Bruker Corporation (Nasdaq: BRKR)

Q3 2020 Earnings Presentation

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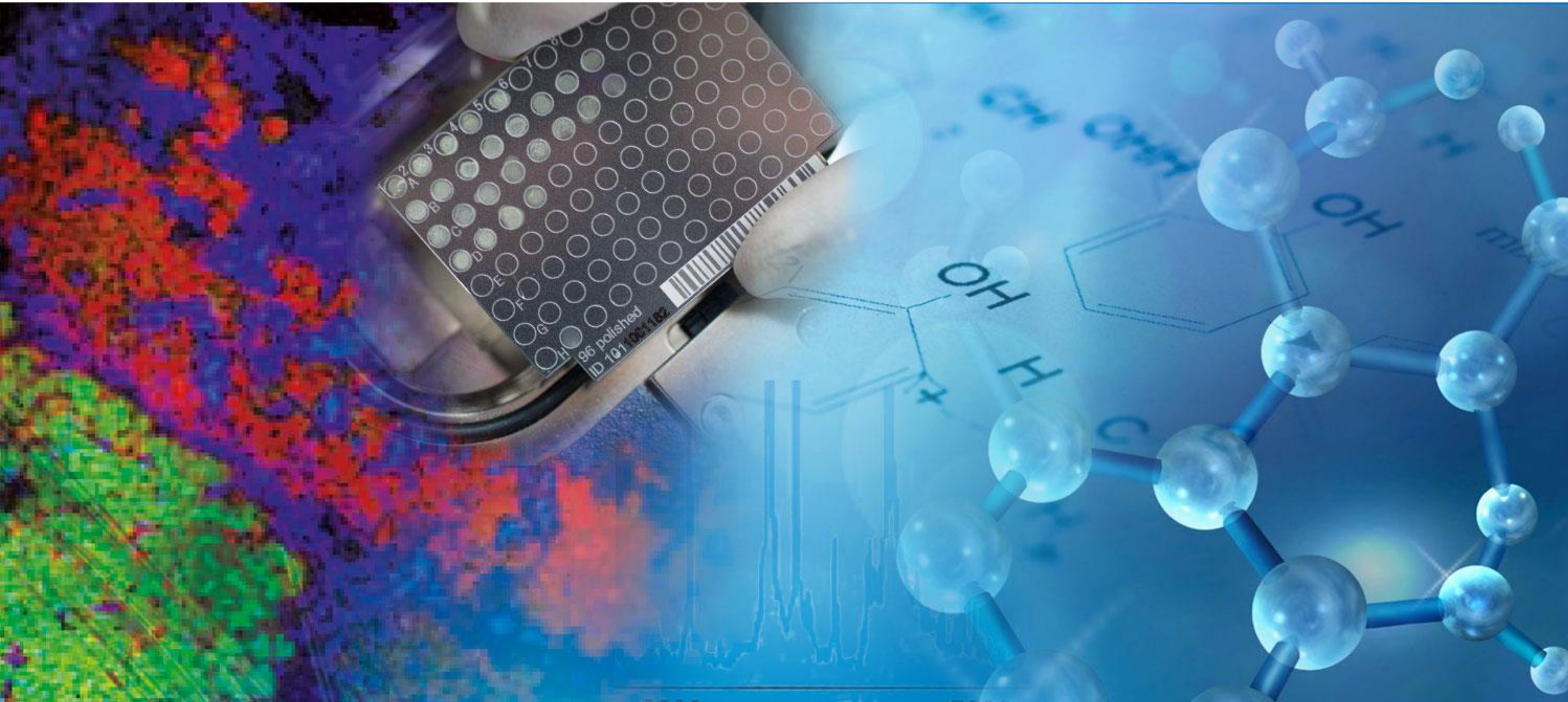
November 2, 2020



Innovation with Integrity

Safe Harbor

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 management's expectations for future financial and operational performance, expected growth, and business outlook; statements regarding our business focus; statements regarding the potential impact of COVID-19 on our business and our responses to the pandemic, including cost reduction initiatives; our fiscal year 2020 outlook; our portfolio transformation; share count; tax rate; product performance; and our expectations regarding our future revenue declines. 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, continued volatility in the capital markets, the integration and assumption of liabilities of businesses we have acquired or may acquire in the future, fluctuations in foreign currency exchange rates, our ability to successfully implement our restructuring initiatives and other cost reduction initiatives, changing technologies, product development and market acceptance of our products, the cost and pricing of our products, manufacturing, competition, loss of key personnel, dependence on collaborative partners, key suppliers and contract manufacturers, capital spending and government funding policies, changes in governmental regulations, the use and protection of intellectual property rights, litigation, 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, 2019. We expressly disclaim any intent or obligation to update these forward-looking statements other than as required by law.

Q3 2020 & YTD Q3 2020

Business Update

Q3 2020: Revenue Down Slightly, Non-GAAP Operating Margin and EPS Approach Q3 2019 Levels

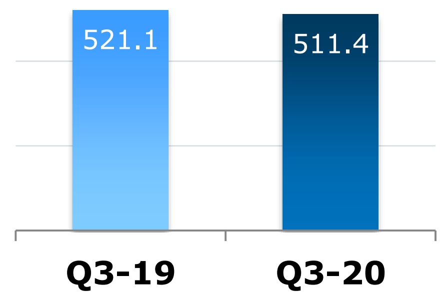
➢ *Significant Sequential Improvements with Continuing Academic Market Recovery*

Q3 2020 Performance Year-over-Year

- Revenues decrease -$9.7M, or -1.9%
  - Organic decline of -4.6%, with BSI down -3.0% and BEST down -20.3%
  - Acquisitions add +0.3%
  - Favorable FX translation of +2.4%
- Non-GAAP gross margin of 49.6%, down -90 bps
- Non-GAAP operating margin of 18.6%, up +30 bps
  - Lower OPEX offset a revenue decline and FX margin headwind
- GAAP EPS of $0.35, compared to $0.39 in Q3-19
- Non-GAAP EPS of $0.42, compared to $0.43 in Q3-19

Q3 Financials

Revenues [$M] -1.9%



Non-GAAP EPS -2.3%

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

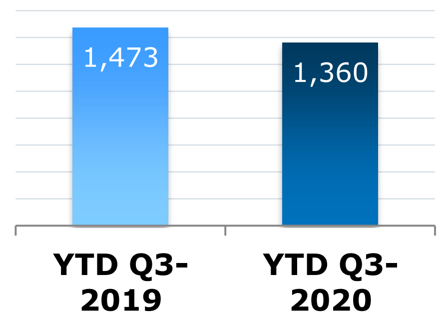
Year-To-Date (YTD) Q3 2020: Lower Revenues and Earnings Amid Pandemic and Economic Slowdown

YTD Q3-20 Performance Year-over-Year

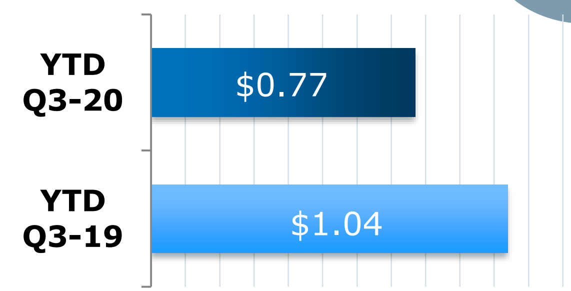
- Revenues decrease -$112.7M, or -7.7%
  - Organic decline of -8.3% with BSI down -7.9% and BEST down -12.6%
  - Acquisitions add +0.5%
  - FX translation of +0.1%
- Non-GAAP gross margin of 47.3%, down -240 bps
- Non-GAAP operating margin of 12.9%, down -280 bps
  - Lower revenues partially offset by OPEX control and cost reduction measures
- GAAP EPS of $0.57, compared to $0.82 in YTD Q3-19
- Non-GAAP EPS of $0.77, compared to $1.04 in YTD Q3-19

YTD Q3 2020 Financials

Revenues [$M] -7.7%



Non-GAAP EPS -26.0%



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

GROUP OVERVIEW:

YTD Q3 2020 Revenue Performance Year-over-Year[1]

Bruker BIOSPIN Group

- BIOSPIN down mid single digits YTD, due to COVID-19 customer disruptions and installation delays, primarily in H1 2020; BIOSPIN performance improves sequentially in Q3 2020
- YTD NMR and PCI system revenues lower, due to delayed orders and installations
- Aftermarket revenue slightly higher
- Scientific software revenue grows year-over-year

Bruker CALID Group

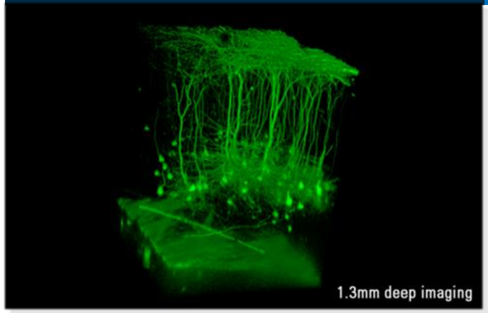
- CALID approximately flat YTD, as decline in molecular spectroscopy is offset by solid growth in microbiology and mass spectrometry; CALID performance improves sequentially in Q3 2020
- Microbiology consumables and SARS-CoV-2 nucleic acid extraction and PCR kits significantly higher
- Continued strong performance of timsTOF proteomics business
- Molecular spectroscopy (FTIR/NIR) down due to weaker demand

[1] All in constant currency and in comparison to the nine months ended September 30, 2019.

GROUP OVERVIEW:

YTD Q3 2020 Revenue Performance Year-over-Year[1]

Bruker NANO Group



- NANO down mid teens YTD, due to COVID-19-related academic market slowdown, weaker industrial and industrial research demand
- X-ray, Nano-surface and Nano-analysis tools lower with reduced academic and industrial research demand
- Semiconductor metrology revenues grow

BEST Segment

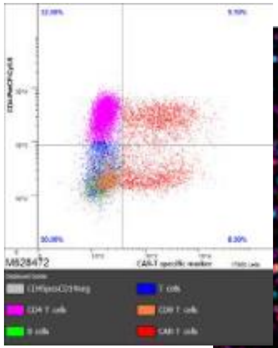
- BEST down low teens YTD, net of intercompany eliminations, on lower superconductor demand by MRI companies

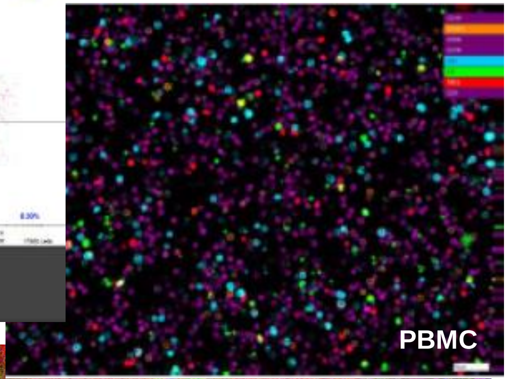
[1] All in constant currency and in comparison to the nine months ended September 30, 2019.

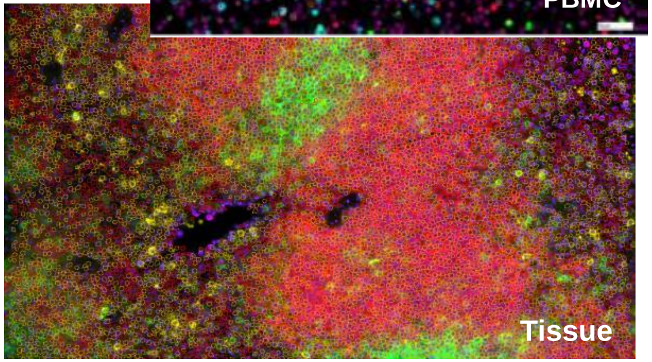
UPDATE ON ***PROJECT ACCELERATE***

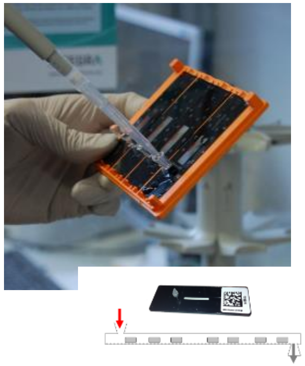
Canopy Biosciences Acquisition Strengthens Bruker's Spatial Omics and Targeted Multiomics Offerings

- Leading **high-plex biomarker imaging** for *immunophenotyping* using multiplexed fluorescence microscopy
- ***ChipCytometry***: manual and automated platforms, consumables and services for **multiplexed imaging of biomarkers** for peripheral blood mononuclear cells (PBMCs) and tissue analysis
  - Applications in *immunology, immuno-oncology, cell therapy* and *targeted proteomics*
  - Serving *biotech, pharma and academic translational research* customers
  - Over 110 validated PBMC markers for immunophenotyping
  - Single-cell spatial resolution, highest dynamic range for industry-leading quantitative results
  - Can store and reuse samples
- Complements Bruker's Fluorescence Microscopy portfolio, expanding NANO's life science footprint
- Acquisition closed September 2020





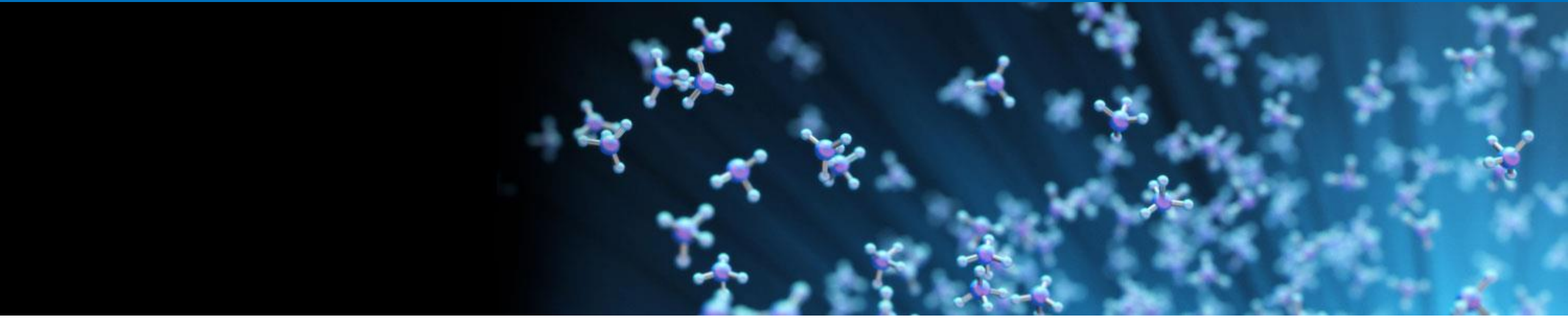




Continued Progress in 4D Proteomics at *HUPO 2020*

- ***Parallel Search Engine in Real Time (PaSER)***: GPU-based engine, enabling proteomics search in real time
  - Builds on September 2020 acquisition of IP2 proteomics software platform
  - Enhances Bruker's bioinformatics capabilities in support of *timsTOF*™ 4D proteomics
- ***Ultra-high sensitivity*** and ***true single cell*** *4D proteomics*
  - Robust measurements of proteomes from low sample amounts and even from single cells (*work in progress*)
- ***prm-PASEF*** workflow for targeted quantitative proteomics
  - 4D separation enables more peptide targets with better quantitation
- ***caps-PASEF*** workflow for cross-linking 4D proteomics
  - Structural proteomics enabled by novel *PhoX* cross-linker

"Making meaningful measurements of protein expression at the true single cell level is extremely challenging both from a sample handling and measurement perspective. We are delighted to have Evosep and Bruker as collaborative partners to help us implement, prove and ultimately bring to the clinic our ideas, so that true single cell proteomics can be made available to all researchers in the near future." --**Prof. Matthias Mann** at the Max Planck Institute in Martinsried, Germany



Q3 2020 & YTD Q3 2020

Financial Update

NON-GAAP FINANCIAL PERFORMANCE:

Q3 2020 Overview

[$ m, except EPS]	Q3 2020	Q3 2019	Δ
Revenues	511.4	521.1	-1.9%
Operating Profit	94.9	95.5	-0.6%
Operating Margin (%)	*18.6%*	*18.3%*	*+30 bps*
Non-GAAP EPS	$0.42	$0.43	-2.3%
Free Cash Flow	64.8	36.2	+28.6M

[$ m]	Sep 30, 2020	Sep 30, 2019	Δ
Cash, Equivalents & Short-term Investments	617.1	302.4	+104.1%
Net (Debt)/ Cash	-212.8	-216.4	+1.7%
WC-to-revenue ratio*	0.47	0.41	+14.6%

COMMENTS

- Reported revenue -1.9%, organic revenue -4.6%
- Operating profit approximately flat
- Operating margin up 30 bps, as lower OPEX offset the revenue decline and a significant FX margin headwind
- September 30, 2020 cash & equivalents of $617.1M, down sequentially following $208M revolver paydown
- Working capital ratio up on higher inventory levels due to COVID-19 disruptions

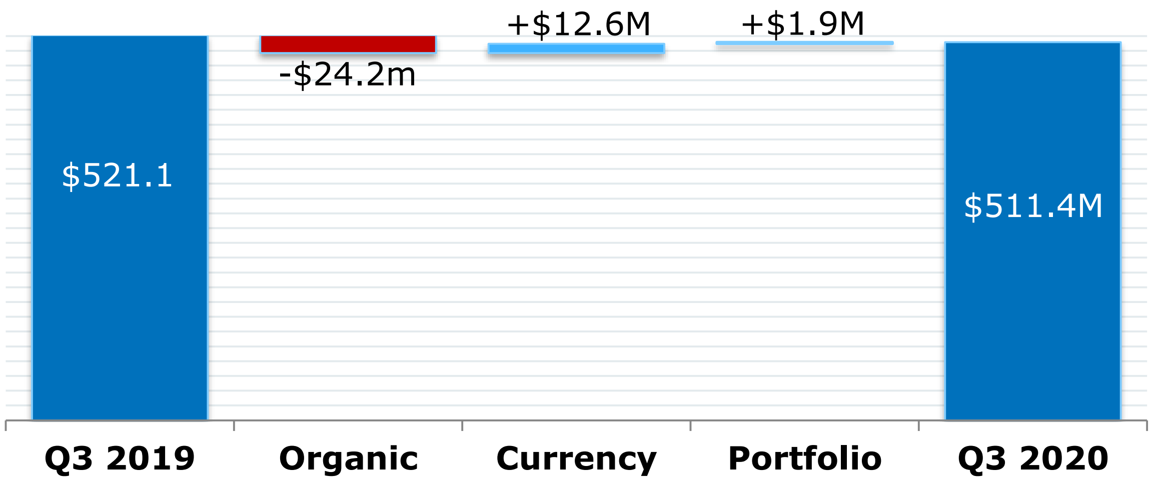
*Represents the ratio of working capital (WC) over trailing twelve months revenue. WC = (Accounts Receivable + Inventory - Accounts Payable)

Q3 2020 Revenue Bridge

Q3 2020 Revenue Performance Year-over-Year

Organic	Currency	Portfolio	Total
-4.6%	+2.4%	+0.3%	-1.9%

Q3 2020 Revenue Bridge [$M]



Q3 2020 DRIVERS

- Reported revenue -1.9%
- Organic revenue –4.6%
  - BSI down -3.0% organic
  - BEST down -20.3% organic (net of intercompany eliminations)
- Acquisitions add +0.3%
- FX tailwind of +2.4%

Q3 2020 Non-GAAP Results Year-over-Year

[$ m, except EPS]	Q3 2020	Q3 2019	Δ
Total Revenues	**511.4**	**521.1**	**-1.9%**
Gross Profit *Margin (% of revenues)*	253.8 *49.6%*	263.2 *50.5%*	-3.6% *-90 bps*
SG&A *(% of revenues)*	-110.6 *21.6%*	-121.6 *23.3%*	-9.1%
R&D *(% of revenues)*	-48.3 *9.4%*	-46.1 *8.8%*	4.8%
Operating Profit *(% of revenues)*	94.9 *18.6%*	95.5 *18.3%*	-0.6% *30 bps*
Tax Rate	*26.5%*	*25.4%*	110 bps
Net Income*	64.4	67.6	-4.7%
Non-GAAP EPS	**$0.42**	**$0.43**	**-2.3%**
Shares Outstanding	154.3	155.6	*-0.8%*

COMMENTS

- Gross margin down -90 bps:
  - lower volume and reduced productivity at NANO, BEST
  - negative FX translation
  - outweigh improvements at BioSpin and CALID
- OPEX down -5.3% on cost control and cost reduction
- Operating margin up 30 bps, as lower OPEX offset the revenue decline and a significant FX margin headwind
- Q3-20 tax rate of 26.5%, compared to 25.4% in Q3-19
- Non-GAAP EPS down -2.3%, as OPEX savings partially offset revenue decline
- Share count slightly lower

*Attributable to Bruker

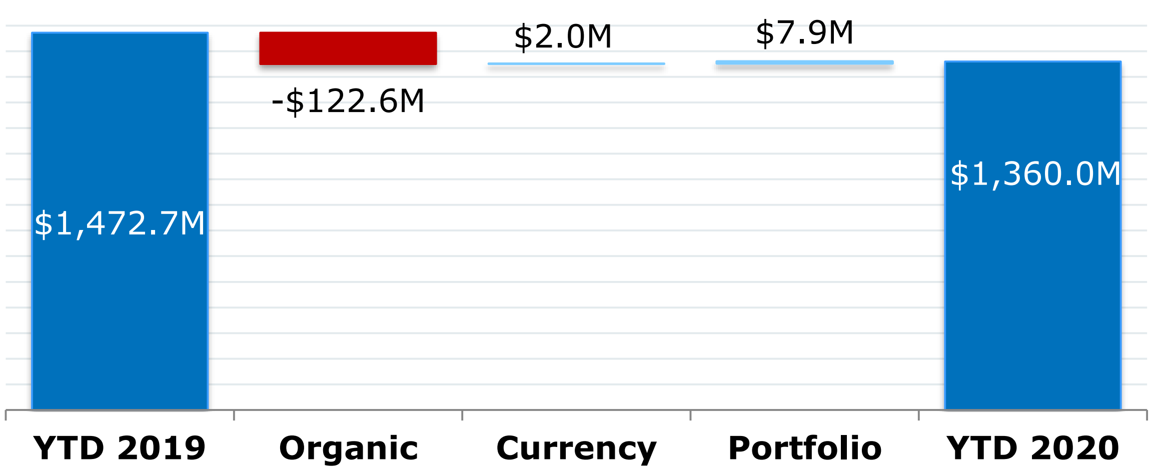
Sum of items may not total due to rounding

YTD Q3 2020 Revenue Bridge

YTD Q3 2020 Revenue Performance Year-over-Year

Organic	Currency	Portfolio	Total
-8.3%	+0.1%	+0.5%	-7.7%

YTD Q3 2020 Revenue Bridge [$M]



YTD Q3 2020 DRIVERS

- Reported revenue -7.7%
- Organic revenue -8.3%
  - BSI down -7.9% organic
  - BEST down -12.6% organic (net of intercompany eliminations)
- Acquisitions add +0.5%
- FX tailwind of +0.1%

YTD Q3-20 Non-GAAP Results Year-over-Year

[$ m, except EPS]	YTD 2020	YTD 2019	Δ
Total Revenues	**1,360.0**	**1,472.7**	**-7.7%**
Gross Profit *Margin (% of revenues)*	643.6 *47.3%*	731.5 *49.7%*	-12.0% *-240 bps*
SG&A *(% of revenues)*	-326.6 *24.0%*	-359.0 *24.4%*	-9.0%
R&D *(% of revenues)*	-140.9 *10.4%*	-141.0 *9.6%*	-0.1%
Operating Profit *(% of revenues)*	176.1 *12.9%*	231.5 *15.7%*	-23.9% *-280 bps*
Tax Rate	*25.0%*	*24.5%*	-50 bps
Net Income*	119.3	163.6	-27.1%
Non-GAAP EPS	**$0.77**	**$1.04**	**-26.0%**
Shares Outstanding	154.8	157.0	*-1.4%*

COMMENTS

- Gross margin down –240 bps, on lower volume and reduced productivity from COVID-19 and economic slowdown
- OPEX down -6.5% on cost reduction and cost control
- Operating margin down -280 bps, due to lower revenue partially offset by cost control and cost reduction
- YTD Q3-20 tax rate of 25.0% vs. 24.5% in YTD Q3-19
- Non-GAAP EPS down -26.0% on lower revenues and margins
- Share count lower

*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.

YTD Q3 2020 Cash Flow Year-over-Year

[$ m]	YTD 2020	YTD 2019	Δ
GAAP Net Income	**90.1**	**129.2**	**-39.1**
Depreciation & amortization	58.7	57.3	+1.4
Changes in working capital*	-80.7	-73.7	-7.0
Other items	61.1	-35.6	+96.7
Operating cash flow	**129.2**	**77.2**	**+52.0**
Capital expenditures	-68.4	-44.8	-23.6
Free cash flow (non-GAAP)	**60.8**	**32.4**	**+28.4**

COMMENTS

- YTD Q3 2020 free cash flow of $60.8M, vs. $32.4M in YTD Q3 2019:
  - Lower net income
  - Continued CAPEX investments in facilities for site consolidation, productivity gains and capacity expansion
  - Increase in working capital due to COVID-19 disruptions
  - More than offset by increases in customer advances and favorable other items

*WC = (Accounts Receivable + Inventory - Accounts Payable)

Sum of items may not total due to rounding

FY 2020 Outlook

FY 2020 Outlook

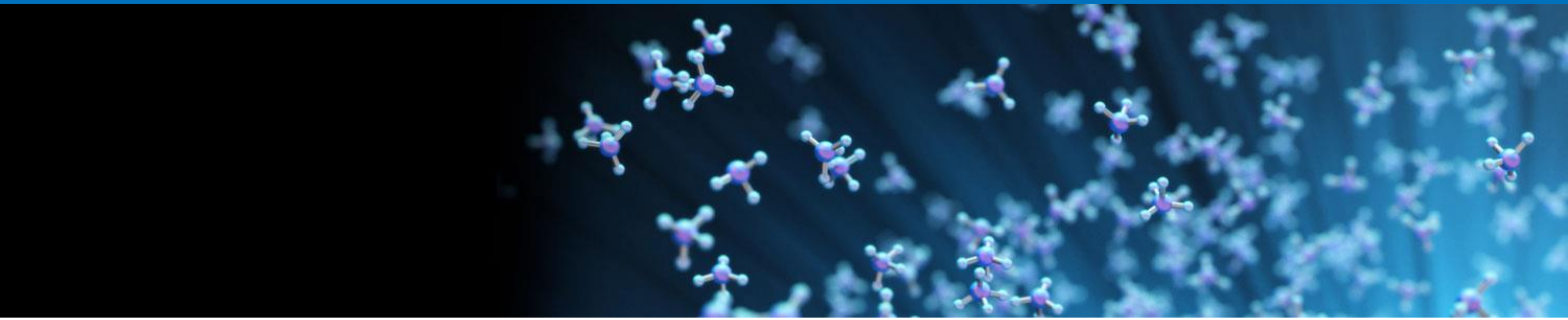
BRUKER

FY 2020 Guidance Remains Suspended

- On March 27, 2020, Bruker suspended its FY 2020 guidance due to the uncertain business conditions created by COVID-19.

Q4 2020 Scenarios

- Bruker anticipates the pandemic and economic slowdown will continue to have a negative year-over-year impact on Q4 2020 financial results.
- Scenarios for Q4 2020 revenue declines are in the range of -2% to -6%, compared to a strong Q4 2019. Actual results could differ.
- Disciplined cost management continues, while we invest in our strategic priorities.



Appendix

Q3 2020 GAAP Results Year-over-Year

[$M, except EPS]	Q3 2020	Q3 2019	Δ
Total Revenues	**511.4**	**521.1**	**-1.9%**
Gross Profit *Margin (% of sales)*	248.3 *48.6%*	253.9 *48.7%*	-2.2%
SG&A *(% of revenues)*	-114.6 *22.4%*	-125.3 *24.0%*	-8.5%
R&D *(% of revenues)*	-48.3 *9.4%*	-46.1 *8.8%*	4.8%
Operating Income *(% of revenues)*	81.2 *15.9%*	87.8 *16.8%*	-7.5% *-110 bps*
Net Income*	54.3	61.3	-11.4%
EPS	**$0.35**	**$0.39**	**-10.3%**
Shares Outstanding	154.3	155.6	*-0.8%*

*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.

Q3 2020 Reconciliation of GAAP and Non-GAAP Results Year-over-Year

[$M, except EPS]	Q3 2020	Q3 2019
GAAP Operating Income	**81.2**	**87.8**
Restructuring Costs	1.9	-6.8
Acquisition-Related Costs	1.4	4.1
Purchased Intangible Amortization	9.1	9.2
Other Costs	1.3	1.2
TOTAL	13.7	7.7
Non-GAAP Operating Income	**94.9**	**95.5**
Non-GAAP Interest & Other Expense, net	-5.9	-4.6
Non-GAAP Profit Before Tax	89.0	90.9
Non-GAAP Income Tax Provision	-23.6	-23.1
Non-GAAP Tax Rate	*26.5%*	*25.4%*
Minority Interest	-1.0	-0.2
Non-GAAP Net Income*	**64.4**	**67.6**
Non-GAAP EPS	**$0.42**	**$0.43**

*Attributable to Bruker

Sum of items may not total due to rounding

YTD Q3 2020 GAAP Results Year-over-Year

[$M, except EPS]	YTD 2020	YTD 2019	Δ
Total Revenues	**1,360.0**	**1,472.7**	**-7.7%**
Gross Profit *Margin (% of sales)*	626.8 *46.1%*	699.0 *47.5%*	-10.3%
SG&A *(% of revenues)*	-338.2 *24.9%*	-369.9 *25.1%*	-8.6%
R&D *(% of revenues)*	-140.9 *10.4%*	-141.0 *9.6%*	-0.1%
Operating Income *(% of revenues)*	135.5 *10.0%*	183.2 *12.4%*	-26.0% *-240 bps*
Net Income*	88.9	128.6	-30.9%
EPS	**$0.57**	**$0.82**	**-30.5%**
Shares Outstanding	154.8	157.0	*-1.4%*

*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.

YTD Q3 2020 Reconciliation of GAAP and Non-GAAP Results Year-over-Year

[$M, except EPS]	YTD 2020	YTD 2019
GAAP Operating Income	**135.5**	**183.2**
Restructuring Costs	5.7	-1.4
Acquisition-Related Costs	-0.5	15.2
Purchased Intangible Amortization	26.8	29.2
Other Costs	8.6	5.3
TOTAL	40.6	48.3
Non-GAAP Operating Income	**176.1**	**231.5**
Non-GAAP Interest & Other Expense, net	-15.4	-14.0
Non-GAAP Profit Before Tax	160.7	217.5
Non-GAAP Income Tax Provision	-40.2	-53.3
Non-GAAP Tax Rate	*25.0%*	*24.5%*
Minority Interest	-1.2	-0.6
Non-GAAP Net Income*	**119.3**	**163.6**
Non-GAAP EPS	**$0.77**	**$1.04**

*Attributable to Bruker

Sum of items may not total due to rounding

Q3 2020 Cash Flow Year-over-Year

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[$ m]	Q3 2020	Q3 2019	Δ
GAAP Net Income	**55.3**	**61.5**	**-6.2**
Depreciation & amortization	20.5	18.9	+1.6
Changes in working capital*	-18.9	-34.0	+15.1
Other items	+25.5	6.0	+19.5
Operating cash flow	**82.4**	**52.4**	**+30.0**
Capital expenditures	-17.6	-16.2	-1.4
Free cash flow (non-GAAP)	**64.8**	**36.2**	**+28.6**

COMMENTS

- Q3 2020 free cash flow of $64.8M compared to $36.2M in Q3-19:
  - Lower net income
  - CAPEX investments in production facilities for site consolidation, productivity gains and capacity expansion
  - Increase in working capital
  - Offset by an increase in customer advances and favorable other items

*WC = (Accounts Receivable + Inventory - Accounts Payable)

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.

Balance Sheet

[$M]	Sep 30, 2020	Dec 31, 2019	Sep 30, 2019
Total Assets	2,879.4	2,771.5	2,352.1
Working Capital*	911.9	821.0	828.9
Goodwill, Intangibles, Net & Other Long-Term Assets	636.5	603.5	571.1

[$M]	Sep 30, 2020	Dec 31, 2019	Sep 30, 2019
Cash, Cash Equivalents & Short-term Investments	617.1	684.9	302.4
Financial Debt	829.9	813.3	518.8
Net Cash	(212.8)	(128.4)	(216.4)

* WC = (Accounts Receivable + Inventory - Accounts Payable)

Sum of items may not total due to rounding

Q3 2020 GAAP SEGMENT RESULTS:

BSI and BEST GAAP Performance Year-over-Year

[$ m]	Q3 2020	Q3 2019	Δ
REVENUE			
Scientific Instruments (BSI)	470.5	471.8	-0.3%
Organic Revenue Growth (%)	*-3.0%*	*+8.6%*	
Energy & Supercon Technologies (BEST)	43.8	52.5	-16.6%
Corporate Eliminations	-2.9	-3.2	
Energy & Supercon Technologies (BEST), net of Corporate Eliminations	40.9	49.3	-17.0%
Organic Revenue Growth (%)	*-20.3%*	*-0.8%*	
Total Revenue	**511.4**	**521.1**	**-1.9%**
OPERATING INCOME			
Scientific Instruments (BSI)	92.8	94.0	-1.3%
Energy & Supercon Technologies (BEST)	1.2	3.6	-66.7%
Corporate Eliminations	-12.8	-9.8	
Total Operating Income	**81.2**	**87.8**	**-7.5%**

Sum of items may not total due to rounding

YTD Q3 2020 GAAP SEGMENT RESULTS:

BSI and BEST GAAP Performance Year-over-Year

[$ m]	YTD 2020	YTD 2019	Δ
REVENUE			
Scientific Instruments (BSI)	1,235.3	1,331.0	-7.2%
Organic Revenue Growth (%)	*-7.9%*	*+5.8%*	
Energy & Supercon Technologies (BEST)	134.8	152.2	-11.4%
Corporate Eliminations	-10.1	-10.5	
Energy & Supercon Technologies (BEST), net of Corporate Eliminations	124.7	141.7	-12.0%
Organic Revenue Growth (%)	*-12.6%*	*+7.0%*	
Total Revenue	**1,360.0**	**1,472.7**	**-7.7%**
OPERATING INCOME			
Scientific Instruments (BSI)	168.0	206.0	-18.4%
Energy & Supercon Technologies (BEST)	5.1	9.9	-48.5%
Corporate Eliminations	-37.6	-32.7	
Total Operating Income	**135.5**	**183.2**	**-26.0%**

Sum of items may not total due to rounding