



## Millipore Reports Second Quarter 2008 Financial Results

*Quarter highlighted by strong Bioscience Division performance and free cash flow generation*

**BILLERICA, Mass. – July 31, 2008** – Millipore Corporation (NYSE:MIL), a life science leader that provides technologies, tools and services for bioscience research and biopharmaceutical manufacturing, today reported financial results for its second quarter ended June 28, 2008.

Revenues for the second quarter grew 8 percent, to \$414.2 million. Excluding an 8 percent benefit from changes in foreign currency, revenues in the quarter were unchanged from the previous year. On a divisional basis, excluding changes in foreign currency, Millipore's Bioscience Division revenues grew 9 percent, offsetting a 7 percent decline in revenues from the Company's Bioprocess Division.

Millipore's second quarter net income grew 42 percent totaling \$40.3 million, or \$0.72 per share, compared to \$28.4 million, or \$0.52 per share in 2007. Non-GAAP net income grew 15 percent in the second quarter to \$51.0 million, or \$0.92 per share, compared to \$44.4 million, or \$0.81 per share, in the second quarter of 2007. Stock-based compensation expenses totaled \$0.08 per share in the second quarter of 2008 compared to \$0.05 per share in the second quarter of 2007 and are included in both GAAP and non-GAAP earnings per share. A reconciliation of GAAP to non-GAAP financial measures is provided in the Company's financial tables accompanying this press release.

"Our Bioscience Division generated outstanding performance in the second quarter and is benefiting from successful product launches, new sales and marketing initiatives, and strong underlying demand from our laboratory research customers," said Martin Madaus, Chairman & CEO of Millipore. "This exceptional top-line performance was offset by a decline in revenues from our Bioprocess Division, which continues to be adversely affected by reduced purchases from a handful of our largest North American biotech customers. Although we expect our Bioprocess Division and the overall company will report year-over-year revenue growth in the second half of the year, we do not anticipate spending from these large, U.S. biotech customers will stabilize until the end of 2008. Therefore, our Bioprocess results will continue to be negatively affected for the remainder of this year.

"Despite the challenges we are facing in Bioprocess, we have delivered significant improvements to profitability and cash flow. In the second quarter, non-GAAP earnings per share rose by 13 percent and we generated a year-over-year increase in free cash flow of \$36 million. As we look ahead, we are evaluating programs that will drive cost savings beyond what we have already achieved. We believe these efforts will put us in an even stronger position to generate attractive earnings and cash flow growth in 2009 and beyond as our Bioprocess Division recovers and complements the strength of our Bioscience Division."

### Q2 2008 Highlights

- Bioscience Division generated strong results driven by exceptional growth in the Company's Laboratory Water and Drug Discovery Business Units and a significant improvement in its Life Science Business Unit.
- Bioprocess Division generated strong growth for disposable manufacturing products and products used in the production of vaccines.
- Free cash flow increased by approximately \$36 million and \$19 million of debt was repaid, bringing total debt reduction to \$59 million since the beginning of 2008.

- Drug Discovery Development Center in St. Charles, Missouri was expanded to support the rapid growth of providing products and services that help companies discover, evaluate and develop drug candidates.
- A multi-year Sustainability Initiative designed to reduce the Company's environmental impact and carbon footprint by 20 percent over the next five years was introduced.

#### Revenue Growth by Geography (\$ millions):

	Three Months Ended			Six Months Ended		
	June 28, 2008	June 30, 2007	% Growth	June 28, 2008	June 30, 2007	% Growth
Americas	\$ 153.3	\$ 170.6	(10%)	\$ 299.6	\$ 333.4	(10%)
Europe	189.3	149.4	27%	360.6	295.8	22%
Asia/Pacific	71.6	63.2	13%	150.2	126.0	19%
Total	\$ 414.2	\$ 383.2	8%	\$ 810.4	\$ 755.2	7%

#### Revenue Growth by Division (\$ millions):

	Three Months Ended			Six Months Ended		
	June 28, 2008	June 30, 2007	% Growth	June 28, 2008	June 30, 2007	% Growth
Bioprocess	\$ 229.8	\$ 226.8	1%	\$ 446.4	\$ 441.1	1%
Bioscience	184.4	156.4	18%	364.0	314.1	16%
Total	\$ 414.2	\$ 383.2	8%	\$ 810.4	\$ 755.2	7%

#### Quarterly Earnings Call

Millipore will host a conference call and webcast to discuss its financial results, business outlook, and related corporate and financial matters at 4:45 p.m. Eastern Daylight Time today. The call can be accessed through Millipore's website: <http://www.millipore.com>. A replay of the call will be archived on the Investor Relations section of the website and will also be available via telephone by dialing (800) 642-1687 or (706) 645-9291 and entering confirmation code: 41787290. The telephonic replay will be available beginning at 8:00 p.m. Eastern Daylight Time on July 31, 2008 until 11:59 p.m. ET on August 5, 2008.

#### About Millipore

Millipore (NYSE: MIL) is a life science leader providing cutting-edge technologies, tools, and services for bioscience research and biopharmaceutical manufacturing. As a strategic partner, we collaborate with customers to confront the world's challenging human health issues. From research to development to production, our scientific expertise and innovative solutions help customers tackle their most complex problems and achieve their goals. Millipore Corporation is an S&P 500 company with more than 6,000 employees in 47 countries worldwide.

Advancing Life Science Together™

Research. Development. Production.

## **Use of Non-GAAP Financial Measures**

The non-GAAP financial measures used in this press release are non-GAAP gross profit, gross profit margin, operating income, operating margin, pre-tax income, net income, diluted earnings per share, and free cash flow. Non-GAAP gross profit, gross profit margin, operating income, operating margin, pre-tax income, net income and diluted earnings per share exclude costs related to our manufacturing consolidation strategy, acquisition integration and restructuring expenses related to the acquisition of Serologicals, amortization of intangible assets, inventory fair value adjustments related to business acquisitions, and certain changes in tax accruals. We define free cash flow as net cash provided by operating activities less additions to property, plant, and equipment. There are limitations in using non-GAAP financial measures as they are not prepared in accordance with generally accepted accounting principles and may be different from non-GAAP financial measures used by other companies.

We believe that the non-GAAP financial measures provide useful and supplementary information to investors regarding our quarterly performance. It is our belief that these non-GAAP financial measures have been particularly useful to investors over the last couple of years because of the significant changes that have occurred outside of our day-to-day business in accordance with the execution of our new strategy. This strategy includes strengthening our leadership position with bioscience customers, becoming a strategic supplier in bioscience research markets, leading our industry in product quality and manufacturing effectiveness, becoming a magnet for talent, and doubling the value of the Company between 2004 and 2009. The financial impact of certain elements of these activities, particularly acquisitions, are often large relative to our overall financial performance and most of the related charges are recorded in one or two fiscal quarters but not in other fiscal quarters, which can adversely affect the comparability of our results from period to period. The scope and scale of our manufacturing consolidation strategy was the largest in our history. This initiative has resulted in the closure of six manufacturing plants. We believe free cash flow is a useful measure to evaluate our business as it indicates the amount of cash generated after additions to property, plant, and equipment that is available for, among other things, strategic acquisitions, investments in our business, and repayment of debt.

We regularly use non-GAAP financial measures internally to understand, manage, and evaluate our business results and make operating decisions. We also measure our employees and compensate them, in part, based on such non-GAAP measures. For the same reasons, we also use this information for our forecasting activities. The non-GAAP financial measures presented herein also facilitate comparisons to our historical operating results, which have consistently been presented in this manner.

Non-GAAP financial measures should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP. They are limited in value because they exclude charges that have a material effect on our reported results and, therefore, should not be relied upon as the sole financial measures to evaluate our financial results. The non-GAAP financial measures are meant to supplement, and to be viewed in conjunction with, GAAP financial measures. Investors are encouraged to review the reconciliation of the financial measures to their most directly comparable GAAP financial measures as provided in the tables accompanying this press release. Our earnings guidance, however, is only provided on a non-GAAP basis. It is not feasible to provide GAAP diluted earnings per share guidance because the items excluded, other than amortization expense, are difficult to predict and estimate and are primarily dependent on future events.

## **Forward Looking Statements:**

*The matters discussed herein, as well as in future oral and written statements by management of Millipore Corporation that are forward-looking statements, are based on current management expectations that involve substantial risks and uncertainties which could cause actual results to differ materially from the results expressed in, or implied by, these forward-looking statements.*

*Potential risks and uncertainties that could affect Millipore's future operating results include, without limitation, failure to achieve design wins into our pharmaceutical and biotechnology customers' manufacturing design phase for a particular drug; delay, suspension or termination of a customer's volume production; lack of availability of raw materials or component products on a timely basis; regulatory delay in the approval of customers' therapeutics; limitations on cash flow available for operations and investment due to increased debt service obligations; the inability to establish and*

*maintain necessary product and process quality levels; reduced demand for animal-derived cell culture products; the inability to realize the expected benefits of development, marketing, licensing and other alliances; competitive factors such as new membrane or chromatography technology; the inability to achieve anticipated cost benefits of our supply chain initiatives; risks relating to our concentration of principal manufacturing operations; the inability to utilize technology in current or planned products due to overriding rights by third parties; potential environmental liabilities; conditions in the economy in general and in the bioscience and bioprocess markets in particular; foreign exchange fluctuations; reduced private and government research funding; exposure to product liability claims; and difficulties inherent in transferring or outsourcing of manufacturing operations. Please refer to our filings with the SEC, including our most recent Annual Report on Form 10-K, for more information on these and other risks that could cause actual results to differ.*

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