



December 19, 2012

Dear Stockholder,

In 2012, despite challenging semiconductor equipment market conditions in both the beginning and end of the fiscal year, we continued to advance the company to better deal with these cycles and take advantage of our strengths in new and less volatile growth markets. Nonetheless, we delivered creditable financial and operational performance, including:

- *Generated revenues of \$519.5 million of which 10% came from our new Life Science Systems business*
- *Continued our rapid pace of market share gains with 78 Design-in-Wins for OEM customers in semiconductor and adjacent markets and winning a majority of the automated sample management systems sold into life sciences markets*
- *Generated operating cash flow of \$36.0 million, or \$42.4 million before cash utilized to close our US defined benefit pension plan*
- *Maintained cash, cash equivalents and marketable securities in excess of \$200 million at the end of the fiscal year after utilizing \$22.0 million for cash dividends and \$15.4 million for technology investments and product line acquisitions*
- *Delivered adjusted EBITDA of \$58.9 million and GAAP diluted earnings per share of \$2.08*

Brooks as a Technology Leader

Brooks continues to be a leading provider of cutting edge automation and vacuum solutions for challenging controlled environments in life sciences, semiconductor and adjacent technology markets. We are focusing technology development in exciting growth areas.

For example, we see two major drivers of opportunity for Brooks in our current markets. First, the exploding growth of mobile, highly capable, communications devices like smart phones and tablet computers will drive the need for capacity additions for the next generations of low power consuming integrated circuits. These mobile devices also drive additional capacity needs in adjacent markets that include large volumes of active display panels, MEMS devices and new wafer level packaging capabilities, all of which present significant market opportunities for Brooks. These adjacent markets provide significantly higher growth opportunities than pure front end semiconductor markets and all of our products are very adaptable to supporting these applications.

Second, in our Life Science Systems business we continue to benefit from the rapidly growing demand for cold sample management that is a result of the significant research that is being done for personalized medicine. Our sample management business that is driven by pharmaceutical companies remains steady but we see exceptional growth opportunities coming from the expected demand for the reliable storage of biological samples that are typically stored at colder temperatures than those used for chemical compound storage.

We are the market leaders in semiconductor equipment automation and cryogenic solutions, as well as in the life science sample storage and management systems markets. We are building on this leadership position through aggressive investment in next generation technologies and by adapting our market leading component and systems solutions to the complex and demanding requirements of both our new and our existing customers. We believe that our current research, development and engineering spend remains appropriate to sustain near term business wins and ensure that our new product and technology pipeline is sufficient to drive future value for our customers and shareholders.

We had a busy year developing products for new markets and we are enthusiastic about our market position as a result of these investments. To name a few key milestones:

Semi Back End - During fiscal 2012 we completed development of a variety of automation solutions with application to the challenges of back end semiconductor wafer level packaging. We see this back end wafer handling opportunity as a new and exciting opportunity in upcoming years that can only be harvested through the new technical developments that we have committed to bringing to market.

450mm - We have substantially completed the development of products to serve the 450mm wafer size market, which is now on the roadmaps of the largest IC manufacturers and equipment OEMs. To date, we have shipped 450mm automation products to eight customers and we are working with a number of our other customers. Furthermore, our acquisition of Crossing Automation in October 2012 provides us with an atmospheric pressure automation product family that complements our strong vacuum products offering, giving us a complete platform for OEMs who are ready to assemble integrated process tools.

Polycold - During the year we introduced new Polycold mixed gas cryochiller models that further consolidate our leading position in vacuum formation for challenging coating and deposition operations. We see almost universal adoption of this technology, which is necessary in coating touch screens for the rapidly growing smart phone and tablet computer markets.

Growth

Our cash position and our strong cash flow generation capability allows us to consider a variety of investments for growth as we have shown by our increased research and development spending in our Life Science Systems business, and by the acquisition of Crossing Automation. These investments are focused on growth and market share expansion across each of the principal markets that we serve.

I am excited about the product, customer and technical capabilities that we have added to Brooks from the Crossing Automation acquisition. We are quickly integrating capabilities from a business that had revenues of \$51 million in the equivalent of our fiscal 2012 and gross margins that are above the current Brooks average.

I am also very pleased with our first year performance in the life sciences market. We are already the leader in automated sample management, which is an increasingly important capability supporting the rapidly growing field that relates to personalized medicine. As this and other research imperatives drive the volumes and importance of high quality biosamples, we see a significant opportunity for a next generation of automated sample management systems. We believe that we are uniquely positioned to bring this new concept system to market and we will continue our program targeted to have initial pilot products in the field in 2013.

Driving Financial Performance

We continue to focus on strengthening our cash flow generation and view adjusted EBITDA as a critical measure in achieving this end. Our adjusted EBITDA of \$58.9 million was 11% of sales during a year when we were challenged with integrating our new Life Science Systems business, spending on a comprehensive program to improve our supply chain component sourcing, and deteriorating market conditions. To enhance our cash flow generation, we are also focusing on reductions in the levels of working capital utilized to support our business. Our operations team has focused initiatives that we expect will drive meaningful inventory reductions over future quarters.

Looking forward

We embark upon fiscal 2013 with high levels of both macroeconomic uncertainty and industry uncertainty in our semiconductor markets. We read these as short-term challenges, but are taking appropriate actions to ride out these turbulent times. We believe in the continued long-term opportunity provided by the semiconductor market and the new and exciting enhancements we can bring to the life sciences field. Overall, we have continued to build and strengthen the position of our Company for the future and I look forward to market conditions that allow us to demonstrate our strength through our financial performance.

On behalf of our Board of Directors and the management team here at Brooks, I would like to thank our customers and shareholders for their support. In fiscal 2013 we look to quicken the pace of value enhancement for both stockholders and customers.

Sincerely,



Steve Schwartz
President and Chief Executive Officer