

Waters Corporation and Subsidiaries
Quarterly Reconciliation of GAAP to Adjusted Non-GAAP Financials
(in thousands, except per share data)

The 2014 and 2013 adjusted amounts presented below are used by the management of the Company to measure operating performance with prior periods and forecasts and are not in accordance with generally accepted accounting principles (GAAP). The Company believes that the use of Non-GAAP measures, such as Non-GAAP Earnings Per Share (EPS) and Non-GAAP Operating Income, help management and investors gain a better understanding of our core operating results and future trends, and is consistent with how management measures performance for purposes of executive compensation and forecasts the Company's performance. The reconciliation identifies items management has excluded as non-operational transactions. Management has excluded the following items:

- * 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.
- * 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.

	(Unaudited)			
	Three Months Ended		Nine Months Ended	
	September 27, 2014	September 28, 2013	September 27, 2014	September 28, 2013
GAAP Selling and Administrative Expenses (including Purchased Intangibles Amortization)	\$ (124,951)	\$ (123,081)	\$ (388,809)	\$ (369,578)
Purchased Intangibles Amortization	2,725	2,518	8,018	7,339
Restructuring Costs, Asset Impairments, Acquisitions & Other One-Time Costs	191	2,848	14,557	6,786
Adjusted Non-GAAP Selling & Administrative Expenses (including Purchased Intangibles Amortization)	\$ (122,035)	\$ (117,715)	\$ (366,234)	\$ (355,453)
GAAP Operating Income	\$ 138,713	\$ 119,069	\$ 345,869	\$ 341,166
Purchased Intangibles Amortization	2,725	2,518	8,018	7,339
Restructuring Costs, Asset Impairments, Acquisitions & Other One-Time Costs	191	2,848	14,557	6,786
Adjusted Non-GAAP Operating Income	\$ 141,629	\$ 124,435	\$ 368,444	\$ 355,291
GAAP Provision for Income Tax Expense	\$ (17,916)	\$ (14,609)	\$ (45,939)	\$ (12,359)
Purchased Intangibles Amortization	(804)	(719)	(2,306)	(2,111)
Restructuring Costs, Asset Impairments, Acquisitions & Other One-Time Costs	150	(896)	(4,054)	(2,293)
Infrequent Income Tax Items	1,033	999	2,740	(28,382)
Adjusted Non-GAAP Provision for Income Tax Expense	\$ (17,537)	\$ (15,225)	\$ (49,559)	\$ (45,145)
GAAP Net Income	\$ 113,497	\$ 98,048	\$ 280,328	\$ 308,421
Purchased Intangibles Amortization	1,921	1,799	5,712	5,228
Restructuring Costs, Asset Impairments, Acquisitions & Other One-Time Costs	341	1,952	10,503	4,493
Infrequent Income Tax Items	1,033	999	2,740	(28,382)
Adjusted Non-GAAP Net Income	\$ 116,792	\$ 102,798	\$ 299,283	\$ 289,760
GAAP EPS	\$ 1.34	\$ 1.14	\$ 3.29	\$ 3.56
Purchased Intangibles Amortization	0.02	0.02	0.07	0.06
Restructuring Costs, Asset Impairments, Acquisitions & Other One-Time Costs	0.00	0.02	0.12	0.05
Infrequent Income Tax Items	0.01	0.01	0.03	(0.33)
Adjusted Non-GAAP EPS	\$ 1.38	\$ 1.19	\$ 3.51	\$ 3.34