

Waters Corporation and Subsidiaries
Quarterly Reconciliation of GAAP to Adjusted Non-GAAP
Net Sales by Operating Segment, Products & Services, Geography and Markets
Quarters Ended April 2, 2016 and April 4, 2015
(in thousands)

	Three Months Ended		Percent Change	Currency Impact	Constant Currency Growth Rate ^(a)
	April 2, 2016	April 4, 2015			
NET SALES - OPERATING SEGMENT					
Waters	\$ 424,193	\$ 409,668	4%	\$ (6,321)	5%
TA	51,053	50,736	1%	(151)	1%
Total	<u>\$ 475,246</u>	<u>\$ 460,404</u>	3%	<u>\$ (6,472)</u>	5%
NET SALES - PRODUCTS & SERVICES					
Instruments	\$ 223,707	\$ 224,690	-	\$ (4,431)	2%
Service	167,389	157,531	6%	(1,852)	8%
Chemistry	<u>84,150</u>	<u>78,183</u>	8%	<u>(189)</u>	8%
Total Recurring	251,539	235,714	7%	(2,041)	8%
Total	<u>\$ 475,246</u>	<u>\$ 460,404</u>	3%	<u>\$ (6,472)</u>	5%
NET SALES - GEOGRAPHY					
Americas	\$ 178,741	\$ 177,580	1%	\$ (766)	1%
Europe	125,032	124,401	1%	(1,517)	2%
Asia	171,473	158,423	8%	(4,189)	11%
Total	<u>\$ 475,246</u>	<u>\$ 460,404</u>	3%	<u>\$ (6,472)</u>	5%
NET SALES - MARKETS					
Pharmaceutical	\$ 259,086	\$ 241,303	7%	\$ (4,436)	9%
Industrial	153,521	155,010	(1%)	(1,189)	-
Government & Academic	62,639	64,091	(2%)	(847)	(1%)
Total	<u>\$ 475,246</u>	<u>\$ 460,404</u>	3%	<u>\$ (6,472)</u>	5%

(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.

Waters Corporation and Subsidiaries
Quarterly Reconciliation of GAAP to Adjusted Non-GAAP Financials
Quarters Ended April 2, 2016 and April 4, 2015
(in thousands, except per share data)

	Net Sales	Gross Profit	Gross Profit Percentage	Selling & Administrative Expenses	Research & Development Expenses	Operating Income	Operating Income Percentage	Interest Expense, Net	Income from Operations before Income Taxes	Provision for Income Tax Expense	Net Income	Diluted Earnings per Share
Quarter Ended April 2, 2016												
GAAP	\$ 475,246	\$ 274,095	57.7%	\$ 131,995	\$ 29,438	\$ 112,662	23.7%	\$ (6,032)	\$ 106,630	\$ 12,578	\$ 94,052	\$ 1.15
Adjustments:												
Purchased intangibles amortization ^(a)	-	-	-	(2,644)	-	2,644	0.6%	-	2,644	750	1,894	0.02
Stock award modification ^(b)	-	-	-	(7,085)	-	7,085	1.5%	-	7,085	2,657	4,428	0.05
Restructuring costs, asset impairments, acquisition-related costs & other one-time costs ^(c)	-	-	-	(3,608)	-	3,608	0.8%	-	3,608	1,142	2,466	0.03
Infrequent income tax items ^(d)	-	-	-	-	-	-	-	-	-	(737)	737	0.01
Adjusted Non-GAAP	\$ 475,246	\$ 274,095	57.7%	\$ 118,658	\$ 29,438	\$ 125,999	26.5%	\$ (6,032)	\$ 119,967	\$ 16,390	\$ 103,577	\$ 1.26
Quarter Ended April 4, 2015												
GAAP	\$ 460,404	\$ 271,158	58.9%	\$ 122,225	\$ 28,951	\$ 119,982	26.1%	\$ (6,635)	\$ 113,347	\$ 17,286	\$ 96,061	\$ 1.15
Adjustments												
Purchased intangibles amortization ^(a)	-	-	-	(2,474)	-	2,474	0.5%	-	2,474	704	1,770	0.02
Restructuring costs, asset impairments, acquisition-related costs & other one-time costs ^(c)	-	-	-	(1,272)	-	1,272	0.3%	-	1,272	363	909	0.01
Infrequent income tax items ^(d)	-	-	-	-	-	-	-	-	-	(2,406)	2,406	0.03
Adjusted Non-GAAP	\$ 460,404	\$ 271,158	58.9%	\$ 118,479	\$ 28,951	\$ 123,728	26.9%	\$ (6,635)	\$ 117,093	\$ 15,947	\$ 101,146	\$ 1.21

(a) Purchased Intangibles Amortization was excluded to allow for comparisons of operating results that are consistent over periods of time.

(b) The expense associated with accelerating the vesting of certain stock awards were excluded as the Company believes these expenses are infrequent, unusual and are not indicative of normal operating costs.

(c) 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.

(d) 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.