

Q1 2025 Earnings Call Presentation

May 6, 2025

Forward-Looking Statements & Non-GAAP Financial Measures



This presentation contains forward-looking statements regarding future results and events, including financial and operational guidance and projected estimates. For this purpose, any statements that are not statements of historical fact may be deemed forward-looking statements. Words such as “may,” “will,” “expect,” “plan,” “anticipate,” “estimate,” “intend,” “outlook,” and similar expressions (as well as other words or expressions referencing future events, conditions or circumstances) are intended to identify forward-looking statements. These forward-looking statements may include statements regarding future operating and financial performance, market growth and drivers of market growth, success of our products, and customer trends. Forward-looking statements in this presentation are based on the expectations and assumptions of Waters Corporation (the “Company” or “Waters”) as of the date of this presentation and are neither predictions nor guarantees of future events or performance. You should not place undue reliance on forward-looking statements, which speak only as of the date hereof and should not be relied upon as representing the Company’s estimates or views as of any date subsequent to the date of this presentation. Each of these forward-looking statements involves risks and uncertainties, and actual results may differ materially from such forward-looking statements. We discuss various factors that may cause the Company’s actual results to differ from those expressed or implied in the forward-looking statements in this presentation, including, but not limited to, those factors relating to the impact on Waters’ operating results throughout the Company’s various market sectors or geographies from economic, environmental, regulatory, trade and political uncertainties, in the sections entitled “Forward-Looking Statements,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, and “Risk Factors” of the Company’s Annual Report on Form 10-K for the year ended December 31, 2024 as filed with the Securities and Exchange Commission (“SEC”) on February 25, 2025, as updated by the Company’s subsequent filings with the SEC, including the Company’s Quarterly Reports on Form 10-Q. Except as required by law, the Company does not assume any obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

To supplement the Company’s financial statements presented on a GAAP basis, the Company has provided certain non-GAAP financial measures, such as constant currency revenue, adjusted operating margin, free cash flow, and non-GAAP diluted earnings per share. Management uses these non-GAAP financial measures to evaluate the Company’s operating performance in a manner that allows for meaningful period-to-period comparison and analysis of trends in its business. Management believes that such measures are important in comparing current results with prior period results and are useful to investors and financial analysts in assessing the Company’s operating performance. The non-GAAP financial information presented herein should be considered in conjunction with, and not as a substitute for, the financial information presented in accordance with GAAP. Management strongly encourages investors to review the Company’s consolidated financial statements and publicly filed reports in their entirety. The Company’s definition of these non-GAAP financial measures may differ from similarly titled measures used by others. The non-GAAP financial measures used in this presentation adjust for specified items that can be highly variable or difficult to predict. Investors are encouraged to review the reconciliation of these non-GAAP measures to their most directly comparable GAAP financial measures set forth in the Appendix to this presentation and also included in the Company’s press release dated May 6, 2025, available on the Company’s website at: <https://ir.waters.com/>.

Key Messages

Waters™

Strong Start to the Year

Momentum Tied to Resilient Growth Drivers

Demonstrating Operational Excellence

Q1 2025 Results

Q1 2025 Revenue

\$662M

As Reported: **+3.9%**

CC Revenue Growth

+7%

FX: **(3%)**

CC Instrument
Growth

+11%

CC Recurring Revenue
Growth

+4%

Q1 2025 EPS
Non-GAAP

\$2.25



Growth

+2%

+7% in CC

CC: Constant Currency; growth rates are versus prior year

Note: A reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures is included in the Appendix to this presentation and is also included in the Company's press release dated May 6, 2025, available on the Company's website at: <https://ir.waters.com/>

Strong Start to the Year w/ Double-Digit Instrument Growth

Waters™

Total 1Q25 Y/Y Instrument Sales Growth in Constant Currency

Pharma

+14%

Industrial

+10%

Acad. & Govt

+7%

Total

+11%

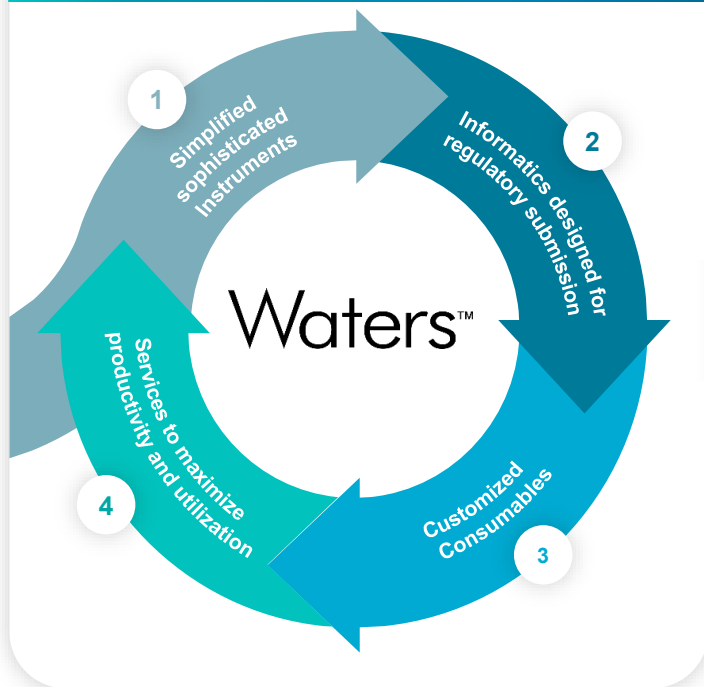
Continued strong growth momentum from **instrument replacement**
& **idiosyncratic growth drivers**

Note: Constant currency sales growth is a non-GAAP measure. A reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures is included in the Appendix to this presentation.

We Serve Attractive, Secular Markets Driven by Testing Volume

Waters™

Downstream Presence



Serving High Volume, Regulated Applications

Pharma Manufacturing QA/QC Testing

Late-Stage Drug Development

Food & Environmental Safety

Clinical Diagnostics

Materials Analysis & Battery Testing

Results Supported by Innovation

Waters™

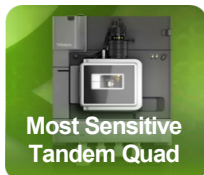
Product

Benefit



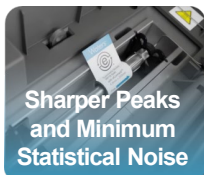
alliance^{is}
Liquid Chromatography
Next-Gen Flagship HPLC

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



XevoTM
TQ ABSOLUTE
Mass Spectrometry
For PFAS, Pharma, Clinical

Up to **15x better sensitivity**
while **45% more compact**



MAXPEAK[®]
PREMIER
Chemistry
Bioseparations

17x faster, 12x more sensitive
large molecule separation

1Q25 Growth

>3x
Sales Growth Y/Y¹

>50%
Sales Growth Y/Y²

>30%
Sales Growth Y/Y³

Adoption

~20%
of HPLC Sales

~50%
of Tandem Quad
sales

~HSD%
of Chemistry Rev

Note: 1. Waters Alliance iS sales grew 3.7x in constant currency in 1Q25 compared to 1Q24. 2. Waters Xevo TQ Absolute sales grew 56% in constant currency in 1Q25 compared to 1Q24. 3. Waters MaxPeak chemistry sales grew 34% in constant currency in 1Q25 versus 1Q24. Estimates on this slide are based on internal analysis, consulting data, industry reports, and internal market research. HSD = High Single-Digits. Adoption rate reflects trends as of our most recent fiscal year. Sales trends presented on this slide are non-GAAP measures and where non-GAAP total company performance across instrumentation, service, and chemistry are reconciled to the most directly comparable GAAP financial measures are included in the Appendix to this presentation.

Benefitting from Idiosyncratic Growth Drivers

Waters™

Unique exposure to key drivers of downstream testing volume

Therapies



New therapeutic areas like GLP-1s expected to accelerate QA/QC testing volume growth

GLP-1s
+30bps / yr¹

Avg annual est. growth contribution 2024-2030 from QA/QC of GLP-1 drugs

PFAS



PFAS detection expanding into **food & materials**, while growth in water testing continues

PFAS
+30bps / yr²

PFAS testing is a \$400M global market, est. growing ~20%³

Generics



Patent cliff & aging global population shaping new generics volume growth landscape

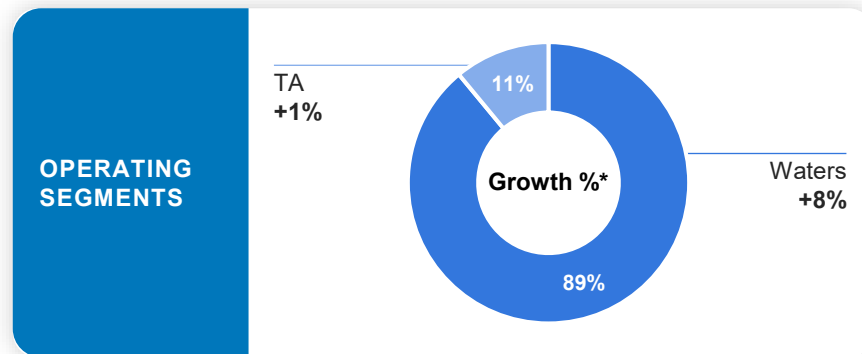
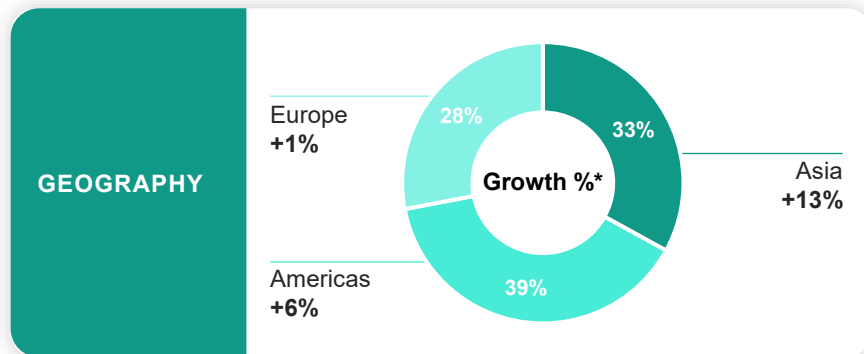
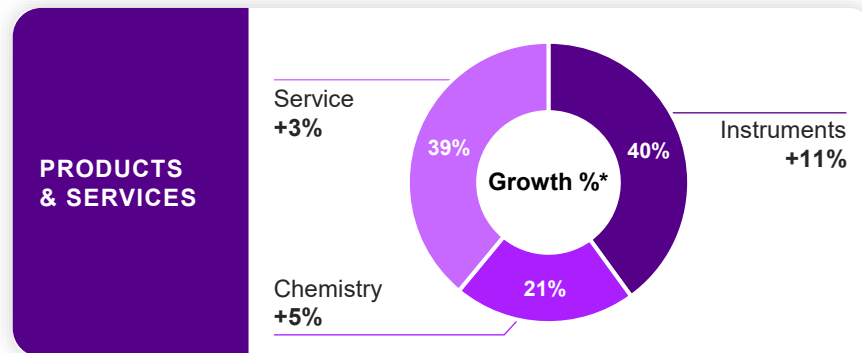
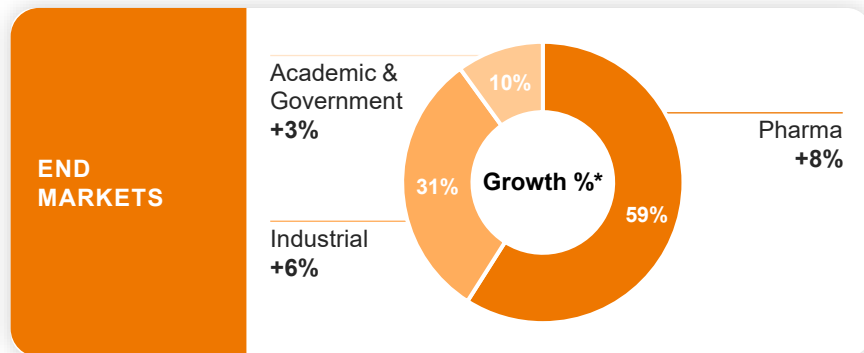
India
+70-100bps / yr⁴

Strong market fundamentals support continued est. +DD avg annual growth

Note: 1. Based on internal analysis and estimates where the QA/QC testing of GLP-1 related drugs is expected to contribute an average 30bps growth tailwind annually for Waters from 2024 to 2030. 2. Based on internal analysis and estimates where the PFAS related testing is expected to contribute an average 30bps growth tailwind annually in the near-term. 3. Total Addressable Market (TAM) sizing and market growth rates are Waters' internal estimates incorporating internal analysis, consulting data, industry reports and market research, and are based on current and recent historical growth rate data for more nascent, high-growth markets. 4. Based on internal analysis and estimates where total India geographic sales are expected to contribute an average 70-100bps growth tailwind annually for Waters in the near-term.

Q1 2025 Revenue Stratification

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* % Revenue Growth 1Q25 vs. 1Q24 in Constant Currency
Note: 1Q25 had two fewer days than 1Q24

A reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures is included in the Appendix to this presentation and in the Company's press release dated May 6, 2025, available on the Company's website at: <https://ir.waters.com>

FY & Q2 2025 Guidance

Waters™

FY 2025

**Constant Currency
Revenue Growth vs. FY 2024**

+5.0% to +7.0%

FX (1.0%)

Reported Growth +4.0% to +6.0%

NON-GAAP EPS

\$12.75 to \$13.05

Q2 2025

**Constant Currency
Revenue Growth vs. Q2 2024**

+5.0% to +7.0%

FX (1.0%)

Reported Growth +4.0% to +6.0%

NON-GAAP EPS

\$2.88 to \$2.98

**FY Net Interest Exp.
\$40M**

**FY Tax Rate
16.5%**

**FY Guide
Notes**

**FY Avg. Shares
59.7M**

**FY CC EPS Growth
+11%**

Based on current FX rate assumptions. A reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures is included in the Appendix to this presentation and in the Company's press release dated May 6, 2025, available on the Company's website at: <https://ir.waters.com/>

Appendix

GAAP to Non-GAAP Reconciliations

Q1 2025 Sales - Reported & Constant Currency Growth

| (in millions USD) | | 2025 | 2024 | % Growth Reported | Impact of Currency | % Growth Constant Currency |
|-------------------------|-----------------------|--------------|--------------|-------------------|--------------------|----------------------------|
| Operating Segments | Waters | 587.3 | 561.9 | 5% | (3%) | 8% |
| | TA | 74.4 | 74.9 | (1%) | (1%) | 1% |
| End Markets | Pharmaceutical | 391.1 | 374.2 | 5% | (3%) | 8% |
| | Industrial | 203.4 | 195.3 | 4% | (2%) | 6% |
| | Academic & Government | 67.3 | 67.3 | 0% | (3%) | 3% |
| Geography | Asia | 220.8 | 207.6 | 6% | (6%) | 13% |
| | Americas | 255.5 | 241.2 | 6% | 0% | 6% |
| | Europe | 185.4 | 188.1 | (1%) | (2%) | 1% |
| Products & Services | Instruments | 262.9 | 241.9 | 9% | (3%) | 11% |
| | Service | 261.2 | 260.7 | 0% | (3%) | 3% |
| | Chemistry | 137.6 | 134.2 | 3% | (3%) | 5% |
| | Total Recurring | 398.8 | 394.9 | 1% | (3%) | 4% |
| Total Sales – Q1 | | 661.7 | 636.8 | 4% | (3%) | 7% |

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, a non-GAAP financial measure, measures the change in net sales between current and prior year periods, excluding the impact of foreign currency exchange rates during the current period.

Q1 2025 Instrument Sales – Reported & CC Growth

| (in millions USD) | | 2025 | 2024 | % Growth Reported | Impact of Currency | % Growth Constant Currency |
|-----------------------------|-----------------------|-------|-------|-------------------|--------------------|----------------------------|
| Instrument Sales Q1 | Pharmaceutical | 134.8 | 121.9 | 11% | (3%) | 14% |
| | Industrial | 93.0 | 85.8 | 8% | (2%) | 10% |
| | Academic & Government | 35.1 | 34.3 | 2% | (5%) | 7% |
| Total Instrument Sales – Q1 | | 262.9 | 241.9 | 9% | (3%) | 11% |

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, a non-GAAP financial measure, measures the change in net sales between current and prior year periods, excluding the impact of foreign currency exchange rates during the current period.

GAAP to Non-GAAP Reconciliations

| Earnings Per Share | | |
|--|----------------|----------------|
| | Q1 2025 | Q1 2024 |
| GAAP | \$ 2.03 | \$ 1.72 |
| Adjustments: | | |
| Purchased intangibles amortization (a) | \$ 0.15 | \$ 0.15 |
| Litigation provision (b) | \$ - | \$ 0.13 |
| Restructuring costs and certain other items (c) | \$ 0.01 | \$ 0.11 |
| ERP implementation and transformation costs (d) | \$ 0.03 | \$ - |
| Retention bonus obligation (e) | \$ 0.03 | \$ 0.10 |
| Adjusted Non-GAAP | \$ 2.25 | \$ 2.21 |
| Foreign Exchange Impact | \$ 0.12 | |
| Adjusted Non-GAAP in constant currency | \$ 2.37 | |
| Adjusted Non-GAAP % growth in constant currency | 7% | |

- a) The purchased intangibles amortization, a non-cash expense, was excluded to be consistent with how management evaluates the performance of its core business against historical operating results and the operating results of competitors over periods of time.
- b) Litigation provisions and settlement gains were excluded as these items are isolated, unpredictable and not expected to recur regularly.
- c) Restructuring costs and certain other items were excluded as the Company believes that the cost to consolidate operations, reduce overhead, and certain other income or expense items are not normal and do not represent future ongoing business expenses of a specific function or geographic location of the Company.
- d) ERP implementation and transformation costs represent costs related to the Company's initiative to transition from its legacy enterprise resource planning (ERP) system to a new global ERP solution with a cloud-based infrastructure. These costs, which do not represent normal or future ongoing business expenses, are one-time, non-recurring costs related to the establishment of our new global ERP solution that were determined to be non-capitalizable in accordance with accounting standards.
- e) In connection with the Wyatt acquisition, the Company started to recognize a two-year retention bonus obligation that is contingent upon the employee's providing future service and continued employment with Waters. The Company believes that these costs are not normal and do not represent future ongoing business expenses.

| FY 2025 and Q2 2025 Guidance | | | | | | |
|---|-----------------|----------|-----------------|----------------|----------|----------------|
| Projected Sales | FY 2025 | | | Q2 2025 | | |
| Constant currency sales growth rate* | 5.0% | - | 7.0% | 5.0% | - | 7.0% |
| Currency translation impact | (1.0%) | - | (1.0%) | (1.0%) | - | (1.0%) |
| Sales growth rate as reported | 4.0% | - | 6.0% | 4.0% | - | 6.0% |
| Projected Earnings Per Diluted Share | FY 2025 | | | Q2 2025 | | |
| GAAP earnings per diluted share | \$ 11.88 | - | \$ 12.18 | \$ 2.66 | - | \$ 2.76 |
| Adjustments: | | | | | | |
| Purchased intangibles amortization (a) | \$ 0.60 | - | \$ 0.60 | \$ 0.15 | - | \$ 0.15 |
| ERP implementation and transformation costs (d) | \$ 0.22 | - | \$ 0.22 | \$ 0.05 | - | \$ 0.05 |
| Retention bonus obligation (e) | \$ 0.05 | - | \$ 0.05 | \$ 0.02 | - | \$ 0.02 |
| Adjusted non-GAAP earnings per diluted share | \$ 12.75 | - | \$ 13.05 | \$ 2.88 | - | \$ 2.98 |

* Constant currency growth rates are a non-GAAP financial measure that measures the change in net sales between current and prior year periods, excluding the impact of foreign currency exchange rates during the current period. These amounts are estimated at the current foreign currency exchange rates and based on the forecasted geographical sales in local currency, as well as an assessment of market conditions as of today, and may differ significantly from actual results.

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

The background of the image is a blue gradient with a complex, abstract network of white and grey dots connected by thin lines, resembling a molecular or data network. A solid blue horizontal band is positioned across the middle of the image.

Waters™