351,817)
GAAP Operating Income	\$ 517,343	\$ 511,490	\$ 528,600	\$ 449,932	\$ 394,602	\$ 389,754	\$ 348,879	\$ 295,151
Purchased Intangibles Amortization & Step-Up Expenses	9,964	14,420	10,583	10,934	11,144	9,290	8,695	5,439
Restructuring Costs, Asset Impairments, Acquisitions & Other One-Time Costs	9,499	7,746	6,291	3,632	5,282	1,933	12,167	14,331
Litigation Provisions	-	7,434	-	-	-	6,527	-	-
Non-Income Tax Audit Settlement Provisions	-	484	2,050	3,380	-	-	-	-
Lease Termination Provision	-	-	-	-	5,910	-	-	-
Out-of-Period Adjustments	-	-	-	-	-	8,685	-	-
Adjusted Non-GAAP Operating Income	\$ 536,806	\$ 541,574	\$ 547,524	\$ 467,878	\$ 416,938	\$ 416,189	\$ 369,741	\$ 314,921
GAAP Provision for Income Taxes	\$ (40,102)	\$ (26,182)	\$ (76,284)	\$ (56,100)	\$ (63,339)	\$ (49,713)	\$ (55,120)	\$ (40,759)
Purchased Intangibles Amortization & Step-Up Expenses	(2,849)	(4,601)	(3,409)	(3,437)	(3,455)	(2,816)	(2,558)	(954)
Restructuring Costs, Asset Impairments, Acquisitions & Other One-Time Costs	(3,186)	(2,864)	(1,984)	(1,048)	(1,528)	(631)	(4,417)	(2,407)
Litigation Provisions	-	(2,788)	-	-	-	(2,389)	-	-
Non-Income Tax Audit Settlement Provisions	-	(182)	(759)	(1,183)	-	-	-	-
Lease Termination Provision	-	-	-	-	(2,187)	-	-	-
Out-of-Period Adjustments	-	-	-	-	-	(16,297)	-	-
Infrequent Income Tax Items	(27,467)	(42,285)	(1,617)	(9,081)	(4,555)	5,083	-	-
Adjusted Non-GAAP Provision for Income Taxes	\$ (73,604)	\$ (78,902)	\$ (84,053)	\$ (70,849)	\$ (75,064)	\$ (66,763)	\$ (62,095)	\$ (44,120)
GAAP Net Income	\$ 450,003	\$ 461,443	\$ 432,968	\$ 381,763	\$ 323,313	\$ 322,479	\$ 268,072	\$ 222,200
Purchased Intangibles Amortization & Step-Up Expenses	7,115	9,819	7,174	7,497	7,689	6,474	6,137	4,485
Restructuring Costs, Asset Impairments, Acquisitions & Other One-Time Costs	6,313	4,882	4,307	2,584	3,754	1,302	7,750	11,924
Litigation Provisions	-	4,646	-	-	-	4,138	-	-
Non-Income Tax Audit Settlement Provisions	-	302	1,291	2,197	-	-	-	-
Lease Termination Provision	-	-	-	-	3,723	-	-	-
Out-of-Period Adjustments	-	-	-	-	-	(7,612)	-	-
Infrequent Income Tax Items	(27,467)	(42,285)	(1,617)	(9,081)	(4,555)	5,083	-	-
Adjusted Non-GAAP Net Income	\$ 435,964	\$ 438,807	\$ 444,123	\$ 384,960	\$ 333,924	\$ 331,864	\$ 281,959	\$ 238,609
GAAP EPS	\$ 5.20	\$ 5.19	\$ 4.69	\$ 4.06	\$ 3.34	\$ 3.21	\$ 2.62	\$ 2.13
Purchased Intangibles Amortization & Step-Up Expenses	0.08	0.11	0.08	0.08	0.08	0.06	0.06	0.04
Restructuring Costs, Asset Impairments, Acquisitions & Other One-Time Costs	0.07	0.05	0.05	0.03	0.04	0.01	0.08	0.11
Litigation Provisions	-	0.05	-	-	-	0.04	-	-
Non-Income Tax Audit Settlement Provisions	-	0.00	0.01	0.02	-	-	-	-
Lease Termination Provision	-	-	-	-	0.04	-	-	-
Out-of-Period Adjustments	-	-	-	-	-	(0.08)	-	-
Infrequent Income Tax Items	(0.32)	(0.48)	(0.02)	(0.10)	(0.05)	0.05	-	-
Adjusted Non-GAAP EPS	\$ 5.04	\$ 4.93	\$ 4.81	\$ 4.09	\$ 3.45	\$ 3.30	\$ 2.75	\$ 2.29

- * Purchased Intangibles Amortization was excluded to allow for comparisons of operating results that are consistent over periods of time.
- * Restructuring Costs, Asset Impairments, Acquisition-Related Costs and Other One-Time Costs were excluded as the Company believes that costs to consolidate operations, reduce overhead and complete acquisitions are infrequent or unusual and are not indicative of normal operating costs.
- * Litigation Provisions and Non-Income Tax Audit Settlement Provisions were excluded as these costs are isolated, unpredictable and not expected to recur regularly.
- * Infrequent Income Tax Items were excluded as these costs and benefits are typically the result of audit examination settlements, updates in management's assessment of ongoing examinations or other unusual tax items and are not indicative of the Company's normal or future income tax expense.

Non-GAAP Financial Measures



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Waters Corporation and Subsidiaries
Reconciliation of Actual GAAP Sales to Constant Currency Sales
Twelve Months Ended December 31, 2016 - 2006
(In millions)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Sales as Reported in Actual U.S. Dollars	\$ 2,167	\$ 2,042	\$ 1,989	\$ 1,904	\$ 1,844	\$ 1,851	\$ 1,643	\$ 1,499	\$ 1,575	\$ 1,473	\$ 1,280
- Annual Percentage Sales Growth Rate	6%	3%	4%	3%	(0%)	13%	10%	(5%)	7%	15%	11%
- 10 Year Compound Annual Growth Rate	5%										
Impact of Foreign Currency Exchange	\$ 14	\$ 118	\$ 14	\$ 29	\$ 39	\$ (63)	\$ (12)	\$ 31	\$ (39)	\$ (50)	\$ (18)
Sales in Constant Currency	\$ 2,181	\$ 2,160	\$ 2,003	\$ 1,933	\$ 1,883	\$ 1,788	\$ 1,631	\$ 1,530	\$ 1,536	\$ 1,423	\$ 1,262
- Annual Percentage Sales Growth Rate	7%	9%	5%	5%	2%	9%	9%	(3%)	4%	11%	9%
- 10 Year Compound Annual Growth Rate	6%										

Waters Corporation and Subsidiaries
Reconciliation of Actual GAAP Cashflow to Non-GAAP Free Cash Flow
Twelve Month Ended December 31, 2016 - 2006
(In millions)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Net Cashflow from Operating Activities - GAAP	\$ 629	\$ 560	\$ 512	\$ 485	\$ 449	\$ 497	\$ 458	\$ 418	\$ 418	\$ 370	\$ 264
Less: Additions to property plant, equipment, and software capitalization	\$ (95)	\$ (100)	\$ (91)	\$ (119)	\$ (105)	\$ (85)	\$ (63)	\$ (94)	\$ (69)	\$ (60)	\$ (51)
Add: Major Facility Renovations	\$ 7	\$ 11	\$ 10	\$ 47	\$ 38	\$ 16	\$ 3	\$ 40	\$ 6	\$ -	\$ -
Add: Tax Benefit on Exercise of Stock Options	\$ 14	\$ 13	\$ 16	\$ 16	\$ 11	\$ 32	\$ 11	\$ 5	\$ 7	\$ 17	\$ 17
Other One-Time Usual Items	\$ -	\$ -	\$ 21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7	\$ -	\$ -
Free Cash Flow - Non-GAAP	\$ 555	\$ 484	\$ 467	\$ 429	\$ 393	\$ 460	\$ 409	\$ 370	\$ 368	\$ 328	\$ 229
- 10 Year Compound Annual Growth Rate	9%										

Non-GAAP Financial Measures

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Waters Corporation and Subsidiaries
Reconciliation of GAAP to Adjusted Non-GAAP
Net Sales by Operating Segment, Products & Services, Geography and Markets
Twelve Months Ended December 31, 2016 and December 31, 2015 (In thousands)

	Twelve Months Ended		Percent Change	Currency Impact	Constant Currency Growth Rate ^(a)
	December 31, 2016	December 31, 2015			
NET SALES - OPERATING SEGMENT					
Waters	\$ 1,928,063	\$ 1,806,868	7%	\$ (12,733)	7%
TA	239,360	235,464	2%	(880)	2%
Total	\$ 2,167,423	\$ 2,042,332	6%	\$ (13,613)	7%
NET SALES - PRODUCTS & SERVICES					
Waters Instruments	\$ 943,218	\$ 895,626	5%	\$ (11,022)	7%
TA Instruments	171,665	171,689	(0%)	(632)	0%
Total Instruments	\$ 1,114,883	\$ 1,067,315	4%	\$ (11,654)	6%
Waters Service	639,432	593,301	8%	(4,650)	9%
TA Service	67,695	63,775	6%	(198)	6%
Total Service	707,127	657,076	8%	(4,848)	8%
Chemistry	345,413	317,941	9%	2,889	8%
Total Recurring	1,052,540	975,017	8%	(1,959)	8%
Total	\$ 2,167,423	\$ 2,042,332	6%	\$ (13,613)	7%
NET SALES - GEOGRAPHY					
U.S.	\$ 665,280	\$ 656,361	1%	-	1%
Rest of Americas	141,902	134,122	6%	(4,287)	9%
Americas	807,182	790,483	2%	(4,287)	3%
Europe	577,257	555,886	4%	(9,352)	6%
China	331,354	278,600	19%	(2,078)	20%
Japan	167,977	145,184	16%	17,168	4%
India	128,091	122,419	5%	(14,362)	16%
Rest of Asia	155,562	149,760	4%	(702)	4%
Asia	782,984	695,963	13%	26	12%
Total	\$ 2,167,423	\$ 2,042,332	6%	\$ (13,613)	7%
NET SALES - MARKETS					
Pharmaceutical	\$ 1,206,316	\$ 1,106,229	9%	\$ (9,827)	10%
Industrial	690,119	653,213	6%	(1,281)	6%
Government & Academic	270,988	282,890	(4%)	(2,505)	(3%)
Total	\$ 2,167,423	\$ 2,042,332	6%	\$ (13,613)	7%

(a) The Company believes that referring to comparable constant currency growth rates is a useful way to evaluate the underlying performance of Waters Corporation's net sales. Constant currency growth rate, a non-GAAP financial measure, measures the change in net sales between current and prior year periods, ignoring the impact of foreign currency exchange rates during the current period. See description of non-GAAP financial measures contained in this release.

Non-GAAP Financial Measures



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Waters Corporation and Subsidiaries
Reconciliation of Actual Pharmaceutical GAAP Sales to Constant Currency Sales
Twelve Months Ended December 31, 2016 and 2011
(In Millions)

Total Pharmaceutical Sales as Reported	2016	5 Year CAGR%	2011
Americas	\$ 463	5%	\$ 360
Europe	\$ 352	1%	\$ 335
Asia	\$ 391	8%	\$ 272
Total Sales as Reported in Actual U.S. Dollars	<u>\$ 1,206</u>	<u>5%</u>	<u>\$ 967</u>
Impact of Foreign Currency Exchange			
Americas	\$ -		\$ (6)
Europe	\$ (20)		\$ (77)
Asia	\$ 18		\$ (37)
Total Foreign Currency Exchange	<u>\$ (2)</u>		<u>\$ (120)</u>
Sales in Constant Currency			
Americas	\$ 463	6%	\$ 354
Europe	\$ 332	5%	\$ 258
Asia	\$ 409	12%	\$ 235
Total Sales in Constant Currency	<u>\$ 1,204</u>	<u>7%</u>	<u>\$ 847</u>
India Pharmaceutical Sales			
India Sales as Reported in Actual U.S. Dollars	\$ 101	2%	\$ 91
Impact of Foreign Currency Exchange	\$ 28		\$ (21)
India Sales in Constant Currency	<u>\$ 129</u>	<u>13%</u>	<u>\$ 70</u>
China Pharmaceutical Sales			
China Sales as Reported in Actual U.S. Dollars	\$ 151	20%	\$ 60
Impact of Foreign Currency Exchange	\$ (6)		\$ (2)
China Sales in Constant Currency	<u>\$ 145</u>	<u>20%</u>	<u>\$ 58</u>

Reconciliation of GAAP to adjusted non-GAAP
financials as disclosed in the company's annual
earnings press release



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