Waters Corp.

WAT

NYSE; business equipment; SIC 3826, Laboratory Analytical Instruments; CIK 0001000697

B

second fifth of 495 graded peers in business equipment

rank 160 of 495; percentile 32.2; sampling error 2.2 points; lower is stronger

A B C D E

B, the elk



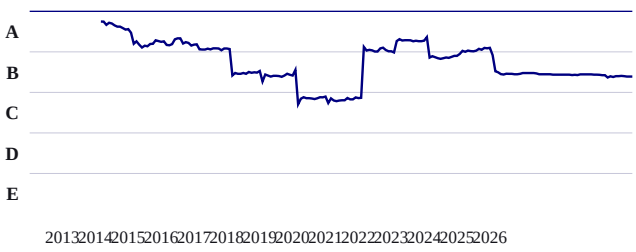
Scoreboard	
Profitability	B percentile 37.5
Solvency	B percentile 33.4
Growth and financing	C/D percentile 58.5
Reliability	0.94 AUC filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025
Peer failure rate	0.52% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	over $2.67B assets total assets $5.1B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	dilution not computable: distress
Inputs computable	12 of 14
Graded from	filings received through Feb 23, 2026 263 days before the rescan; latest periodic filing 10-Q received Nov 10, 2026
Last close	$462.21 2026-11-12; market equity $45.4B; no price enters the letter

Share price, twelve months to the rescan



Split-adjusted close. Each lollipop is a rescan and carries the letter held then.

Letter at every rescan, 2012 to 2026



Sector percentile at each rescan, stronger toward the top; facts filed by each date only.

Business, in the company's words

opening of Item 1 of the 10-K received Feb 23, 2026

Waters Corporation (the "Company," "we," "our," or "us"), a global leader in analytical instruments and software, has pioneered innovations in chromatography, mass spectrometry and thermal analysis serving life, materials and food sciences for more than 65 years. The Company primarily designs, manufactures, sells and services high-performance liquid chromatography ("HPLC"), ultra-performance liquid chromatography ("UPLC" and together with HPLC, referred to as "LC") and mass spectrometry ("MS") technology systems and support products, including chromatography columns, other consumable products and comprehensive post-warranty service plans.

The fourteen inputs

lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight

Input	Value	Peer median	Percentile, 0 to 100	Pct	Peers	Period end
Profitability, sleeve percentile 37.5						
Gross profitability	37.0%	28.8%		33.2	552	2025-12-31
Return on invested capital	21.0%	11.2%		26.0	132	2025-12-31

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Accruals ratio	(0.2%)	(7.3%)	85.5	615	2025-12-31
Gross margin stability, five years	0.6 pts	2.3 pts	5.2	423	2025-12-31
Solvency, sleeve percentile 33.4					
Twelve-month failure probability	not computable	0.05%			
latest liabilities, cash plus short-term investments, book equity, and shares are required					
Altman Z double-prime	10.00	2.21	8.7	562	2025-12-31
Net debt to EBITDA	0.92x	1.09x	44.1	146	2025-12-31
Interest coverage	11.54x	3.77x	24.4	87	2025-12-31
Current ratio	1.73x	2.01x	56.3	660	2025-12-31
Growth and financing, sleeve percentile 58.5					
Revenue growth, three-year compound	2.1%	6.5%	63.5	532	2025-12-31
Free cash flow growth, three-year compound	not computable	18.0%			
four consecutive annual FCF observations are required; found 1					
Reinvestment rate	7.8%	15.1%	52.3	223	2025-12-31
Asset growth, three years	15.7%	5.2%	24.5	557	2025-12-31
Net share issuance, one year	65.1%	0.5%	93.8	406	2026-02-19

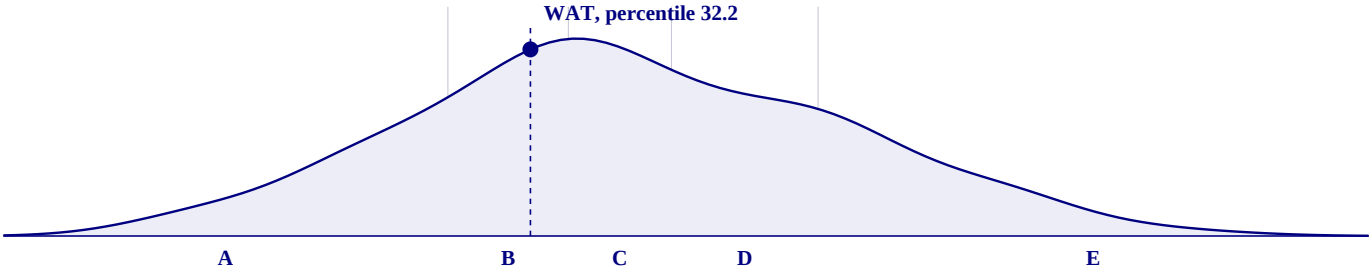
Warnings

1 of 7 checks triggered; none of them enters the letter

Check	Measured
Dilution	split-adjusted year-over-year share growth is 65.1%

Among 495 peers

business equipment; letters are fifths of this list



Composite score of every graded peer, smoothed; vertical rules are the letter band edges; stronger to the left.

Rank	Company	Percentile	Letter	Warnings
155	Leonardo DRS, Inc. (DRS)	31.2	B	fortress balance sheet
156	CTS Corp. (CTS)	31.4	B	fortress balance sheet
157	CarGurus, Inc. (CARG)	31.6	B	fortress balance sheet
158	Block, Inc. (XYZ)	31.8	B	
159	Where Food Comes From, Inc. (WFCF)	32.0	B	fortress balance sheet
160	Waters Corp. (WAT)	32.2	B	dilution
161	TaskUs, Inc. (TASK)	32.4	B	
162	Wetouch Technology Inc. (WETH)	32.6	B	late filer
163	Transact Technologies Inc. (TACT)	32.8	B	
164	Guidewire Software, Inc. (GWRE)	33.0	B	fortress balance sheet
165	Tyler Technologies Inc. (TYL)	33.2	B	fortress balance sheet

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What the price implies

at the 2026-11-12 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	25.7%	(2.0%)	71
Distance from 52-week high	(3.7%)	(33.7%)	89
EBIT to enterprise value	1.7%	1.7%	51
Free cash flow yield	1.2%	2.8%	34
Book value to price	0.34	0.27	57
Sales to price	0.07	0.31	10
Composite equity issuance, five years	45.8%	4.3%	83
Relative strength against the sector, log excess return	(0.04)	(0.29)	71

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score 6 of 9, period end 2025-12-31	
Return on assets above zero	pass
Operating cash flow above zero	pass
Return on assets improved	pass
Operating cash flow exceeds net income	pass
Long-term leverage fell	pass
Current ratio improved	fail
No new shares issued	fail
Gross margin improved	fail
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	$593.0M
Operating cash flow, four quarters	$479.6M
Months of runway	not finite
Days since last periodic filing	3 (10-Q received Nov 10, 2026)
Median daily dollar volume, 63 sessions	$336.1M

Sources

every fact behind the inputs; each row links to its filing index on sec.gov

#	Concept	XBRL tag	Value	Period end	Received	Form	Accession
1	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$3.2B	2025-12-31	2026-02-23	10-K	26-062604
2	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$1.3B	2025-12-31	2026-02-23	10-K	26-062604
3	assets	us-gaap:Assets	$5.1B	2025-12-31	2026-02-23	10-K	26-062604
4	operating income	us-gaap:OperatingIncomeLoss	$802.6M	2025-12-31	2026-02-23	10-K	26-062604
5	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$754.9M	2025-12-31	2026-02-23	10-K	26-062604
6	income tax	us-gaap:IncomeTaxExpenseBenefit	$112.2M	2025-12-31	2026-02-23	10-K	26-062604
7	total debt	us-gaap:LongTermDebt	$1.4B	2025-12-31	2026-02-23	10-K	26-062604
8	book equity	us-gaap:StockholdersEquity	$2.6B	2025-12-31	2026-02-23	10-K	26-062604
9	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$587.8M	2025-12-31	2026-02-23	10-K	26-062604
10	total debt	us-gaap:LongTermDebt	$1.6B	2024-12-31	2025-02-25	10-K	25-034579
11	book equity	us-gaap:StockholdersEquity	$1.8B	2024-12-31	2026-02-23	10-K	26-062604
12	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$325.4M	2024-12-31	2026-02-23	10-K	26-062604
13	net income	us-gaap:NetIncomeLoss	$642.6M	2025-12-31	2026-02-23	10-K	26-062604
14	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$652.6M	2025-12-31	2026-02-23	10-K	26-062604
15	assets	us-gaap:Assets	$4.6B	2024-12-31	2026-02-23	10-K	26-062604
16	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$3.0B	2024-12-31	2026-02-23	10-K	26-062604
17	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$1.2B	2024-12-31	2026-02-23	10-K	26-062604
18	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$3.0B	2023-12-31	2026-02-23	10-K	26-062604

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19	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$1.2B	2023-12-31	2025-02-25	10-K	25-034579
20	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$3.0B	2022-12-31	2025-02-25	10-K	25-034579
21	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$1.2B	2022-12-31	2024-02-27	10-K	24-047491
22	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$2.8B	2021-12-31	2024-02-27	10-K	24-047491
23	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$1.2B	2021-12-31	2023-02-27	10-K	23-050827
24	current assets	us-gaap:AssetsCurrent	$2.1B	2025-12-31	2026-02-23	10-K	26-062604
25	current liabilities	us-gaap:LiabilitiesCurrent	$1.2B	2025-12-31	2026-02-23	10-K	26-062604
26	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	$10.4B	2025-12-31	2026-02-23	10-K	26-062604
27	liabilities	us-gaap:Liabilities	$2.5B	2025-12-31	2026-02-23	10-K	26-062604
28	depreciation amortization	us-gaap:Depreciation	$88.1M	2025-12-31	2026-02-23	10-K	26-062604
29	interest expense	us-gaap:InterestExpense	$69.5M	2025-12-31	2026-02-23	10-K	26-062604
30	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	$112.7M	2025-12-31	2026-02-23	10-K	26-062604
31	current assets	us-gaap:AssetsCurrent	$1.7B	2024-12-31	2026-02-23	10-K	26-062604
32	current liabilities	us-gaap:LiabilitiesCurrent	$789.8M	2024-12-31	2026-02-23	10-K	26-062604
33	assets	us-gaap:Assets	$4.6B	2023-12-31	2025-02-25	10-K	25-034579
34	assets	us-gaap:Assets	$3.3B	2022-12-31	2024-02-27	10-K	24-047491
35	shares outstanding	dei:EntityCommonStockSharesOutstanding	98,101,871	2026-02-19	2026-02-23	10-K	26-062604
36	shares outstanding	dei:EntityCommonStockSharesOutstanding	59,410,941	2025-02-21	2025-02-25	10-K	25-034579

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