



BROOKS AUTOMATION REPORTS RESULTS OF FISCAL FIRST QUARTER OF 2018, ENDED DECEMBER 31, 2017

CHELMSFORD, Mass., Feb. 01, 2018 (GLOBE NEWSWIRE) -- Brooks Automation, Inc. (Nasdaq:BRKS), a leading worldwide provider of automation and cryogenic solutions for multiple markets including semiconductor manufacturing and life sciences, today reported financial results for the first quarter of 2018, ended December 31, 2017.

Fiscal First Quarter of 2018 Financial and Operational Highlights:

- Revenue was \$189 million, 4% higher compared to 2017 Q4 and 18% higher compared to 2017 Q1;
- Life Sciences segment revenue was \$47 million, 8% higher compared to 2017 Q4 and 42% higher compared to 2017 Q1;
- Semiconductor Solutions Group segment revenue was \$142 million, 3% higher compared to 2017 Q4 and 12% higher compared to 2017 Q1;
- GAAP Net Income was \$16 million with diluted EPS of \$0.23;
- Non-GAAP Net Income was \$23 million with diluted EPS of \$0.32; and
- Cash flow from operations was \$3 million.

Summary of GAAP and Non-GAAP Earnings

| | Quarter Ended December 31, 2017 | September 30, 2017 | December 31, 2016 |
|--|---------------------------------------|-----------------------|----------------------|
| <i>Dollars in thousands, except per share data</i> | | | |
| GAAP net income | \$ 16,486 | \$ 17,386 | \$ 13,871 |
| GAAP diluted earnings per share | \$ 0.23 | \$ 0.25 | \$ 0.20 |
| Non-GAAP net income | \$ 22,503 | \$ 24,522 | \$ 17,301 |
| Non-GAAP diluted earnings per share | \$ 0.32 | \$ 0.35 | \$ 0.25 |

A reconciliation of non-GAAP measures to the most nearly comparable GAAP measures follows the consolidated balance sheets, statements of operations and statements of cash flows included in this release.

Management Comments

"The results in the first quarter of our 2018 fiscal year continue to demonstrate the momentum we have in two very strong markets," commented Steve Schwartz, CEO of Brooks Automation. "Our Semiconductor Solutions Group delivered at the high end of our expectations in both revenue and gross margin, producing 19% margin at the segment operating income line. And the Life Sciences segment provided another quarter of exceptional year-over-year revenue growth of 42%, including 22% organic growth plus the benefits of our recent strategic acquisitions. Even amid the strong semiconductor business results, Life Sciences has now grown to be 25% of total revenue."

GAAP Summary

Revenue for the first quarter of fiscal 2018 increased 4% to \$189 million compared to the fourth quarter of fiscal 2017. The growth was driven by an 8% increase in the Brooks Life Sciences segment and a 3% increase in the Brooks Semiconductor Solutions Group segment. Gross margin was 39.7%, down 120 basis points from the fourth quarter of fiscal 2017. Operating expenses of \$54 million decreased 5%, or \$3 million, from the previous quarter due to lower SG&A primarily driven by less variable compensation and M&A expenses. There were no restructuring costs in the first quarter, as compared to \$0.6 million of restructuring charges in the fourth quarter. Income tax expense totaled \$3 million, which is \$0.6 million higher than the fourth quarter and included \$0.7 million of a tax benefit related to the impact of the Tax

Cuts and Jobs Act ("Tax Reform"). GAAP net income in the quarter was \$16 million and diluted earnings per share was \$0.23.

The amortization of intangible assets, restructuring charges, impact of purchase price accounting adjustments, charges related to M&A and special charges are appropriately included in the GAAP summary of earnings discussed above. The impact on earnings of such non-GAAP adjustments is referenced in the unaudited table included within this press release.

In the following analysis of the non-GAAP results, Brooks adjusted the GAAP results for the impact of amortization of intangible assets, restructuring charges, purchase price accounting adjustments and charges related to M&A to provide investors better perspective on the results of operations, which the Company believes is more comparable to the similar analysis provided by its peers. Brooks also excludes special charges or gains, such as impairment losses, gains or losses from the sale of assets, as well as other gains and charges that are assessed to not be representative of the normal operations of the business. Brooks currently includes a valuation allowance reserve against U.S. deferred tax assets in its GAAP results. In assessing the appropriate tax rate for the non-GAAP results, the Company evaluated the adjustments discussed above and concluded it was appropriate to maintain the valuation allowance reserve in deriving the non-GAAP tax rate. Tax Reform may affect the need for the valuation allowance, which remains under review at this time.

Results of Q1 Fiscal 2018 (Non-GAAP Discussion)

Non-GAAP net income was \$23 million in the first quarter, resulting in non-GAAP earnings per share of \$0.32. This compares to non-GAAP net income of \$25 million and non-GAAP earnings per share of \$0.35 in the fourth quarter of fiscal 2017, and non-GAAP net income of \$17 million and non-GAAP earnings per share of \$0.25 in the first quarter of fiscal 2017. The Company reported a 9% expansion of non-GAAP operating income on 4% revenue growth, compared to the fourth quarter. Higher non-operating expenses offset the progress in operating income. The introduction of interest expense on debt, increased foreign exchange losses, and a higher income tax rate drove a lower net income result compared to the fourth quarter.

As noted above, revenue for the first fiscal quarter of 2018 was \$189 million, up 4% compared to the fourth fiscal quarter of 2017. The Life Sciences segment revenue grew \$3.5 million, or 8%, sequentially to \$47 million including the impact of 4titude Ltd., acquired on October 5, 2017. The Life Sciences segment revenue increased 42% year-over-year in total and 22% on an organic basis. The Semiconductor Solutions segment revenue was higher in the first quarter compared to the fourth quarter by \$4 million, or 3%, at \$142 million.

Adjusted gross margin, which excludes amortization, purchase accounting impacts and special charges, was 40.8% in the first quarter, down 50 basis points from the prior quarter. The Semiconductor Solutions segment non-GAAP adjusted gross margin was 42.3% in the first quarter, which was flat with last quarter's results and 590 basis points higher than the first fiscal quarter of 2017. The Life Sciences segment non-GAAP adjusted gross margin was 36.5% in the first quarter, 170 basis points lower compared to the fourth quarter and 80 basis points higher than the first fiscal quarter of 2017. Sequentially, the Life Sciences segment reported 160 basis points higher gross margins in the core systems business, which was offset by lower margins in storage services driven by a high mix of genomic services. In summary, the total non-GAAP adjusted gross profit increased by \$2 million compared to the prior quarter, driven by an \$7 million revenue increase across the segments, stable gross margins in Semiconductor Solutions Group and lower gross margins in the Life Sciences segment.

Bookings for the Semiconductor Solutions segment in the first quarter totaled \$166 million, compared to \$142 million in the fourth quarter. The Life Sciences segment booked a total of \$59 million of new contract value in the first quarter, compared to \$35 million in the fourth quarter.

Non-GAAP operating expense of \$49 million was flat compared to the prior quarter. Variable compensation expenses declined \$2.1 million while the Life Sciences segment saw other SG&A spending increase primarily due to the acquisition

of 4titude and additional hiring.

Adjusted income from operations in the first quarter was \$28 million, increasing 9% compared to the fourth quarter and 52% compared to the first fiscal quarter of 2017. The primary driver of growth was the Semiconductor Solutions segment, which recorded \$27 million in non-GAAP operating profit, which was 19.0% of revenue. This result in Semiconductor Solutions was \$3 million higher operating income and 170 basis points improvement of operating margins, compared to the fourth quarter. The Life Sciences segment reported non-GAAP operating profit of \$1.4 million, which was 2.9% of revenue. This Life Science result was \$1.0 million lower compared to the fourth quarter.

Non-Operating expenses included net interest expense of \$2.0 million for the quarter driven by the establishment of a debt instrument on October 4, 2017. The Company also incurred \$1.7 million of other non-operating expenses compared to an income of \$0.2 million in the fourth quarter. The primary driver of this expense was foreign exchange losses of \$2.0 million in the first quarter compared to \$0.6 million of losses in the fourth quarter. Joint venture earnings provided \$2.2 million of income net of tax in the first quarter, which was \$0.1 million higher than the fourth quarter.

The Company's non-GAAP tax rate in the quarter was 15%, compared to 13% in the fourth quarter. The tax provision in the first quarter was \$4 million, which increased \$0.6 million compared to the fourth quarter.

Cash flow from operations was \$3 million in the first quarter bringing the total of cash, cash equivalents, and marketable securities to \$232 million as of December 31, 2017 compared to \$104 million at the end of the fourth quarter. Impacting cash on the balance sheet was the Company's acquisition of 4titude, Ltd. for \$65 million net of cash acquired, which closed on October 5, 2017. This was more than offset by \$198 million in proceeds from the Company's term loan credit facility initiated on October 4, 2017.

Quarterly Cash Dividend

The Company additionally announced that the Board of Directors has reiterated a dividend of \$0.10 per share payable on March 23, 2018 to stockholders of record on March 2, 2018. Future dividend declarations, as well as the record and payment dates for such dividends, are subject to the final determination of the Company's Board of Directors.

Guidance for Fiscal Second Quarter 2018

The Company announced revenue and earnings guidance for the second quarter of fiscal 2018. Revenue is expected to be in the range of \$195 million to \$205 million and non-GAAP diluted earnings per share is expected to be in the range of \$0.33 to \$0.41. GAAP diluted earnings per share for the second quarter is expected to be in the range of \$0.24 to \$0.32, reflecting the impact of amortization, purchase price accounting and anticipated restructuring charges.

Conference Call

Brooks management will webcast its first quarter earnings conference call today at 5:00 p.m. Eastern Time. During the call, Company management will respond to questions concerning, but not limited to, the Company's financial performance, business conditions and industry outlook. Management's responses could contain information that has not been previously disclosed.

The call will be broadcast live over the Internet and, together with presentation materials referenced on the call, will be hosted at the Investor Relations section of Brooks' website at www.brooks.com, and will be archived online on this website for convenient on-demand replay. In addition, you may call 800-920-5541 (US & Canada only) or 312-281-1210 to listen to the live webcast.

About Brooks Automation, Inc.

Brooks is a leading worldwide provider of automation and cryogenic solutions for multiple markets including semiconductor manufacturing and life sciences. Brooks' technologies, engineering competencies and global service

capabilities provide customers speed to market and ensure high uptime and rapid response, which equate to superior value in their mission-critical controlled environments. Since 1978, Brooks has been a leading partner to the global semiconductor manufacturing market as a provider of precision automation and cryogenic vacuum solutions. Since 2011, Brooks has applied its automation and cryogenics expertise to meet the sample storage needs of customers in the life sciences industry. Brooks' life sciences offerings include a broad range of products and services for on-site infrastructure for sample management in temperatures of -20°C to -150°C, as well as comprehensive outsource service solutions across the complete life cycle of biological samples including collection, transportation, processing, storage, protection, retrieval and disposal. Brooks is headquartered in Chelmsford, MA, with operations in North America, Europe and Asia. For more information, visit www.brooks.com.

“Safe Harbor Statement” under Section 21E of the Securities Exchange Act of 1934

Some statements in this release are forward-looking statements made under Section 21E of the Securities Exchange Act of 1934. These statements are neither promises nor guarantees but involve risks and uncertainties, both known and unknown, that could cause Brooks' financial and business results to differ materially from our expectations. They are based on the facts known to management at the time they are made. These forward-looking statements include, but are not limited to statements about our revenue and earnings expectations, our ability to increase our profitability, our ability to improve or retain our market position, and our ability to deliver financial success in the future. Factors that could cause results to differ from our expectations include the following: the volatility of the industries the Company serves, particularly the semiconductor industry; our possible inability to meet demand for our products due to difficulties in obtaining components and materials from our suppliers in required quantities and of required quality; the inability of customers to make payments to us when due; the timing and effectiveness of cost reduction and cost control measures; price competition; disputes concerning intellectual property; uncertainties in global political and economic conditions, and other factors and other risks, including those that we have described in our filings with the Securities and Exchange Commission, including but not limited to our Annual Report on Form 10-K, current reports on Form 8-K and our quarterly reports on Form 10-Q. As a result we can provide no assurance that our future results will not be materially different from those projected. Brooks expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any such statement to reflect any change in our expectations or any change in events, conditions or circumstances on which any such statement is based. Brooks undertakes no obligation to update the information contained in this press release.

BROOKS AUTOMATION, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)
(In thousands, except per share data)

| | Three Months Ended December 31, | |
|-------------------------------------|------------------------------------|------------|
| | 2017 | 2016 |
| Revenue | | |
| Products | \$ 142,184 | \$ 122,114 |
| Services | 47,144 | 37,841 |
| Total revenue | 189,328 | 159,955 |
| Cost of revenue | | |
| Products | 84,177 | 75,679 |
| Services | 29,936 | 27,333 |
| Total cost of revenue | 114,113 | 103,012 |
| Gross profit | 75,215 | 56,943 |
| Operating expenses | | |
| Research and development | 13,200 | 10,845 |
| Selling, general and administrative | 41,175 | 31,962 |
| Restructuring charges | — | 975 |
| Total operating expenses | 54,375 | 43,782 |
| Operating income | 20,840 | 13,161 |
| Interest income | 149 | 68 |

| | | | | |
|--|-----------|---|-----------|---|
| Interest expense | (2,181) |) | (96) |) |
| Gain on settlement of equity method investment | | | 1,847 | |
| Other expenses, net | (1,652) |) | (251) |) |
| Income before income taxes and equity in earnings of equity method investments | 17,156 | | 14,729 | |
| Income tax provision | 2,850 | | 2,800 | |
| Income before equity in earnings of equity method investments | 14,306 | | 11,929 | |
| Equity in earnings of equity method investments | 2,180 | | 1,942 | |
| Net income | \$ 16,486 | | \$ 13,871 | |
| Basic net income per share | \$ 0.23 | | \$ 0.20 | |
| Diluted net income per share | 0.23 | | 0.20 | |
| Dividend declared per share | 0.10 | | 0.10 | |
| Weighted average shares outstanding used in computing net income per share: | | | | |
| Basic | 70,183 | | 69,181 | |
| Diluted | 70,864 | | 69,870 | |

BROOKS AUTOMATION, INC.
CONSOLIDATED BALANCE SHEETS
(unaudited)
(In thousands, except share and per share data)

| | December 31, 2017 | September 30, 2017 |
|--|----------------------|-----------------------|
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | \$ 202,339 | \$ 101,622 |
| Marketable securities | 15,658 | 28 |
| Accounts receivable, net | 139,047 | 120,828 |
| Inventories | 115,033 | 106,395 |
| Prepaid expenses and other current assets | 24,782 | 23,138 |
| Total current assets | 496,859 | 352,011 |
| Property, plant and equipment, net | 60,294 | 58,462 |
| Long-term marketable securities | 13,885 | 2,642 |
| Long-term deferred tax assets | 1,642 | 1,692 |
| Goodwill | 272,724 | 233,638 |
| Intangible assets, net | 105,757 | 83,520 |
| Equity method investment | 30,925 | 28,593 |
| Other assets | 5,591 | 6,070 |
| Total assets | \$ 987,677 | \$ 766,628 |
| Liabilities and Stockholders' Equity | | |
| Current liabilities | | |
| Current portion of long term debt | \$ 1,993 | \$ — |
| Accounts payable | 54,242 | 49,100 |
| Deferred revenue | 25,701 | 24,292 |
| Accrued warranty and retrofit costs | 8,218 | 8,054 |
| Accrued compensation and benefits | 16,027 | 27,065 |
| Accrued restructuring costs | 1,127 | 1,708 |
| Accrued income taxes payable | 15,120 | 11,417 |
| Accrued expenses and other current liabilities | 26,977 | 25,142 |
| Total current liabilities | 149,405 | 146,778 |
| Long-term debt | 195,276 | — |
| Long-term tax reserves | 1,412 | 1,687 |
| Long-term deferred tax liabilities | 8,290 | 3,748 |
| Long-term pension liabilities | 1,995 | 1,979 |
| Other long-term liabilities | 5,295 | 4,792 |
| Total liabilities | 361,673 | 158,984 |
| Stockholders' Equity | | |
| Preferred stock, \$0.01 par value- 1,000,000 shares authorized, no shares issued or outstanding | — | — |
| Common stock, \$0.01 par value- 125,000,000 shares authorized, 83,891,452 shares issued and 70,429,583 shares outstanding at December 31, 2017, 83,294,848 shares issued and 69,832,979 shares outstanding at September 30, 2017 | 839 | 833 |
| Additional paid-in capital | 1,879,721 | 1,874,918 |
| Accumulated other comprehensive income | 19,335 | 15,213 |
| Treasury stock at cost - 13,461,869 shares | (200,956) | (200,956) |
| Accumulated deficit | (1,072,935) | (1,082,364) |
| Total stockholders' equity | 626,004 | 607,644 |
| Total liabilities and stockholders' equity | \$ 987,677 | \$ 766,628 |

BROOKS AUTOMATION, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)
(In thousands)

Three Months Ended

| | December 31, 2017 | 2016 |
|---|----------------------|-----------|
| Cash flows from operating activities | | |
| Net income | \$ 16,486 | \$ 13,871 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation and amortization | 8,521 | 6,752 |
| Gain on settlement of equity method investment | — | (1,847) |
| Stock-based compensation | 4,809 | 2,498 |
| Amortization of premium on marketable securities and deferred financing costs | 122 | 79 |
| Earnings of equity method investments | (2,180) | (1,942) |
| Deferred income tax benefit | (689) | (421) |
| Other gains on disposals of assets | — | (109) |
| Changes in operating assets and liabilities, net of acquisitions: | | |
| Accounts receivable | (16,157) | (11,137) |
| Inventories | (5,518) | (2,930) |
| Prepaid expenses and other current assets | 3,285 | (3,516) |
| Accounts payable | 4,449 | 13,040 |
| Deferred revenue | 1,376 | 10,737 |
| Accrued warranty and retrofit costs | 87 | (4) |
| Accrued compensation and tax withholdings | (11,145) | (6,884) |
| Accrued restructuring costs | (592) | (2,538) |
| Accrued expenses and other current liabilities | 362 | 3,061 |
| Net cash provided by operating activities | 3,216 | 18,710 |
| Cash flows from investing activities | | |
| Purchases of property, plant and equipment | (2,700) | (3,768) |
| Purchases of marketable securities | (26,875) | — |
| Sales and maturities of marketable securities | 100 | — |
| Acquisitions, net of cash acquired | (65,074) | (5,346) |
| Purchases of other investments | — | (170) |
| Proceeds from sales of property, plant and equipment | 200 | — |
| Net cash used in investing activities | (94,349) | (9,284) |
| Cash flows from financing activities | | |
| Proceeds from term loan | 197,554 | — |
| Payment of deferred financing costs | (318) | (27) |
| Common stock dividends paid | (7,057) | (6,966) |
| Net cash provided by (used in) financing activities | 190,179 | (6,993) |
| Effects of exchange rate changes on cash and cash equivalents | 1,671 | (4,574) |
| Net increase (decrease) in cash and cash equivalents | 100,717 | (2,141) |
| Cash and cash equivalents, beginning of period | 101,622 | 85,086 |
| Cash and cash equivalents, end of period | \$ 202,339 | \$ 82,945 |

Notes on Non-GAAP Financial Measures:

These financial measures are used in addition to and in conjunction with results presented in accordance with GAAP and should not be relied upon to the exclusion of GAAP financial measures. Management adjusted the GAAP results for the impact of amortization of intangible assets, restructuring charges, purchase price accounting adjustments and charges related to M&A to provide investors better perspective on the results of operations which the Company believes is more comparable to the similar analysis provided by its peers. Management also excludes special charges and gains, such as impairment losses, gains and losses from the sale of assets, as well as other gains and charges that are not representative of the normal operations of the business. Brooks currently includes a valuation allowance reserve against U.S. deferred tax assets in its GAAP results. In assessing the appropriate tax rate for non-GAAP results, the Company evaluated the adjustments discussed above and concluded it was appropriate to maintain the valuation allowance reserve in establishing the non-GAAP tax rate. Management strongly encourages investors to review our financial statements and publicly-filed reports in their entirety and not rely on any single measure.

| | Quarter Ended December 31, 2017 | | September 30, 2017 | | December 31, 2016 | |
|--|------------------------------------|----------------------|--------------------|----------------------|-------------------|----------------------|
| | \$ | per diluted share | \$ | per diluted share | \$ | per diluted share |
| <i>Dollars in thousands, except per share data</i> | | | | | | |
| GAAP net income | \$ 16,486 | \$ 0.23 | \$ 17,386 | \$ 0.25 | \$ 13,871 | \$ 0.20 |
| Adjustments: | | | | | | |
| Purchase accounting impact on inventory and contracts acquired | 1,160 | 0.02 | — | — | 70 | — |
| Amortization of intangible assets | 5,493 | 0.08 | 4,403 | 0.06 | 4,058 | 0.06 |
| Restructuring charges | — | — | 563 | 0.01 | 975 | 0.01 |
| Merger costs | 613 | 0.01 | 3,470 | 0.05 | 249 | — |
| Fair value adjustment of equity investment | — | — | — | — | (1,847) | (0.03) |

| | | | | | | |
|---|-----------|---------|-----------|---------|-----------|---------|
| BioCision stub period adjustment | — | — | — | — | 203 | — |
| Tax effect of adjustments | (578) | (0.01) | (1,300) | (0.02) | (278) | — |
| Tax Reform - rate change applied to deferred tax liabilities | (671) | (0.01) | — | — | — | — |
| Non-GAAP adjusted net income | 22,503 | 0.32 | 24,522 | 0.35 | 17,301 | 0.25 |
| Stock based compensation, pre-tax | 4,809 | — | 6,197 | — | 2,498 | — |
| Tax rate | 15 % | — | 13 % | — | 15 % | — |
| Stock-based compensation, net of tax | 4,068 | 0.06 | 5,416 | 0.08 | 2,123 | 0.03 |
| Non-GAAP adjusted net income - excluding stock-based compensation | \$ 26,571 | \$ 0.37 | \$ 29,938 | \$ 0.42 | \$ 19,424 | \$ 0.28 |
| Shares used in computing non-GAAP diluted net income per share | — | 70,864 | — | 70,681 | — | 69,870 |

| | Quarter Ended | | | Quarter Ended | | | Quarter Ended | | |
|--|-------------------|--------|--|--------------------|--------|--|-------------------|--------|--|
| | December 31, 2017 | | | September 30, 2017 | | | December 31, 2016 | | |
| <i>Dollars in thousands</i> | \$ | % | | \$ | % | | \$ | % | |
| GAAP gross profit/gross margin percentage | \$ 75,215 | 39.7 % | | \$ 74,365 | 40.9 % | | \$ 56,943 | 35.6 % | |
| Adjustments: | | | | | | | | | |
| Amortization of completed technology | 904 | 0.5 % | | 810 | 0.4 % | | 993 | 0.6 % | |
| Purchase accounting impact on inventory and contracts acquired | 1,160 | 0.6 % | | — | 0.0 % | | 70 | 0.0 % | |
| Non-GAAP adjusted gross profit/gross margin percentage | \$ 77,279 | 40.8 % | | \$ 75,175 | 41.3 % | | \$ 58,006 | 36.3 % | |

| | Quarter Ended | | | Quarter Ended | | | Quarter Ended | | |
|--|-------------------|--|--|--------------------|--|--|-------------------|--|--|
| | December 31, 2017 | | | September 30, 2017 | | | December 31, 2016 | | |
| <i>Dollars in thousands</i> | \$ | | | \$ | | | \$ | | |
| GAAP net income | \$ 16,486 | | | \$ 17,386 | | | \$ 13,871 | | |
| Adjustments: | | | | | | | | | |
| Less: Interest income | (149) | | | (32) | | | (68) | | |
| Add: Interest expense | 2,181 | | | 122 | | | 96 | | |
| Add: Income tax provision | 2,850 | | | 2,240 | | | 2,800 | | |
| Add: Depreciation | 3,029 | | | 3,096 | | | 2,695 | | |
| Add: Amortization of completed technology | 904 | | | 810 | | | 993 | | |
| Add: Amortization of customer relationships and acquired intangible assets | 4,589 | | | 3,593 | | | 3,064 | | |
| Earnings before interest, taxes, depreciation and amortization | \$ 29,890 | | | \$ 27,215 | | | \$ 23,451 | | |

| | Quarter Ended | | | Quarter Ended | | | Quarter Ended | | |
|---|-------------------|--|--|--------------------|--|--|-------------------|--|--|
| | December 31, 2017 | | | September 30, 2017 | | | December 31, 2016 | | |
| <i>Dollars in thousands</i> | \$ | | | \$ | | | \$ | | |
| Earnings before interest, taxes, depreciation and amortization | \$ 29,890 | | | \$ 27,215 | | | \$ 23,451 | | |
| Adjustments: | | | | | | | | | |
| Less: Fair value adjustment of equity method investment | — | | | — | | | (1,847) | | |
| Add: Stock-based compensation | 4,809 | | | 6,197 | | | 2,498 | | |
| Add: Restructuring charges | — | | | 563 | | | 975 | | |
| Add: BioCision stub period adjustment | — | | | — | | | 203 | | |
| Add: Purchase accounting impact on inventory and contracts acquired | 1,160 | | | — | | | 70 | | |
| Add: Merger costs | 613 | | | 3,470 | | | 249 | | |
| Adjusted earnings before interest, taxes, depreciation and amortization | \$ 36,472 | | | \$ 37,445 | | | \$ 25,599 | | |

| | Quarter Ended | | | Quarter Ended | | | Quarter Ended | | |
|---|-------------------|--|--|--------------------|--|--|-------------------|--|--|
| | December 31, 2017 | | | September 30, 2017 | | | December 31, 2016 | | |
| <i>Dollars in thousands</i> | \$ | | | \$ | | | \$ | | |
| GAAP selling, general and administrative expenses | \$ 41,175 | | | \$ 43,565 | | | \$ 31,962 | | |
| Adjustments: | | | | | | | | | |
| Less: Amortization of customer relationships and acquired intangible assets | (4,589) | | | (3,593) | | | (3,064) | | |
| Less: Merger costs | (613) | | | (3,470) | | | (249) | | |
| Non-GAAP adjusted selling, general and administrative expenses | \$ 35,973 | | | \$ 36,502 | | | \$ 28,649 | | |
| Research and development expenses | \$ 13,200 | | | \$ 12,856 | | | \$ 10,845 | | |
| Non-GAAP adjusted operating expenses | \$ 49,173 | | | \$ 49,358 | | | \$ 39,494 | | |

Quarter Ended

| | | | |
|---|----------------------|-----------------------|----------------------|
| <i>Dollars in thousands</i> | December 31, 2017 | September 30, 2017 | December 31, 2016 |
| GAAP equity in earnings of equity method investments | \$ 2,180 | \$ 2,132 | \$ 1,942 |
| Adjustments: | | | |
| Add: BioCision stub period adjustment | — | — | 203 |
| Non-GAAP adjusted equity in earnings of equity method investments | \$ 2,180 | \$ 2,132 | \$ 2,145 |

| | Brooks Semiconductor Solutions Group Quarter Ended | | | Brooks Life Sciences Quarter Ended | | |
|--|---|-----------------------|----------------------|---------------------------------------|-----------------------|----------------------|
| <i>Dollars in thousands</i> | December 31, 2017 | September 30, 2017 | December 31, 2016 | December 31, 2017 | September 30, 2017 | December 31, 2016 |
| GAAP gross profit | \$ 59,453 | \$ 57,775 | \$ 45,468 | \$ 15,762 | \$ 16,590 | \$ 11,475 |
| Adjustments: | | | | | | |
| Amortization of completed technology | 533 | 627 | 627 | 371 | 183 | 366 |
| Purchase accounting impact on inventory and contracts acquired | — | — | — | 1,160 | — | 70 |
| Non-GAAP adjusted gross profit | \$ 59,986 | \$ 58,402 | \$ 46,095 | \$ 17,293 | \$ 16,773 | \$ 11,911 |

| | Brooks Semiconductor Solutions Group Quarter Ended | | | Brooks Life Sciences Quarter Ended | | | | |
|--|---|-----------------------|----------------------|---------------------------------------|-----------------------|----------------------|---|--|
| <i>Dollars in thousands</i> | December 31, 2017 | September 30, 2017 | December 31, 2016 | December 31, 2017 | September 30, 2017 | December 31, 2016 | | |
| GAAP gross margin | 41.9 | % 41.9 | % 35.9 | % 33.2 | % 37.8 | % 34.4 | % | |
| Adjustments: | | | | | | | | |
| Amortization of completed technology | 0.4 | % 0.5 | % 0.5 | % 0.8 | % 0.4 | % 1.1 | % | |
| Purchase accounting impact on inventory and contracts acquired | — | % — | % — | % 2.4 | % — | % 0.2 | % | |
| Non-GAAP adjusted gross margin | 42.3 | % 42.3 | % 36.4 | % 36.5 | % 38.2 | % 35.7 | % | |

| | Brooks Semiconductor Solutions Group Quarter Ended | | | Brooks Life Sciences Quarter Ended | | | Total Segments Quarter Ended | | |
|--|---|-----------------------|----------------------|---------------------------------------|-----------------------|----------------------|---------------------------------|-----------------------|----------------------|
| <i>Dollars in thousands</i> | December 31, 2017 | September 30, 2017 | December 31, 2016 | December 31, 2017 | September 30, 2017 | December 31, 2016 | December 31, 2017 | September 30, 2017 | December 31, 2016 |
| GAAP operating profit | \$ 26,362 | \$ 23,154 | \$ 17,371 | \$ (140) | \$ 2,160 | \$ 112 | \$ 26,222 | \$ 25,314 | \$ 17,483 |
| Adjustments: | | | | | | | | | |
| Amortization of completed technology | 533 | 627 | 627 | 371 | 183 | 366 | 904 | 810 | 993 |
| Purchase accounting impact on inventory and contracts acquired | — | — | — | 1,160 | — | 70 | 1,160 | — | 70 |
| Non-GAAP adjusted operating profit | \$ 26,895 | \$ 23,781 | \$ 17,998 | \$ 1,391 | \$ 2,343 | \$ 548 | \$ 28,286 | \$ 26,124 | \$ 18,546 |

| | Total Segments Quarter Ended | | | Corporate Quarter Ended | | | Total Quarter Ended | | |
|---|---------------------------------|-----------------------|----------------------|----------------------------|-----------------------|----------------------|------------------------|-----------------------|----------------------|
| <i>Dollars in thousands</i> | December 31, 2017 | September 30, 2017 | December 31, 2016 | December 31, 2017 | September 30, 2017 | December 31, 2016 | December 31, 2017 | September 30, 2017 | December 31, 2016 |
| GAAP operating profit (loss) | \$ 26,222 | \$ 25,314 | \$ 17,483 | \$ (5,382) | \$ (7,933) | \$ (4,322) | \$ 20,840 | \$ 17,381 | \$ 13,161 |
| Adjustments: | | | | | | | | | |
| Amortization of completed technology | 904 | 810 | 993 | — | — | — | 904 | 810 | 993 |
| Amortization of customer relationships and acquired intangible assets | — | — | — | 4,589 | 3,593 | 3,064 | 4,589 | 3,593 | 3,064 |
| Restructuring charges | — | — | — | — | 563 | 975 | — | 563 | 975 |
| Purchase accounting impact on inventory and contracts acquired | 1,160 | — | 70 | — | — | — | 1,160 | — | 70 |
| Merger costs | — | — | — | 613 | 3,470 | 249 | 613 | 3,470 | 249 |
| Non-GAAP adjusted operating profit (loss) | \$ 28,286 | \$ 26,124 | \$ 18,546 | \$ (180) | \$ (307) | \$ (34) | \$ 28,106 | \$ 25,817 | \$ 18,512 |

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 **Q1 2018 Earnings Presentation**

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