



BRUKER CORPORATION (NASDAQ: BRKR)

Q1 2022 Earnings Presentation

May 4, 2022

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Safe Harbor Statement

Any statements contained in this presentation which do not describe historical facts may constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements regarding our fiscal year 2022 financial outlook, our outlook for organic revenue growth, non-GAAP operating margin, non-GAAP EPS and non-GAAP tax rate; management's expectations for the impact of foreign currency and acquisitions, and for future financial and operational performance and business outlook; future economic conditions; the duration and impact of supply chain challenges; and strategic investments. Any forward-looking statements contained herein are based on current expectations, but are subject to risks and uncertainties that could cause actual results to differ materially from those indicated, including, but not limited to, risks and uncertainties relating to the length and severity of the COVID-19 pandemic, the impact of the pandemic on global economic conditions and the length and severity of any resulting recession, the impact of any supply chain challenges, including inflationary pressures, the impact of geopolitical tensions and any resulting sanctions, continued volatility in the capital markets, the integration and assumption of liabilities of businesses we have acquired or may acquire in the future, our restructuring and cost control initiatives, changing technologies, product development and market acceptance of our products, the cost and pricing of our products, manufacturing, and outsourcing, competition, dependence on collaborative partners, key suppliers and third-party distributors, capital spending and government funding policies, changes in governmental regulations, intellectual property rights, litigation, exposure to foreign currency fluctuations, our ability to service our obligations and fund our anticipated cash needs, the effect of a concentrated ownership of our common stock, loss of key personnel, payment of future dividends and other risk factors discussed from time to time in our filings with the Securities and Exchange Commission, or SEC. These and other factors are identified and described in more detail in our filings with the SEC, including, without limitation, our annual report on Form 10-K for the year ended December 31, 2021, as may be updated by our quarterly reports on Form 10-Q. We expressly disclaim any intent or obligation to update these forward-looking statements other than as required by law.

Q1 2022

Business Update



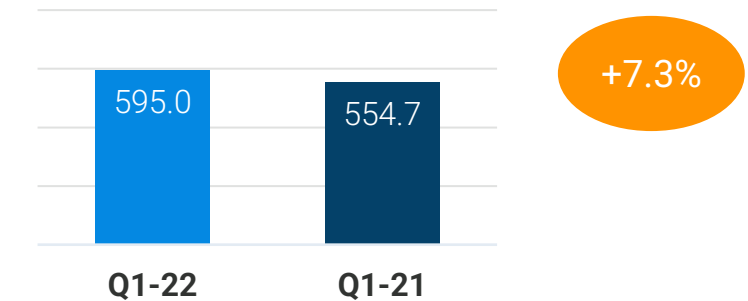
Q1 2022: Continued Strong Organic Revenue Growth on Solid Demand for our Differentiated Products and Solutions

Q1 2022 Performance Year-over-Year

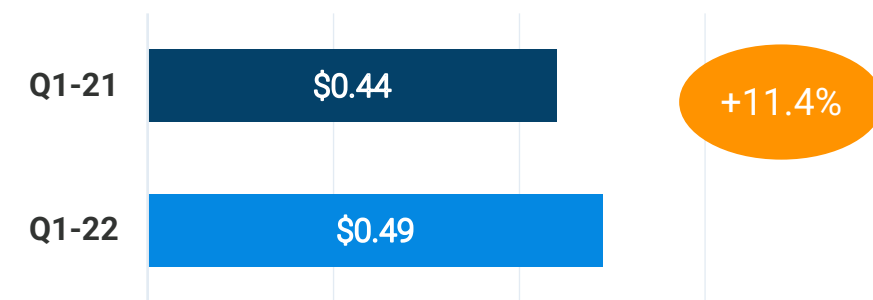
- ❖ Organic bookings growth for BSI strong with book-to-bill >1.1
- ❖ Revenue increase of \$40.3M, or +7.3%
 - Organic growth of +10.5%, with BSI up +9.5% and BEST up +21.0%, despite supply chain and logistics challenges
 - Acquisitions add +1.0%; FX headwind of -4.2%
- ❖ Non-GAAP gross margin of 52.7%, up +140 bps
- ❖ Non-GAAP operating margin of 19.5%, up +110 bps
- ❖ GAAP EPS of \$0.41, up 10.8%
- ❖ Non-GAAP EPS of \$0.49, up 11.4%
- ❖ Non-GAAP ROIC of 27.6% for trailing twelve months

Q1 Financials

Revenues [\$M]



Non-GAAP EPS



Reconciliations of non-GAAP to GAAP financial measures are available in our earnings press release and at the end of this presentation. Y-o-y: year over year. Bps: basis points

Constant Currency Q1 2022 Revenue Performance Year-over-Year⁽¹⁾



Bruker BIOSPIN Group

- BIOSPIN up low single digit %, on difficult comps due to 2 GHz-class NMRs in Q1 2021 and none in Q1 2022
- BIOSPIN bookings up double digits on strength in academic and applied markets
- Technology introduction of compact, single-story 1.0 GHz NMR in April 2022

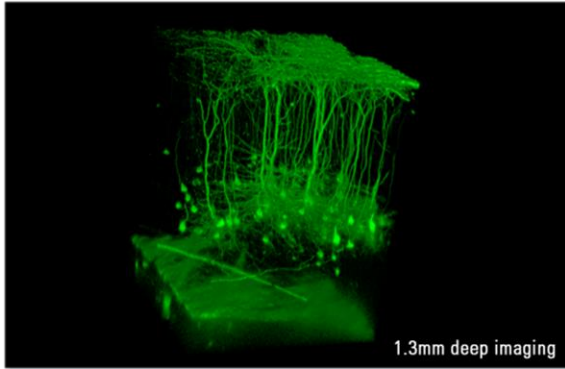


Bruker CALID Group

- CALID up low double digit %, with strong growth in molecular spectroscopy (FTIR/NIR/Raman) and microbiology
- Life science mass spectrometry demand strong; bookings up double digits
- Microbiology up on healthy MALDI Biotyper instrument and consumables demand

⁽¹⁾All in constant currency, and in comparison to Q1 2021

Constant Currency Q1 2022 Revenue Performance Year-over-Year⁽¹⁾



Bruker NANO Group

- BNANO up high teens % with strong academic and industrial research demand; bookings up double digits
- X-Ray, Nano Surfaces tools with significant step-up
- Microelectronics and semiconductor metrology with continued strength
- Fluorescence microscopy up significantly on unique research capabilities



BEST Segment

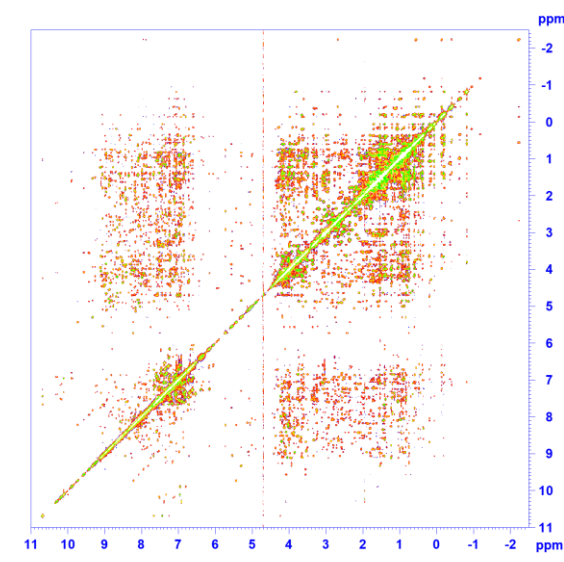
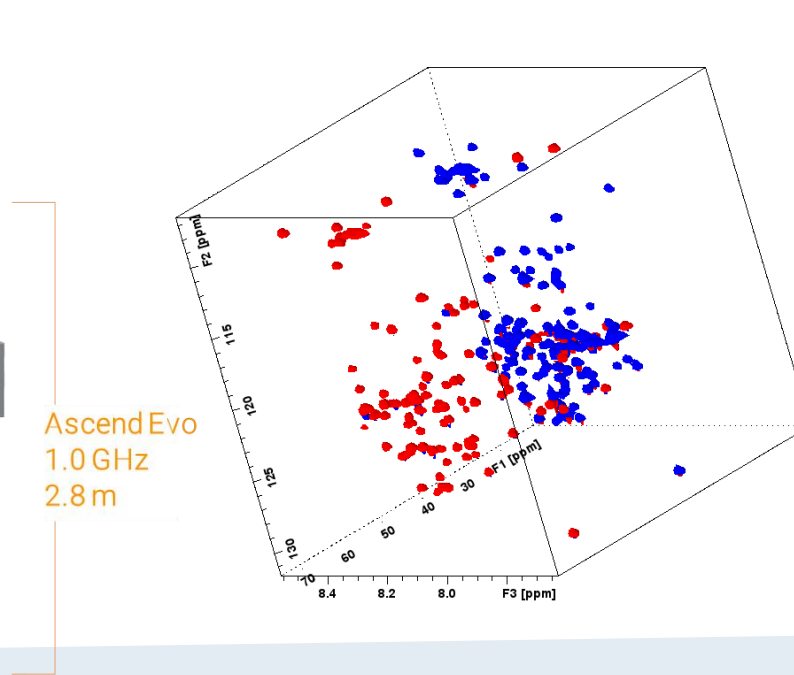
- BEST up low twenties %, net of intercompany eliminations, driven by superconductor demand from major MRI manufacturers
- BEST superconductor demand strong; challenging supply chain dynamics

⁽¹⁾All in constant currency, and in comparison to Q1 2021

Compact, Single-Story UHF NMR Magnet – Ascend Evo 1.0 GHz

- + 1.0 GHz for single-story labs: Easier siting with significantly reduced footprint, weight and ceiling height
- + Advanced hybrid high temperature superconductor (HTS) technology enables operation at 4.2 Kelvin
- + Helium consumption reduced by factor of 3x

New technological marvel provides more structural biology and drug discovery researchers access to enabling capabilities of GHz NMR.



Record Revenues in Semiconductor Metrology

Metrology Solutions for New Front-end Chip Structures to New Back-end 3D Packaging

X-Ray Diffraction Enables Next-Generation Chip Manufacturing

Sirius-XRD

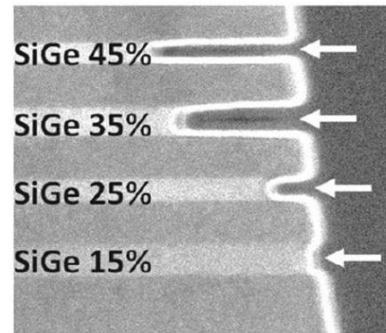
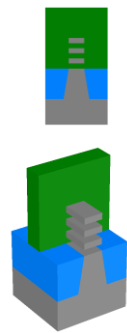
10x faster throughput. Shipped first beta system in Q1'22

Won first multi-tool orders for pilot production monitoring at 3 leading semiconductor manufacturers

- 3 nm logic moved to Gate-All-Around (GAA) design with multiple SiGe epi-layers
- We enable Ge concentration monitoring for etch control critical to device performance



Sirius-XRD



Ge concentration in the GAA stack defines etch rate later in the process

3D Chips Require Advanced Packaging Quality Control

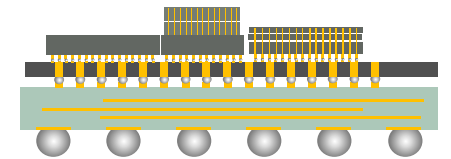
ContourSP-S

35% throughput improvement resulting in Q1'22 YOY bookings growth of 70%

InSight-WLI

Doubled install base over last 18 months with new, high resolution, wafer level packaging metrology

- Chip packaging has moved to 3D
- We enable micron scale interconnect process control



ContourSP-S



InSight-WLI

Q1 2022

Financial Update



Q1 2022 Non-GAAP Financial Performance

[\$ m, except EPS]	Q1 2022	Q1 2021	△
Revenues	\$595.0	\$554.7	+7.3%
Operating Income	\$115.8	\$102.2	+13.3%
<i>Operating Margin (%)</i>	<i>19.5%</i>	<i>18.4%</i>	<i>+110 bps</i>
EPS	\$0.49	\$0.44	+11.4%
Free Cash Flow	\$58.8	\$73.3	-\$14.5

[\$ m]	Mar 31, 2022	Dec 31, 2021	△
Cash, Equivalents & Short-term Investments	\$916.1	\$1,168.2	-21.6%
Net (Debt)/ Cash	(\$302.2)	(\$168.0)	+79.9%
WC-to-revenue ratio*	\$0.40	\$0.41	-2.4%

* On trailing twelve months revenue.

Reconciliations of non-GAAP to GAAP financial measures are available in our earnings press release and at the end of this presentation.

Comments (year-over-year)

- Reported revenue up +7.3%, organic revenue up +10.5%, in spite of logistics and supply chain challenges
- Non-GAAP operating income up +13.3%, operating margin up +110 bps due to operating leverage and product mix
- Non-GAAP EPS \$0.49, up 11.4%
- Free cash flow of \$58.8M, a decline of \$14.5M from Q1-21, primarily due to timing of tax and other payments
- Cash position down on debt repayment, M&A and share repurchase activity in the quarter

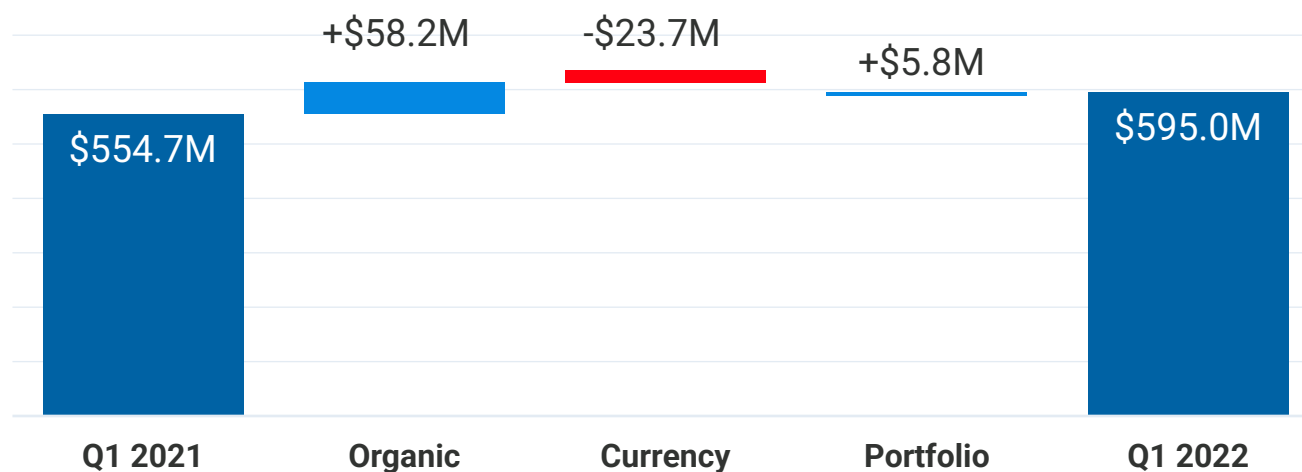


Q1 2022 Revenue Bridge

Q1 2022 Revenue Performance Year-over-Year

Organic	Currency	Portfolio	Total
+10.5%	-4.2%	+1.0%	+7.3%

Q1 2022 Revenue Bridge [\$M]



Q1 2022 DRIVERS (year-over-year)

- Reported revenue up +7.3%
- Organic revenue up +10.5%
 - ✓ BSI up +9.5% organic
 - ✓ BEST up +21.0% organic (net of intercompany eliminations)
- Acquisitions add +1.0%
- FX headwind of -4.2%

Reconciliations of non-GAAP to GAAP financial measures are available in our earnings press release and at the end of this presentation.



Q1 2022 Non-GAAP Results Year-over-Year

[\$ m, except EPS]	Q1 2022	Q1 2021	△
Total Revenues	595.0	554.7	+7.3%
Gross Profit <i>Margin (% of revenues)</i>	313.3 52.7%	284.3 51.3%	+10.2% +140 bps
SG&A <i>(% of revenues)</i>	(140.9) 23.7%	(127.3) 22.9%	+10.7%
R&D <i>(% of revenues)</i>	(56.6) 9.5%	(54.8) 9.9%	+3.3%
Operating Profit <i>(% of revenues)</i>	115.8 19.5%	102.2 18.4%	+13.3% +110 bps
Tax Rate	32.7%	31.1%	+160 bps
Net Income*	74.6	66.7	+11.8%
EPS	\$0.49	\$0.44	+11.4%
Shares Outstanding	151.4	153.2	-1.2%

Comments (year-over-year)

- Gross margin up +140 bps due to operating leverage and favorable revenue mix, partially offset by supply chain challenges
- Operating margin up +110 bps on gross margin increase, timing of R&D ramp, partially offset by *Project Accelerate 2.0* commercial investments
- Non-GAAP tax rate increase to 32.7% on unfavorable discrete items
- Non-GAAP EPS of \$0.49, up 11.4% on higher revenue growth and margin performance
- Share count down on share buybacks

*Attributable to Bruker, Sum of items may not total due to rounding

Reconciliations of non-GAAP to GAAP financial measures are available in our earnings press release and at the end of this presentation.



Q1 2022 Cash Flow Year-over-Year

[\$ m]	Q1 2022	Q1 2021	Δ
GAAP Net Income	62.1	57.8	+4.3
Depreciation & amortization	21.7	22.3	-0.6
Changes in working capital*	(36.7)	(18.5)	-18.2
Other items	30.7	36.4	-5.7
Operating cash flow	77.8	98.0	-20.2
Capital expenditures	(19.0)	(24.7)	+5.7
Free cash flow (non-GAAP)	58.8	73.3	-14.5

Comments (year-over-year)

Q1 2022 free cash flow \$58.8M, compared to a record Q1 level of \$73.3M in Q1 2021:

- GAAP net income up 7%
- Partially offset by higher working capital related to accounts payable timing and higher inventory

*WC = (Accounts Receivable + Inventory - Accounts Payable), Sum of items may not total due to rounding



FY 2022 Outlook



FY 2022 Outlook

FY 2022 Guidance	Year-over-year
Revenue Growth	+5% to +7%
Non-GAAP Operating Margin Expansion ⁽¹⁾	+30 bps to +60 bps
Non-GAAP EPS	\$2.29 to \$2.33, Up 9% to 11%

⁽¹⁾ To 19.7% to 20.0% in FY 2022 from a FY 2021 non-GAAP operating margin of 19.4%.

FY 2022 Assumptions

- **Organic revenue growth +7 to +9%; +1% from prior guidance**
- FX revenue headwind approx. -3.5%; vs. -2% prior
- Acquisitions revenue tailwind ~1.5%; vs. 1% prior
- Non-GAAP tax rate: ~29.5%
- Fully diluted share count: ~151M
- CAPEX: ~\$115M
- FX assumptions for remainder of year (rates as of March 31, 2022):
EUR = 1.11 USD; CHF = 1.08 USD; Yen = 121.6 USD

Appendix

Q1 2022 Reconciliation of GAAP Reported Revenue Growth to Organic Revenue Growth

[\$M]	Q1 2022	Q1 2021
Revenue as of the prior comparable period	554.7	424.0
<i>Non-GAAP components:</i>		
Acquisitions and divestures	5.8	3.2
Organic	58.2	100.7
Currency	<u>(23.7)</u>	<u>26.8</u>
Revenue as of the current period	595.0	554.7
<i>Revenue growth</i>	7.3%	30.8%
<i>Organic revenue growth</i>	10.5%	23.8%

Q1 2022 GAAP Results Year-over-Year



[\$M, except EPS]	Q1 2022	Q1 2021	△
Total Revenues	595.0	554.7	+7.3%
Gross Profit	306.3	278.7	+9.9%
<i>Margin (% of revenue)</i>	51.5%	50.2%	
SG&A	(145.7)	(131.8)	+10.5%
<i>(% of revenues)</i>	24.5%	23.8%	
R&D	(56.6)	(54.8)	+3.3%
<i>(% of revenues)</i>	9.5%	9.9%	
Operating Income	96.5	89.1	+8.3%
<i>(% of revenues)</i>	16.2%	16.1%	+10bps
Net Income*	61.6	56.7	8.6%
EPS	\$0.41	\$0.37	+10.8%
Diluted Shares Outstanding	151.4	153.2	-1.2%

*Attributable to Bruker, Sum of items may not total due to rounding

Q1 2022 Reconciliation of GAAP and Non-GAAP Results

Year-over-Year

[\$M, except EPS]	Q1 2022	Q1 2021
GAAP Operating Income	96.5	89.1
Restructuring Costs	0.4	2.4
Acquisition-Related Costs	5.3	0.9
Purchased Intangible Amortization	9.3	9.0
Other Costs	4.3	0.8
TOTAL	19.3	13.1
Non-GAAP Operating Income	115.8	102.2
Non-GAAP Interest & Other Expense, net	(4.2)	(3.8)
Non-GAAP Profit Before Tax	111.6	98.4
Non-GAAP Income Tax Provision	(36.5)	(30.6)
<i>Non-GAAP Tax Rate</i>	32.7%	31.1%
Minority Interest	(0.5)	(1.1)
Non-GAAP Net Income*	74.6	66.7

*Attributable to Bruker, Sum of items may not total due to rounding

Balance Sheet

[\$M, except EPS]	Mar 31, 2022	Dec 31, 2021
Total Assets	3,566.4	3,650.0
Working Capital*	992.5	979.6
Goodwill, Intangibles, Net & Other Long-Term Assets	896.1	772.1

[\$M, except EPS]	Mar 31, 2022	Dec 31, 2021
Cash, Cash Equivalents & Short-term Investments	916.1	1,168.2
Financial Debt	1,218.3	1,336.2
Net (Debt)/Cash	(302.2)	(168.0)

*WC = (Accounts Receivable + Inventory - Accounts Payable), Sum of items may not total due to rounding

Q1 2022 BSI and BEST GAAP Performance Year-over-Year

[\$M]	Q1 2022	Q1 2021	Δ
REVENUE			
Scientific Instruments (BSI)	539.5	506.2	+7%
<i>Organic Revenue Growth (%)</i>	+9.5%	+25.6%	
Energy & Supercon Technologies (BEST)	59.7	52.4	+14%
Corporate Eliminations	<u>(4.2)</u>	<u>(3.9)</u>	
Energy & Supercon Technologies (BEST), net of Corporate Eliminations	55.5	48.5	+14%
<i>Organic Revenue Growth (%)</i>	+21.0%	+7.1%	
Total Revenue	595.0	554.7	+7%
OPERATING INCOME			
Scientific Instruments (BSI)	108.2	101.2	+7%
Energy & Supercon Technologies (BEST)	6.6	4.1	+61%
Corporate Eliminations	(18.3)	(16.2)	
Total Operating Income	96.5	89.1	+8%

Sum of items may not total due to rounding

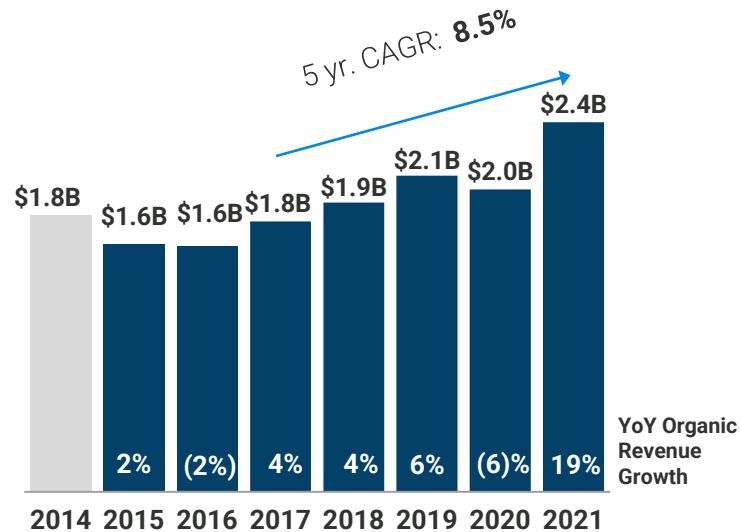
Trailing Twelve Months Return on Invested Capital

[\$M, except EPS]	Trailing Twelve Months Ended March 31, 2022
Non-GAAP Operating Income	\$483.8
Non-GAAP Income Tax Provision	<u>(132.0)</u>
Non-GAAP Operating Income after Tax	351.8
Average Total Invested Capital:	
Average Long-Term Debt	\$962.7
Average Current Portion of Long-Term Debt	59.7
Average Shareholder's Equity	1,009.9
Less Average Cash and Cash Equivalents	<u>756.5</u>
Total Average Invested Capital	1,275.9
Return on Invested Capital	27.6%

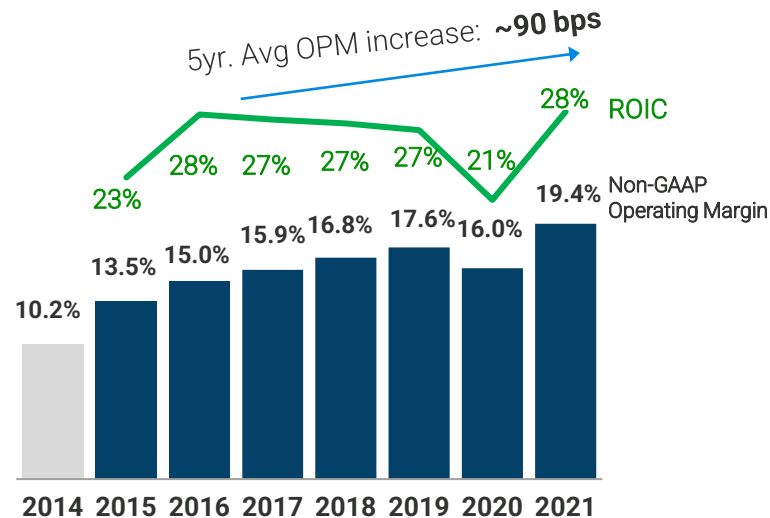


Innovation and Multiyear Transformation Delivering Shareholder Value Accelerated Revenue Growth & Margin Expansion, With Top-Tier ROIC

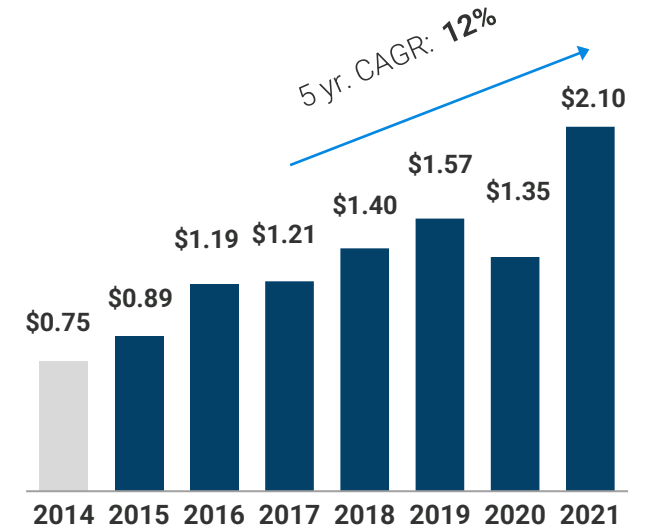
Revenue Growth Acceleration



Significant non-GAAP Operating Margin expansion, ROIC >20%



Non-GAAP EPS DD CAGR



2014-2016: RESTRUCTURING & TRANSFORMATION

- Cost out, consolidation and divestitures
- New organization & management process
- Integrated ERP, SF CRM adoption
- New HR compensation/incentives
- Increased outsourcing

2017-2020: PROJECT ACCELERATE & OPERATIONAL EXCELLENCE

- Portfolio transformation
- Entrepreneurial *Bruker Management Process*
- Improved productivity
- Shared services centers
- Enhanced compliance & risk management

2021-202X: PROJECT ACCELERATE 2.0 & OPERATIONAL EXCELLENCE GOALS

- Major opportunities in *Proteomics*, *Metabolomics* and *Spatial Biology*
- Microbiology & Molecular DX
- Biopharma & Applied, Semi Metrology
- Aftermarket, Consumables & Software
- Further improved productivity, tax rate

