



Brooks Automation Conference Call

FY'21 First Quarter Financial Results

February 2, 2021

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, 2020. 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 2, 2021 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.

Brooks Q1 FY 2021 Overview



✓ Q1 finished strong with 19% YtY revenue growth

- 29% growth in Life Sciences revenue, 1230 bps operating margin expansion
- 11% growth in Semiconductor Solutions revenue, 380 bps operating margin expansion

✓ Non-GAAP EPS +108% YtY to \$0.47

- Non-GAAP Gross margin expansion of 470 bps
- Non-GAAP Operating margin expansion of 710 bps
- GAAP EPS of \$0.36, up \$0.18 YtY, on continuing operations

✓ Operating cash flow of \$44M

- \$323M cash, restricted cash, and marketable securities; \$272M net cash



Brooks Automation Operating Performance

Quarter ended December 31, 2020



\$ millions, except EPS

	GAAP		non-GAAP		
	Q1'21	QtQ	Q1'21	QtQ	YtY
Revenue	250	1%	250	1%	19%
Gross profit	113	1%	116	1%	32%
%	45.3%	(0.1) pts.	46.3%	(0.3) pts.	4.7 pts.
R&D	16	5%	16	5%	12%
SG&A	66	6%	56	2%	9%
Operating Income	31	(9%)	44	(2%)	99%
%	12.4%	(1.5) pts.	17.5%	(0.7) pts.	7.1 pts.
Interest Income (Expense)	(0.5)	\$0	(0.5)	\$0	\$0
Other Income (Expense)	1.3	\$1	1.3	\$1	\$2
Tax Benefit (Provision)	(4.8)	(\$0)	(9.6)	(\$0)	(\$5)
Net Income - continuing ops	27	(7%)	35	1%	110%
%	10.8%	(0.9) pts.	14.0%	(0.0) pts.	6.1 pts.
Continuing Ops - Diluted EPS	\$ 0.36	\$ (0.03)	\$ 0.47	1%	108%
Discontinued Ops - Diluted EPS	\$ (0.01)	\$ (0.01)			
Total Brooks - Diluted EPS	\$ 0.35	\$ (0.04)			
Adjusted EBITDA			57.8	7%	81%
%			23.2%	1.2 pts.	8.0 pts.

- 19% YtY revenue growth and 710 bps expansion in non-GAAP operating margin drove 108% growth of non-GAAP EPS

Brooks Life Sciences Performance



\$ millions
non-GAAP

	Q1'21	QtQ	YtY
Revenue	118	9%	29%
<i>Organic growth</i>			<i>32%</i>
Gross profit	59	9%	46%
%	50.2%	<i>(0.2) pts.</i>	<i>5.9 pts.</i>
Operating expenses	37	<i>(0%)</i>	7%
Operating income	22	27%	272%
%	<i>18.8%</i>	<i>2.7 pts.</i>	<i>12.3 pts.</i>

- Q1 growth of 36% YtY, excluding revenue from the discontinued alliance agreement
 - 53% Products growth
 - 28% Services growth, excluding alliance
 - Supported by GENEWIZ (+28%) and Sample Repository Solutions (+29%)
- Operating margin expansion of 12 pts YtY to 18.8%
 - 10 pts from performance and 2 pts from exiting the alliance
- Organic growth of 32% YtY excludes currency, acquisitions, and the alliance revenue

Brooks Semiconductor Solutions Performance



\$ millions

Continuing Operations – non-GAAP

	Q1'21	QtQ	YtY
Revenue	131	(5%)	11%
<i>Organic growth</i>			<i>7%</i>
Gross profit	56	(7%)	19%
%	42.8%	<i>(0.9) pts.</i>	<i>3.2 pts.</i>
Operating expenses	35	7%	8%
Operating income	22	(23%)	44%
%	<i>16.4%</i>	<i>(3.8) pts.</i>	<i>3.8 pts.</i>

- Q1 growth of 11% YtY
 - Vacuum automation grew 57% YtY
- Operating margin expansion of 380 bps YtY, driven by gross margin on higher volumes and favorable mix

Summary Cash Flow



\$ millions

	<u>Q1'21</u>
Net income	26
Deferred income tax benefit	(5)
Depreciation & amortization	16
Stock compensation	7
Change in working capital	0
Other operating items	0
Cash flow from operations	44
Capital expenditures	(15)
Free Cash Flow	29
Acquisitions Net	(15)
Payments of debt	(0)
Dividends	(7)
Other	11
Change in cash, restricted cash and marketable sec.	17
Cash, restricted cash and marketable securities - Ending	323

- \$44M of cash flow from operations, \$29M of free cash flow
- \$15M of cash for CAPEX, including \$5M for China building project

Summary Balance Sheet



\$ millions

	Sep 30 2020	Dec 31 2020	<i>QtQ</i>
Cash, restricted cash, and marketable securities	306	323	17
Accounts receivable, net	188	197	8
Inventories	115	124	9
Other current assets	47	42	(5)
Accounts payable	(62)	(68)	(6)
Deferred revenue	(31)	(36)	(4)
Short-term debt	(1)	(0)	0
Other current liabilities	(117)	(122)	(5)
Net working capital	139	137	(2)
Property, plant and equipment	118	127	9
Goodwill and intangible assets	720	733	13
Long-term debt	(50)	(50)	(0)
Net long-term deferred tax assets (liabilities)	(13)	(10)	2
Other net long-term assets (liabilities)	(6)	(7)	(1)
Net assets	1,214	1,252	39

- \$323M of cash, restricted cash, marketable securities; \$272M net cash position

Summary and Guidance



\$ millions, except EPS

	<u>Q1'21</u>	<u>Guidance Q2'21</u>
Revenue	\$250	\$267 - \$283
Adjusted EBITDA	\$58	\$58 - \$67
Non-GAAP diluted EPS	\$0.47	\$0.48 - \$0.57
GAAP diluted EPS - Total Brooks	\$0.35	\$0.33 - \$0.42



GAAP to Non-GAAP Bridges

GAAP to Non-GAAP Reconciliation

Q1'20 – Q1'21 Total Brooks – Continuing Operations



\$ millions, except EPS

	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	Q1 FY21	FY19	FY20
Revenue	210	220	220	246	250	\$ 781	\$ 897
GAAP gross profit	85	90	93	112	113	316	380
Merger and acquisition costs	-	-	-	-	-	0	-
Amortization expense	3	3	3	3	2	10	11
Restructuring and related charges	-	-	0	-	-	0	0
Non-GAAP gross profit	88	93	96	115	116	327	391
<i>Gross profit margin</i>	<i>40%</i>	<i>41%</i>	<i>42%</i>	<i>45%</i>	<i>45%</i>	<i>41%</i>	<i>42%</i>
<i>Non-GAAP gross profit margin</i>	<i>42%</i>	<i>42%</i>	<i>44%</i>	<i>47%</i>	<i>46%</i>	<i>42%</i>	<i>44%</i>
GAAP operating expenses	(74)	(76)	(74)	(78)	(82)	(270)	(302)
Merger and acquisition costs	0	0	0	0	3	7	1
Amortization expense	8	8	8	8	7	25	31
Restructuring and related charges	1	1	(0)	0	0	2	1
Non-GAAP operating expenses	(66)	(67)	(66)	(70)	(72)	(237)	(269)
GAAP operating profit	11	15	19	34	31	46	78
Non-GAAP operating profit	22	26	30	45	44	90	122
<i>Operating profit margin</i>	<i>5%</i>	<i>7%</i>	<i>9%</i>	<i>14%</i>	<i>12%</i>	<i>6%</i>	<i>9%</i>
<i>Non-GAAP operating profit margin</i>	<i>10%</i>	<i>12%</i>	<i>14%</i>	<i>18%</i>	<i>18%</i>	<i>12%</i>	<i>14%</i>
GAAP net income	13	9	14	29	27	10	65
Merger and acquisition costs	0	0	0	0	3	7	1
Amortization expense	11	10	10	10	10	35	42
Restructuring and related charges	1	1	0	0	0	2	2
Loss on extinguishment of debt	-	-	-	-	-	14	-
Tax related adjustments	(5)	1	2	(1)	(2)	0	(4)
Tax effect of adjustments	(3)	(3)	(3)	(4)	(3)	(13)	(13)
Non-GAAP net income	17	18	23	35	35	55	93
<i>Diluted earnings per share</i>	<i>0.18</i>	<i>0.12</i>	<i>0.19</i>	<i>0.39</i>	<i>0.36</i>	<i>0.13</i>	<i>0.88</i>
<i>Non-GAAP diluted earnings per share</i>	<i>0.23</i>	<i>0.25</i>	<i>0.32</i>	<i>0.47</i>	<i>0.47</i>	<i>0.76</i>	<i>1.26</i>
Diluted shares outstanding	73.6	73.8	73.9	74.0	74.3	72.4	73.9

GAAP to Non-GAAP Reconciliation

Q1'20 – Q1'21 Business Segments – Continuing Operations



\$ millions

	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	Q1 FY21	FY19	FY20
Semiconductor Solutions							
Revenue	\$ 119	\$ 125	\$ 127	\$ 138	\$ 131	\$ 447	\$ 509
GAAP gross profit	46	49	54	59	56	182	208
Merger and acquisition costs	(0)	-	-	-	-	0	(0)
Amortization expense	1	1	1	1	0	4	3
Non-GAAP gross profit	47	49	54	60	56	185	211
Gross profit margin	39%	39%	42%	43%	42%	41%	41%
Non-GAAP gross profit margin	40%	40%	43%	44%	43%	42%	41%
Operating expenses	(32)	(33)	(31)	(32)	(35)	(115)	(128)
GAAP operating profit	14	16	23	27	21	66	80
Non-GAAP operating profit	15	17	23	28	22	70	83
Operating profit margin	12%	13%	18%	20%	16%	15%	16%
Non-GAAP operating profit margin	13%	13%	18%	20%	16%	16%	16%
Life Sciences							
Revenue	\$ 92	\$ 95	\$ 93	\$ 108	\$ 118	\$ 334	\$ 389
Gross profit	39	42	39	53	57	135	172
Merger and acquisition costs	-	-	-	-	-	-	-
Amortization expense	2	2	2	2	2	7	8
Other special charges	-	-	0	-	-	0	0
Non-GAAP gross profit	41	44	42	55	59	142	181
Gross profit margin	42%	44%	42%	49%	49%	40%	44%
Non-GAAP gross profit margin	44%	46%	45%	50%	50%	42%	46%
Operating expenses	(35)	(36)	(35)	(37)	(37)	(121)	(142)
Operating profit	4	6	4	15	20	14	30
Non-GAAP operating profit	6	8	7	18	22	21	38
Operating profit margin	4%	6%	5%	14%	17%	4%	8%
Non-GAAP operating profit margin	7%	9%	7%	16%	19%	6%	10%

GAAP to Non-GAAP Reconciliation

Q1'20 – Q1'21 Segments – Continuing Operations



\$ millions

	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	Q1 FY21	FY19	FY20
Life Sciences Products							
Revenue	\$ 30	\$ 31	\$ 30	\$ 39	\$ 46	\$ 119	\$ 130
GAAP gross profit	12	13	13	17	21	44	56
Merger and acquisition costs	-	-	-	-	-	-	-
Amortization expense	0	0	0	0	0	1	1
Other special charges	-	-	-	-	-	-	-
Non-GAAP gross profit	13	14	14	17	21	45	57
<i>Gross profit margin</i>	42%	43%	44%	43%	45%	37%	43%
<i>Non-GAAP gross profit margin</i>	43%	44%	45%	44%	46%	38%	44%
Operating expenses	(12)	(12)	(11)	(13)	(13)	(47)	(48)
GAAP operating profit (loss)	0	2	2	4	8	(3)	8
Non-GAAP operating profit (loss)	0	2	2	4	8	(2)	9
<i>Operating profit margin</i>	0%	6%	7%	11%	17%	-3%	6%
<i>Non-GAAP operating profit margin</i>	1%	7%	8%	11%	17%	-2%	7%
Life Sciences Services							
Revenue	\$ 62	\$ 64	\$ 63	\$ 70	\$ 73	\$ 215	\$ 259
GAAP gross profit	26	28	26	36	37	91	116
Merger and acquisition costs	-	-	-	-	-	-	-
Amortization expense	2	2	2	2	2	6	7
Other special charges	-	-	0	-	-	0	0
Non-GAAP gross profit	28	30	28	38	39	97	124
<i>Gross profit margin</i>	42%	44%	41%	51%	51%	42%	45%
<i>Non-GAAP gross profit margin</i>	45%	47%	45%	54%	53%	45%	48%
Operating expenses	(22)	(24)	(24)	(24)	(24)	(74)	(95)
GAAP operating profit	4	4	2	11	13	17	22
Non-GAAP operating profit	6	6	4	13	14	22	29
<i>Operating profit margin</i>	6%	7%	3%	16%	17%	8%	8%
<i>Non-GAAP operating profit margin</i>	9%	9%	7%	19%	20%	10%	11%

Net Income Reconciliation to Adjusted EBITDA

Q1'20 – Q1'21 Total Brooks – Continuing Operations



\$ millions

	<u>Q1'20</u>	<u>Q2'20</u>	<u>Q3'20</u>	<u>Q4'20</u>	<u>FY'20</u>	<u>Q1'21</u>
Net income attributable to Brooks Automation, Inc.	13.1	9.1	13.7	29.0	64.9	26.0
Income from discontinued operations, net of tax	0.1	0.1	-	0.0	0.2	1.0
Net income from continuing operations	13.2	9.2	13.7	29.0	65.0	27.0
<u>Adjustments:</u>						
Interest income	(0.7)	(0.1)	(0.0)	0.0	(0.8)	(0.1)
Interest expense	0.7	0.7	0.8	0.7	2.9	0.6
Income tax provision (benefit)	(3.0)	3.4	5.1	4.4	9.9	4.8
Depreciation	5.9	6.2	6.3	5.3	23.7	6.0
Amortization of intangible assets	10.6	10.4	10.4	10.4	41.8	9.7
EBITDA-from Continuing Operations	26.7	29.8	36.3	49.8	142.6	48.0
<u>Non-GAAP adjustments:</u>						
Restructuring related charges	-	-	0.3	-	0.3	-
Stock-based compensation	4.4	4.2	3.7	4.0	16.3	6.7
Restructuring charges	0.6	0.6	-	0.2	1.4	0.1
Merger and acquisition costs / Other	0.2	0.3	0.0	0.0	0.5	3.0
Adjusted EBITDA - from Continuing Operations	31.9	34.8	40.3	54.0	161.1	57.8