



Conference Call Brooks Automation First Quarter FY15 Financial Results

February 5, 2015

Safe Harbor Statement



“Safe Harbor” Statement under the U.S. Private Securities Litigation Reform Act of 1995; certain matters in this presentation, including forecasts of future demand and future Company performance, are forward-looking statements that are subject to risks and uncertainties that could cause actual results to materially differ, either better or worse, from those projected. Further discussions of risk factors are available in the Company’s most recent SEC filings including form 10-K for the fiscal year ended September 30, 2014. The Company assumes no obligation to update the information in this presentation.

Regulation G

This presentation contains certain non-GAAP measures which are provided to assist in an understanding of the Brooks business and its operational performance. These measures should always be considered in conjunction with the appropriate GAAP measure. Reconciliations of all non-GAAP amounts to the relevant GAAP amount are provided in either an attachment to our first quarter financial results press release issued on February 5, 2015 or as an attachment to call slides used to accompany prepared comments made during our financial results conference call of the same date. Both documents are available on our website at www.brooks.com.

Quarterly Operating Performance



Dollars in millions, except earnings per share

	Q4 FY14	Q1 FY15	Change
Revenue	\$ 123	\$ 123	\$ 0.2
Gross profit *	44	42	(2.6)
Gross profit margin *	36.3%	34.1%	(2.1) pts
R&D expenses	14	13	(0.6)
SG&A expenses *	25	27	2.6
Operating income *	\$ 5.8	\$ 1.2	\$ (4.5)
Operating margin *	4.7%	1.0%	(3.7) pts
GAAP diluted earnings per share	\$ -	\$ (0.04)	\$ (0.04)
Non-GAAP diluted earnings per share *	\$ 0.07	\$ 0.05	\$ (0.02)
Adjusted EBITDA *	\$ 10.9	\$ 9.1	\$ (1.8)

- Flat revenue reflects a decline in Life Sciences offset with 5% BPS growth
- \$0.05 Non-GAAP EPS with \$0.01 accretion from CCS & FluidX acquisitions

* Non-GAAP measure. See Appendix to this presentation for a reconciliation to the appropriate GAAP measure.

Quarterly Revenue Performance



<i>Dollars in millions</i>	<u>Q4 FY14</u>	<u>Q1 FY15</u>	<u>Change</u>
Consolidated Revenue	\$ 123	\$ 123	\$ 0.2
Brooks Product Solutions	79	83	4.0
Brooks Global Services	24	23	(0.5)
Brooks Life Science Systems	20	17	(3.3)

- Product Solutions sequential growth driven by vacuum robots and Contamination Control Solutions
- Life Science Systems base business slowed while newly acquired FluidX provided \$3.6 million of revenue

Brooks Product Solutions – Sequential Performance



<i>Dollars in millions</i>	Q4 FY14	Q1 FY15	Change
Revenue	\$ 79	\$ 83	\$ 4.0
Gross profit *	28	28	0.2
Gross profit margin *	35.5%	34.1%	(1.5) pts
Operating expenses	26	26	0.9
Operating income *	\$ 2.5	\$ 1.8	\$ (0.7)

- Gross margin pressure
 - Lower IP license income in Q1 compared to Q4
 - Transition of Polycold manufacturing
- CCS provided revenue of \$7.2 million and was accretive to operating income (non-GAAP)

* Non-GAAP measure. See Appendix to this presentation for a reconciliation to the appropriate GAAP measure.

Brooks Global Services – Sequential Performance



<i>Dollars in millions</i>	Q4 FY14	Q1 FY15	Change
Revenue	\$ 24	\$ 23	\$ (0.5)
Gross profit *	8	9	0.2
Gross profit margin *	35.5%	37.2%	1.6 pts
Operating expenses	5	5	0.2
Operating income *	\$ 3.7	\$ 3.7	\$ (0.0)

- Gross margin benefitted from modest improvement in materials cost in repair services for the quarter

* Non-GAAP measure. See Appendix to this presentation for a reconciliation to the appropriate GAAP measure.

Brooks Life Science Systems – Sequential Performance

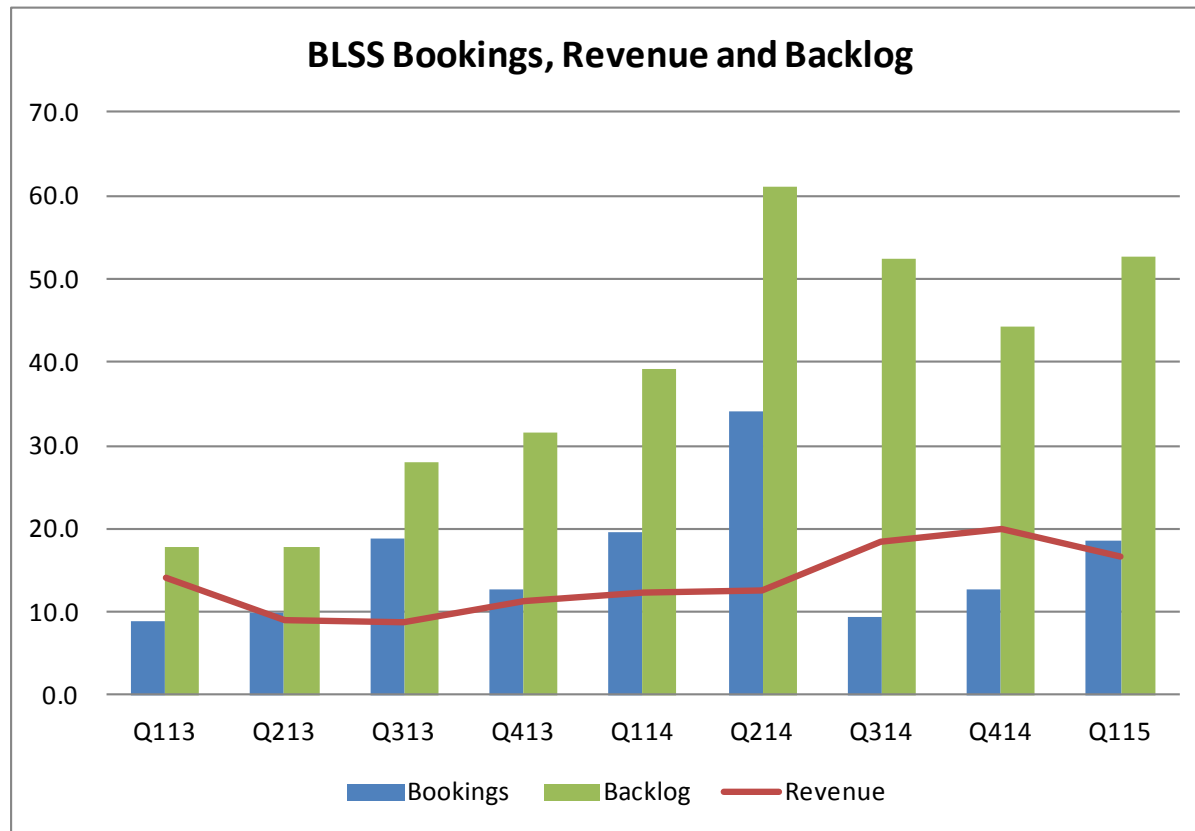


<i>Dollars in millions</i>	Q4 FY14	Q1 FY15	Change
Revenue	\$ 20	\$ 17	\$ (3.3)
Gross profit *	8	5	(3.0)
Gross profit margin *	40.2%	30.4%	(9.8) pts
Operating expenses	8	9	1.3
Operating income *	\$ 0.1	\$ (4.2)	\$ (4.2)

- Revenue softness in consumables & instruments
- Margins impacted with premium installation labor and expedited freight
- FluidX provided revenue of \$3.6 million and was accretive to operating income (non-GAAP)

* Non-GAAP measure. See Appendix to this presentation for a reconciliation to the appropriate GAAP measure.

Brooks Life Science Systems – Sequential Performance



Total Backlog at \$53 million with 12-month backlog at \$38 million

- \$18 million of Bookings in Q1 added \$2 million to backlog
- The FluidX acquisition added \$8 million at end of the quarter

Quarterly GAAP and Adjusted Earnings



Dollars in millions, except earnings per share

	Q4 FY14	Q1 FY15	Change
Revenue	\$ 123	\$ 123	\$ 0.2
Operating income *	5.8	1.2	(4.5)
Operating margin *	4.7%	1.0%	(3.7) pts
Amortization	(3)	(3)	(0.3)
Special charges *	(4)	(5)	(1.0)
Other income (expense), net	(0)	1	1.2
Income tax benefit	1	3	2.1
Noncontrolling and joint venture earnings	(0)	(1)	(0.4)
GAAP net income from continuing operations	\$ 0.2	\$ (2.7)	\$ (3.0)
GAAP diluted earnings per share	\$ -	\$ (0.04)	\$ (0.04)
Non-GAAP diluted earnings per share *	\$ 0.07	\$ 0.05	\$ (0.02)

* Non-GAAP measure. See Appendix to this presentation for a reconciliation to the appropriate GAAP measure.

Fiscal 2015 Q1 Cash Flow



<i>Dollars in millions</i>	Q1 FY15
Adjusted EBITDA *	\$ 9.1
Change in working capital	1
Other operating items	(7)
Cash flow from operations	<u>3.0</u>
Capital expenditures	(2)
Dividends paid to shareholders	(7)
Other financing and investing items	<u>(21)</u>
Net change in cash and marketable securities	\$ (26.8)
Cash and marketable securities at December 31, 2014	\$ 218.7

* Non-GAAP measure. See Appendix to this presentation for a reconciliation to the appropriate GAAP measure.

Summary Balance Sheet



<i>Dollars in millions</i>	<u>September 30, 2014</u>	<u>December 31, 2014</u>
Cash and marketable securities	\$ 245	\$ 219
Accounts receivable, net	80	76
Inventories	94	95
Accounts payable	(34)	(38)
Deferred revenue	(26)	(26)
Other current liabilities, net	(15)	(9)
Net working capital	<u>98</u>	<u>98</u>
Property, plant and equipment	50	48
Goodwill and intangible assets	169	180
Other long-term assets, net	80	85
Stockholders' equity	<u>\$ 643</u>	<u>\$ 631</u>

Balance Sheet Highlights

- Working Capital flat with
 - improved receivables & payables
 - lower accrued compensation
 - FluidX added \$1.3M
- FluidX acquisition drove increases in Goodwill & Intangibles
- Total net deferred tax asset balance is \$86 million

Operating Performance and Guidance



<i>Dollars in millions, except earnings per share</i>	Q1 FY15	Guidance for Q2 FY15
Revenue	\$ 123	\$130 - \$135
Adjusted EBITDA*	\$ 9	\$11 - \$13
Non-GAAP diluted EPS*	\$ 0.05	\$0.04 - \$0.06

* Non-GAAP measure. See Appendix to this presentation for a reconciliation to the appropriate GAAP measure.

** Dividend approved by the Board of Directors to be paid on March 27, 2015 to common stockholders of record on March 6, 2015.



GAAP to Non-GAAP Reconciliations

GAAP to Non-GAAP Reconciliation

Consolidated Gross Profit and Gross Profit Margin



<i>Dollars in millions</i>	Q4 FY14		Q1 FY15	
	\$	%	\$	%
GAAP gross profit	\$ 41.4	33.8%	\$ 39.1	31.8%
<u>Non-GAAP adjustments:</u>				
Amortization of intangible assets	1.2	1.0%	1.3	1.1%
Purchase accounting impact on inventory and contracts acquired	1.8	1.5%	1.5	1.2%
Non-GAAP gross profit	\$ 44.5	36.3%	\$ 41.9	34.1%

GAAP to Non-GAAP Reconciliation

Consolidated Operating Profit and Operating Margin



<i>Dollars in millions</i>	Q4 FY14		Q1 FY15	
	\$	%	\$	%
GAAP operating profit	\$ (0.6)	(0.5%)	\$ (6.5)	(5.3%)
<u>Non-GAAP adjustments:</u>				
Amortization of intangible assets	2.9	2.4%	3.2	2.6%
Purchase accounting impact on inventory and contracts acquired	1.8	1.5%	1.5	1.2%
Restructuring charges	1.6	1.3%	2.7	2.2%
Merger costs	0.1	0.1%	0.3	0.3%
Non-GAAP operating profit	\$ 5.8	4.7%	\$ 1.2	1.0%

GAAP to Non-GAAP Reconciliation

Net Income and Earnings per Share



	Q4 FY14		Q1 FY15	
	\$	per diluted share	\$	per diluted share
<i>Dollars in millions, except earnings per share</i>				
Net income attributable to Brooks	\$ 0.2	\$ -	\$ (2.7)	\$ (0.04)
<u>Non-GAAP adjustments, net of tax:</u>				
Amortization of intangible assets	2.0	0.03	2.2	0.03
Purchase accounting impact on inventory and contracts acquired	1.3	0.02	1.2	0.02
Impairment - Equity method investments	-	-	0.7	0.01
Restructuring charges	1.2	0.02	1.8	0.03
Merger costs	0.1	-	0.3	-
Non-GAAP net income	\$ 4.7	\$ 0.07	\$ 3.4	\$ 0.05

GAAP to Non-GAAP Reconciliation

EBITDA and Adjusted EBITDA



<i>Dollars in millions</i>	Q4 FY14	Q1 FY15
Net income attributable to Brooks	\$ 0.2	\$ (2.7)
<u>Non-GAAP adjustments:</u>		
Interest income	(0.3)	(0.3)
Interest expense	0.1	0.1
Income tax provision	(1.1)	(3.1)
Depreciation	3.3	3.2
Amortization of intangible assets	2.9	3.2
EBITDA	5.2	0.4
Purchase accounting impact on inventory and contracts acquired	1.8	1.5
Stock-based compensation	2.1	3.5
Impairment of equity method investments	-	0.7
Restructuring charges	1.6	2.7
Merger costs	0.1	0.3
Adjusted EBITDA	\$ 10.9	\$ 9.1

GAAP to Non-GAAP Reconciliation

Segment Gross Profit and Operating Profit



<i>Dollars in millions</i>	Brooks Product Solutions		Brooks Global Services		Brooks Life Science Systems	
	Q4 FY14	Q1 FY15	Q4 FY14	Q1 FY15	Q4 FY14	Q1 FY15
	GAAP gross profit	\$ 25.5	\$ 26.9	\$ 8.3	\$ 8.5	\$ 7.7
<u>Non-GAAP adjustments:</u>						
Amortization of intangible assets	0.8	0.7	0.2	0.2	0.3	0.4
Purchase accounting impact on inventory and contracts acquired	1.8	0.6	-	-	-	1.0
Non-GAAP gross profit	28.0	28.2	8.4	8.6	8.0	5.1
Operating expenses	25.5	26.5	4.7	4.9	8.0	9.2
Non-GAAP operating profit	\$ 2.5	\$ 1.8	\$ 3.7	\$ 3.7	\$ 0.1	\$ (4.2)