



December 16, 2016

Dear Fellow Stockholders,

At Brooks Automation, we are a valued automation partner, delivering precise and efficient handling of industry leading customers' precious inventories. In the semiconductor capital equipment market, we invest in and benefit from deep development partnerships, as we supply advanced automated wafer handling solutions to the broad set of equipment suppliers and device makers. In the life sciences market, we are the end-to-end provider of automated sample management solutions and services, assisting our customers with their needs to collect, move, store, and analyze millions of chemical and biological samples. In each market, we focus our investments and resources to advance our automation, cryogenic, and service solutions in order to increase the competitiveness of our customers. We strive to be nothing less than the leader in everything we do. We are proud to report that in 2016 we continued our path of success by introducing new innovative solutions and extending our leadership position in each market.

Our 2016 fiscal year performance demonstrates that our transformation has taken hold and is producing results. We have extended our leadership for the future and have set the path for further strength in results going forward. This strategic framework which we have executed over the past five years continues to guide us:

- Strengthen our position in the semiconductor and related markets;
- Expand our capabilities and accelerate growth of our life sciences opportunity; and
- Streamline our business at every opportunity, shedding non-core assets and operations.

As we demonstrated in the second half of 2016, we have reached an inflection point in our financial performance, which was made possible by the long and unwavering focus on this framework. While this past year included some market challenges, we remained focused on our strategic initiatives, we pursued exciting business developments and streamlined our business. Early in the fiscal year, we dealt with a brief, but sharp down cycle in the semiconductor industry. Later in the year, we felt the impact of Brexit, which sparked another short but tumultuous period, this time in currencies and customer uncertainty. We have established a strong business model that demonstrates our ability to overcome such challenges, and we believe we have made it even more robust in 2016 with our actions, developments, and expanded customer base.

Growth in Semiconductor

Strategic investments and our engineering expertise have allowed us to strengthen our leadership position in our core semiconductor and adjacent markets. Our team's daily focus is to bring new innovative solutions to our customers to help them meet the challenge of increasing throughput and capital efficiency in semiconductor fabs. Over the past years we have positioned our portfolio to lead the way in three high growth areas within the semiconductor capital equipment segment:

Vacuum Automation for Deposition and Etch – Our vacuum automation technology is industry-leading and integral to deposition and etch process equipment, which has resulted in significant growth over the recent years. In 2016, we introduced our next generation of vacuum automation products, the Magnatran® LEAP robot, providing the highest functionality in the most challenging environments to date. The Magnatran LEAP robot is being qualified for new equipment designs at top OEMs, and holds much promise for growth and margin in 2017 and beyond.

Contamination Control Solutions for Wafer and Reticle Carrier Management – Our customers are realizing the yield enhancing benefits of contaminant-free wafer carriers and reticle stockers. Our Contamination Control Solutions (CCS) business achieved record revenue of more than \$50 million in fiscal 2016, and has captured the leading mind and market share of semiconductor fabs for solving this essential challenge.

Automation Systems for Advanced Packaging – The adoption of wafer level packaging technologies for integrated circuits (ICs) has brought us new technical challenges that are different from our core front end semi process technologies. Brooks' advanced handling solutions address these complexities, and we have quickly become the leading solution provider in this space.

Our position within these high growth areas gives us confidence that our Semiconductor Solutions Group will outpace the growth of the overall semiconductor capital equipment market for the foreseeable future. Meanwhile, we continue to invest as we lead our customers to solve their next automation problem.

Growth in Life Sciences

In fiscal 2016, our Life Science Systems business exceeded \$100 million in revenue, expanded the base business with new customers and product offerings, and reached profitability in our fourth fiscal quarter. We built contract backlog throughout the year, and observed that the market gained confidence that Brooks is the leading solution provider for all needs in sample management. Key business developments have strengthened these convictions:

BioStorage Acquisition – BioStorage Technologies, acquired near the start of fiscal 2016, is a leading provider of comprehensive sample management services. We provide logistics, storage, inventory management, and analytics for customers across North America, Europe, and Asia. This business provided continued growth each quarter and strengthened our business model with a significant amount of recurring revenue and solid margin expansion.

Automated Cryogenic Storage – We launched a new automated storage solution, the BioStore III Cryo, which enables customers to manage workflow and maintain sample integrity in cryogenic temperatures (below -150° C) – the first of its kind in the industry. This system combines Brooks' automation and software control technologies with the leading industry standard liquid nitrogen cryogenic freezer, making it easy for customers to adopt into their current environment.

We now offer customers a complete solution suite, including a full line of storage systems, storage services, consumables and instruments, and informatics solutions. Our portfolio includes comprehensive sample management for the complete lifecycle of samples and is unmatched by any other single company. As we leave 2016, 66% of our Life Science Systems business comes from the recurring revenue streams of storage services, infrastructure services, and consumables. The steady growth of backlog and the high visibility of recurring revenue provide us with increased confidence for future growth and profitability.

Streamlined for Profitability

We reorganized our business in 2016, streamlining corporate and Semiconductor Solutions Group operations. With over \$15 million in annual cost savings resulting from these actions, our teams are now more nimble, efficient and productive. We also removed significant cost by consolidating footprint in the Life Science Systems segment, actions which also improved operational alignment. We exited 2016 with a more efficient and lower fixed cost base, along with a stronger portfolio in each business.

Looking Forward

While 2016 will be seen as the year Brooks turned a significant corner, the potential in front of us holds many more opportunities and rewards. As we enter 2017, we are positioned to benefit from the current strength of the semiconductor capital equipment market, and from meaningful Life Science Systems operating profit. We will continue our path of removing cost structure and improving the efficiency of our business operations. We have our business firing on all cylinders and we are accelerating into 2017.

The Brooks team is proud of our fiscal 2016 results and energized as we enter 2017. On behalf of our Board of Directors and the Brooks team, we thank each of our stockholders for their continued support and confidence.

Sincerely,



Steve Schwartz
Chief Executive Officer