



NEWS RELEASE

Bruker Reports Fourth Quarter and Full Year 2023 Financial Results

2/13/2024

- Q4 2023 revenues of \$854.5 million, up 20.6% year-over-year (yoy); organic revenue up 15.9% yoy
- Q4 2023 GAAP EPS of \$1.41, including a \$0.99 per share gain on PhenomeX acquisition[1];
- Q4 2023 non-GAAP EPS of \$0.70, down 5.4% yoy; pro forma non-GAAP EPS excluding PhenomeX acquisition up 8.1% yoy
- Full year 2023 revenues of \$2.96 billion, up 17.1% yoy; organic revenue growth of 14.5% yoy
- Full year 2023 GAAP EPS of \$2.90; non-GAAP EPS of \$2.58, up 10.3% yoy; pro forma non-GAAP EPS excluding PhenomeX acquisition up 14.5% yoy
- Bruker expects 2024 constant-exchange rate (CER) revenue growth of 8% to 10% yoy, including organic revenue growth of 5% to 7%.

BILLERICA, Mass.--(BUSINESS WIRE)-- **Bruker Corporation** (Nasdaq: BRKR) today announced financial results for its fourth quarter and for the full year ended December 31, 2023.

Bruker's President and CEO Frank Laukien commented: "Bruker's transformation into a fast-growth company is on track after three consecutive years of double-digit organic revenue growth. Remarkably, in 2023 our industry-leading 14.5% organic revenue growth included double-digit growth from each of our four groups. For the full year 2023, we also delivered 10.3% non-GAAP EPS growth, while investing significantly in R&D, capacity and productivity. This shows the resiliency of our innovation model and exemplifies our focus on disciplined entrepreneurialism."

Dr. Laukien continued: "Demand for our innovative and differentiated products and solutions has remained solid, as Bruker emerges as a leader in the post-genomic era – a powerful new secular growth trend. For fiscal year 2024, we again expect to achieve well above-market organic revenue and non-GAAP EPS growth."

Fourth Quarter (Q4) 2023 Financial Results

Bruker's revenues for Q4 2023 were \$854.5 million, an increase of 20.6% compared to \$708.4 million in Q4 2022. In Q4 2023, revenues increased 15.9% organically yoy. Growth from acquisitions was 2.7%, while foreign currency translation had a positive effect of 2.0%.

Q4 2023 Bruker Scientific Instruments (BSI) revenues of \$783.6 million increased 20.2% yoy, with organic revenue growth of 15.5%. Q4 2023 Bruker Energy & Supercon Technologies (BEST) revenues of \$75.2 million increased 27.7% yoy, with organic revenue growth, net of intercompany eliminations, of 20.3%.

Q4 2023 GAAP operating income was \$103.5 million, compared to \$131.0 million in Q4 2022. Non-GAAP operating income was \$154.5 million in Q4 2023, compared to \$148.9 million in Q4 2022. Bruker's Q4 2023 non-GAAP operating margin was 18.1%, a decrease of ~ 290 basis points from 21.0% in Q4 2022. Q4 2023 pro forma non-GAAP operating margin excluding the PhenomeX acquisition was 20.6%.

Q4 2023 GAAP diluted earnings per share (EPS) were \$1.41, compared to \$0.66 in Q4 2022. Q4 2023 GAAP EPS included a \$0.99 per share gain on the PhenomeX acquisition¹. Q4 2023 non-GAAP diluted EPS were \$0.70, a decrease of 5.4% compared to \$0.74 in Q4 2022. Pro forma non-GAAP diluted EPS excluding the PhenomeX acquisition was \$0.80, up 8.1% yoy.

[1] In Q4 2023, Bruker recorded a GAAP gain of \$144.1 million, or \$0.99 per share, in connection with the PhenomeX acquisition, which closed on October 2, 2023. This 'bargain purchase gain' reflects the excess of identifiable net assets acquired, including deferred tax assets related to acquired tax NOLs, over the purchase consideration paid.

Fiscal Year (FY) 2023 Financial Results

FY 2023, Bruker's revenues were \$2.96 billion, an increase of 17.1% from \$2.53 billion in 2022. FY 2023 revenues increased 14.5% organically year-over-year. Growth from acquisitions was 2.2%, while foreign currency translation had a positive effect of 0.4%.

FY 2023 BSI revenues of \$2.70 billion increased 17.1% yoy, with organic growth of 14.5%. FY 2023 BEST revenues of \$280.7 million increased 18.4% yoy, with organic revenue growth, net of intercompany eliminations, of 14.7%.

FY 2023 GAAP operating income was \$436.9 million, compared to \$432.7 million in FY 2022. Non-GAAP operating income for FY 2023 was \$546.3 million, up 8.0% compared to \$505.6 million in FY 2022. Bruker's non-GAAP operating margin for FY 2023 was 18.4%, a decrease of ~ 160 bps compared to 20.0% in FY 2022. FY 2023 pro forma non-GAAP operating income excluding the PhenomeX acquisition grew 11.9% yoy, and pro forma non-GAAP operating margin excluding the PhenomeX acquisition was 19.1%.

FY 2023 GAAP diluted EPS were \$2.90, compared to \$1.99 in FY 2022. FY 2023 non-GAAP diluted EPS were \$2.58, up 10.3% compared to \$2.34 in FY 2022. FY 2023 pro forma non-GAAP diluted EPS excluding the PhenomeX acquisition were up 14.5% yoy.

Return on invested capital (ROIC), a non-GAAP measure, was 20.6% for FY 2023, compared to 24.3% for FY 2022. A reconciliation of non-GAAP to GAAP financial measures is provided in the tables accompanying this press release.

Fiscal Year 2024 Outlook

Bruker expects FY 2024 revenues of \$3.23 to \$3.29 billion, or 9% to 11% yoy reported revenue growth, including yoy contributions from:

- Organic revenue growth of 5% to 7%
- Constant exchange rate (CER) revenue growth of 8% to 10%, with M&A[2] contributions of ~3%
- Foreign currency translation tailwind of ~1%

Bruker expects FY 2024 non-GAAP EPS of \$2.71 to \$2.76, or 5% to 7% growth yoy.

Bruker's revenue and non-GAAP EPS guidance are based on foreign currency exchange rates as of January 31, 2024.

For the Company's outlook for 2024 organic revenue growth, M&A revenue growth, constant exchange rate revenue growth, and non-GAAP EPS, we are not able to provide without unreasonable effort the most directly comparable GAAP financial measures, or reconciliations to such GAAP financial measures on a forward-looking basis. Please see "Use of Non-GAAP Financial Measures" below for a description of items excluded from our expected non-GAAP EPS.

[2] FY 2024 guidance excludes M&A transactions that have not yet closed, regardless of any earlier announcement, including Chemspeed and ELITech.

Quarterly Earnings Call

Bruker will host a conference call and webcast to discuss its financial results, business outlook, and related corporate and financial matters today, February 13, 2024, at 8:30 am Eastern Standard Time. To listen to the webcast, investors can go to <https://ir.bruker.com> and click on the "Q4 2023 Earnings Webcast" hyperlink. A slide presentation will be referenced during the webcast and will be posted to our Investor Relations website shortly before the webcast begins. Investors can also listen to the earnings webcast via telephone by dialing 1-888-437-2685 (U.S. toll free) or +1-412-317-6702 (international) and referencing "Bruker's Fourth Quarter 2023 Earnings Conference Call".

Bruker is enabling investors to pre-register for the earnings conference call so that they can expedite their entry into the call and avoid the need to wait for a live operator. In order to pre-register for the call, investors can visit <https://dpreregister.com/sreg/10185998/fb79eecd8> and enter their contact information. Investors will then be issued a personalized phone number and PIN to dial into the live conference call. Individuals can pre-register any time prior to the start of the conference call on February 13.

A telephone replay of the conference call will be available by dialing 1-877-344-7529 (U.S. toll free) or +1-412-317-0088 (international) and entering replay access code: 3088295. The replay will be available beginning one hour after the end of the conference call through March 13, 2024.

About Bruker Corporation (Nasdaq: BRKR)

Bruker is enabling scientists to make breakthrough discoveries and develop new applications that improve the quality of human life. Bruker's high performance scientific instruments and high value analytical and diagnostic solutions enable scientists to explore life and materials at molecular, cellular, and microscopic levels. In close cooperation with our customers, Bruker is enabling innovation, improved productivity, and customer success in life-science molecular and cell biology research, in applied and pharma applications, in microscopy and nanoanalysis, as well as in industrial research, semiconductor metrology and cleantech applications. Bruker offers differentiated, high-value life science and diagnostics systems and solutions in preclinical imaging, clinical phenomics research, proteomics and multiomics, spatial and single-cell biology, functional structural and condensate biology, as well as in clinical microbiology and molecular diagnostics. For more information, please visit: www.bruker.com.

Use of Non-GAAP Financial Measures

To supplement our consolidated financial statements, which are prepared and presented in accordance with U.S. generally accepted accounting principles (GAAP), we use the following non-GAAP financial measures: non-GAAP gross profit; non-GAAP gross profit margin; non-GAAP operating income; non-GAAP operating profit; non-GAAP operating margin; non-GAAP SG&A expense; non-GAAP interest and other income (expense), net, non-GAAP profit before tax; non-GAAP tax rate; non-GAAP net income and non-GAAP diluted earnings per share. These non-GAAP measures exclude costs related to restructuring actions, acquisition and related integration expenses, amortization of acquired intangible assets and other non-operational costs.

We also may refer to organic revenue growth or decline, free cash flow or use, return on invested capital and non-GAAP earnings before interest taxes depreciation and amortization (EBITDA) which are also non-GAAP financial measures. We define the term organic revenue as GAAP revenue excluding the effect of changes in foreign currency translation rates and the effect of acquisitions and divestitures, and believe it is a useful measure to evaluate our

continuing business. [We define the term M&A revenue as GAAP revenue from M&A activities [excluding the effect of changes in foreign currency translation rates], and believe it is a useful measure to evaluate the effect of acquisitions on our operations.] We define the term constant-exchange rate (CER) currency revenue as GAAP revenue excluding the effect of changes in foreign currency translation rates. We define free cash flow as net cash provided by operating activities less additions to property, plant, and equipment. We believe free cash flow is a useful measure to evaluate our business because it indicates the amount of cash generated after additions to property, plant, and equipment that is available for, among other things, acquisitions, investments in our business, repayment of debt and return of capital to shareholders. We define return on invested capital (ROIC) as non-GAAP operating profit after income tax divided by average total capital, which we define as debt plus equity minus cash and cash equivalents. We believe ROIC is an important measure of how effectively the Company invests its capital. We define non-GAAP EBITDA as non-GAAP net income adjusting out the effects of interest expense, net, non-GAAP income tax expense and GAAP depreciation and amortization, with purchased intangible amortization already adjusted out of non-GAAP net income. We believe non-GAAP EBITDA is an important means of comparing profitability of comparable companies.

The presentation of these non-GAAP financial measures is not intended to be a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP and may be different from non-GAAP financial measures used by other companies, and therefore, may not be comparable among companies. We believe these non-GAAP financial measures provide meaningful supplemental information regarding our performance, however, we urge investors to review the reconciliation of these financial measures to the comparable GAAP financial measures included in the accompanying tables, and not to rely on any single financial measure to evaluate our business. Specifically, management believes that the non-GAAP measures mentioned above provide relevant and useful information which is widely used by analysts, investors and competitors in our industry, as well as by our management, in assessing both consolidated and business unit performance.

We use these non-GAAP financial measures to evaluate our period-over-period operating performance because our management believes this provides a more comparable measure of our continuing business by adjusting for certain items that are not reflective of the underlying performance of our business. These measures may also be useful to investors in evaluating the underlying operating performance of our business and forecasting future results. We regularly use these non-GAAP financial measures internally to understand, manage, and evaluate our business results and make operating decisions. We also measure our employees and compensate them, in part, based on certain non-GAAP measures and use this information for our planning and forecasting activities.

Additional information relating to the non-GAAP financial measures used in this press release and reconciliations to the most directly comparable GAAP financial measures are provided in the tables accompanying this press release following our GAAP financial statements.

With respect to our outlook for 2024 non-GAAP organic revenue, non-GAAP M&A revenue, non-GAAP constant exchange rate (CER) revenue, non-GAAP operating margin, non-GAAP EPS and non-GAAP tax rate, we are not providing the most directly comparable GAAP financial measures or corresponding reconciliations to such GAAP financial measures on a forward-looking basis, because we are unable to predict with reasonable certainty certain items that may affect such measures calculated and presented in accordance with GAAP without unreasonable effort. Our expected non-GAAP organic revenue, operating margin, tax rate and EPS ranges exclude primarily the future impact of restructuring actions, unusual gains and losses, acquisition-related expenses and purchase accounting fair value adjustments. These reconciling items are uncertain, depend on various factors outside our management's control and could significantly impact, either individually or in the aggregate, our future period operating margins, EPS and tax rate calculated and presented in accordance with GAAP.

Forward-Looking Statements

Any statements contained in this press release 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 2024 financial outlook, our outlook for reported revenue growth, organic revenue growth, M&A revenue growth contributions, constant exchange rate (CER) currency revenue growth, foreign currency translation revenue impact, non-GAAP operating margin, non-GAAP EPS and non-GAAP tax rate; management's expectations for the impact of foreign currency and acquisitions, expectations regarding the benefits of our acquisition of PhenomeX Inc.; and for future financial and operational performance and business outlook; future economic conditions; the duration and impact of supply chain and geopolitical challenges; strategic investments; and statements found under the "Use of Non-GAAP Financial Measures" section of this release. 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 COVID-19, the length and severity of any recession and the impact on global economic conditions, the impact of supply chain challenges, including inflationary pressures, the impact of geopolitical tensions and any sanctions, including any reduction in natural gas exports from Russia resulting from its ongoing conflict with Ukraine and resulting market disruptions, such as higher prices for and reduced availability of key metals used in our products, the conflict in Israel, Palestine and surrounding areas and the possible expansion of such conflicts and potential geopolitical consequences, the ongoing tensions between the United States and China, tariff and trade policy changes, and the increasing potential of conflict involving countries in Asia that are critical to our supply chain operations, such as Taiwan and China, continued volatility in the capital markets, the impact of increased interest rates, the integration and assumption of liabilities of businesses we have acquired or may acquire in the future, including our recent acquisition of PhenomeX, our announced but not yet closed potential acquisitions of Chemspeed and of Elitech, 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, the impact of foreign currency exchange rates, our ability to service our debt 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, 2022, 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.

Bruker Corporation
CONDENSED CONSOLIDATED BALANCE SHEETS (unaudited)
(in millions)

	December 31, 2023	December 31, 2022
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 488.3	\$ 645.5
Accounts receivable, net	492.0	472.7
Inventories	968.3	800.1
Other current assets	216.4	194.9
Total current assets	2,165.0	2,113.2
Property, plant and equipment, net	599.7	487.0
Goodwill, intangibles, net and other long-term assets	1,474.1	1,011.6
Total assets	<u>\$ 4,238.8</u>	<u>\$ 3,611.8</u>
LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term debt	\$ 121.2	\$ 18.7
Accounts payable	202.7	178.4
Deferred revenue and customer advances	400.0	370.2
Other current liabilities	467.1	347.0
Total current liabilities	1,191.0	914.3
Long-term debt	1,160.3	1,200.5
Other long-term liabilities	474.2	365.2
Redeemable noncontrolling interests	18.6	6.1
Total shareholders' equity	1,394.7	1,125.7
Total liabilities, redeemable noncontrolling interests and shareholders' equity	<u>\$ 4,238.8</u>	<u>\$ 3,611.8</u>

Bruker Corporation
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (unaudited)
(in millions, except per share data)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022

Revenue	\$ 854.5	\$ 708.4	\$ 2,964.5	\$ 2,530.7
Cost of revenue	424.2	342.5	1,451.2	1,225.0
Gross profit	430.3	365.9	1,513.3	1,305.7
Operating expenses:				
Selling, general and administrative	211.3	164.7	729.4	607.4
Research and development	83.4	63.5	294.8	235.9
Other charges, net	32.1	6.7	52.2	29.7
Total operating expenses	326.8	234.9	1,076.4	873.0
Operating income	103.5	131.0	436.9	432.7
Bargain purchase gain	144.1	—	144.1	—
Interest and other income (expense)	(6.7)	(10.0)	(36.8)	(18.8)
Interest and other income (expense), net	137.4	(10.0)	107.3	(18.8)
Income before income taxes, equity in income of unconsolidated investees, net of tax, and noncontrolling interests in consolidated subsidiaries	240.9	121.0	544.2	413.9
Income tax provision	37.1	23.4	117.7	116.4
Equity in income of unconsolidated investees, net of tax	0.8	0.7	2.0	1.0
Consolidated net income	204.6	98.3	428.5	298.5
Net income attributable to noncontrolling interests in consolidated subsidiaries	(0.9)	0.9	1.3	1.9
Net income attributable to Bruker Corporation	\$ 205.5	\$ 97.4	\$ 427.2	\$ 296.6
Net income per common share attributable to Bruker Corporation shareholders:				
Basic	\$ 1.41	\$ 0.66	\$ 2.92	\$ 2.00
Diluted	\$ 1.41	\$ 0.66	\$ 2.90	\$ 1.99
Weighted average common shares outstanding:				
Basic	145.5	147.1	146.4	148.6
Diluted	146.0	147.9	147.2	149.4

Bruker Corporation
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (unaudited)
(in millions)

	Three Months Ended December 31,		Twelve Months Ended December 31,,	
	2023	2022	2023	2022
Cash flows from operating activities:				
Consolidated net income	\$ 204.6	\$ 98.3	\$ 428.5	\$ 298.5
Adjustments to reconcile consolidated net income to cash flows from operating activities:				
Depreciation and amortization	37.3	24.5	114.9	88.8
Stock-based compensation expense	6.2	4.7	24.0	27.7
Deferred income taxes	(36.0)	10.9	(23.2)	(14.8)
Bargain purchase gain on acquisition	(144.1)	—	(144.1)	—
Impairment of strategic investments and other long-lived assets	2.7	—	22.2	—
Gain on sale of strategic investment	—	—	(6.8)	—
Gain on sale of property, plant and equipment	0.9	—	(8.5)	—
Other non-cash expenses, net	13.8	6.5	32.1	18.3
Changes in operating assets and liabilities, net of acquisitions and divestitures:				
Accounts receivable	11.5	(28.2)	(0.9)	(67.9)
Inventories	22.3	1.2	(125.0)	(137.9)
Accounts payable and accrued expenses	12.0	12.9	23.1	13.2
Income taxes payable, net	92.8	(17.4)	79.3	(6.8)
Deferred revenue and customer advances	(7.1)	42.2	(0.6)	52.7
Other changes in operating assets and liabilities, net	(11.4)	15.9	(64.9)	2.6
Net cash provided by operating activities	205.5	171.5	350.1	274.4
Cash flows from investing activities:				
Purchases of property, plant and equipment	(31.5)	(34.6)	(106.9)	(129.2)
Maturity of short-term investments	—	—	—	100.0
Proceeds from sale of strategic investment	3.0	—	14.8	—
Cash paid for strategic investments	(5.4)	(19.4)	(24.7)	(60.2)
Cash paid for acquisitions, net of cash acquired	(4.3)	(96.8)	(226.6)	(182.3)
Proceeds from sales of property, plant and equipment	0.2	0.1	11.1	13.9
Net proceeds from cross-currency swap agreements	1.3	1.4	6.4	6.2
Net cash used in investing activities	(36.7)	(149.3)	(325.9)	(251.6)
Cash flows from financing activities:				
Proceeds from long-term debt	(1.2)	3.5	2.0	3.9
Proceeds (repayment) of other debt, net	(1.5)	(2.0)	(8.5)	(3.6)
Repayment of 2012 Note Purchase Agreement	—	—	—	(105.0)
Repayment of 2019 Note Purchase Agreement	(3.7)	(3.7)	(15.0)	(6.0)
Proceeds from issuance of common stock, net	4.7	2.0	9.5	2.8

Payment of contingent consideration	—	(1.0)	(2.7)	(2.7)
Payment of dividends to common shareholders	(7.3)	(7.4)	(29.4)	(29.8)
Repurchase of common stock	(50.4)	(26.3)	(152.3)	(263.1)
Proceeds from (payment for) the sale (purchase) of noncontrolling interests	(0.5)	(1.2)	3.0	(11.8)
Net cash used in financing activities	(59.9)	(36.1)	(193.4)	(415.3)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	15.8	33.3	12.1	(30.5)
Net change in cash, cash equivalents and restricted cash	124.7	19.4	(157.1)	(423.0)
Cash, cash equivalents and restricted cash at beginning of period	366.9	629.3	648.7	1,071.7
Cash, cash equivalents and restricted cash at end of period	\$ 491.6	\$ 648.7	\$ 491.6	\$ 648.7

Brucker Corporation
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES
(unaudited and in millions, except per share data)

Reconciliation of Non-GAAP Operating Income, Non-GAAP Profit Before Tax, Non-GAAP Net Income and Non-GAAP Earnings Per Share

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
GAAP operating income	\$ 103.5	\$ 131.0	\$ 436.9	\$ 432.7
Non-GAAP adjustments:				
Restructuring costs	16.6	0.4	22.3	4.8
Acquisition-related costs	11.4	4.3	19.3	19.7
Purchased intangible amortization	13.7	9.6	47.1	37.1
Other costs	9.3	3.6	20.7	11.3
Total Non-GAAP adjustments:	51.0	17.9	109.4	72.9
Non-GAAP operating income	\$ 154.5	\$ 148.9	\$ 546.3	\$ 505.6
Non-GAAP operating margin	18.1%	21.0%	18.4%	20.0%
Non-GAAP interest & other expense, net	(6.7)	(10.0)	(22.7)	(20.4)
Non-GAAP profit before tax	147.8	138.9	523.6	485.2
Non-GAAP income tax provision	(46.3)	(28.6)	(142.6)	(134.4)
Non-GAAP tax rate	31.3%	20.6%	27.2%	27.7%
Minority interest	0.9	(0.9)	(1.3)	(1.9)
Non-GAAP net income attributable to Bruker	102.4	109.4	379.7	348.9
Non-GAAP net income attributable to Bruker excluding BCA	117.5	109.4	394.8	348.9
Weighted average shares outstanding (diluted)	146.0	147.9	147.2	149.4
Non-GAAP earnings per share	\$ 0.70	\$ 0.74	\$ 2.58	\$ 2.34
Non-GAAP earnings per share excluding BCA	\$ 0.80	\$ 0.74	\$ 2.68	\$ 2.34

Reconciliation of GAAP Gross Profit to Non-GAAP Gross Profit

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
GAAP gross profit	\$ 430.3	\$ 365.9	\$ 1,513.3	\$ 1,305.7
Non-GAAP adjustments:				
Restructuring costs	2.1	(0.2)	3.5	0.9
Acquisition-related costs	2.0	0.1	2.5	0.4
Purchased intangible amortization	7.4	4.8	24.3	18.3
Other costs	1.0	1.7	4.0	4.8
Total Non-GAAP adjustments:	12.5	6.4	34.3	24.4

Non-GAAP gross profit	\$	442.8	\$	372.3	\$	1,547.6	\$	1,330.1
Non-GAAP gross margin		51.8%		52.6%		52.2%		52.6%

Bruker Corporation
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES - Continued
(unaudited and in millions, except per share data)

Reconciliation of GAAP Selling, General and Administrative (SG&A) Expenses to Non-GAAP SG&A Expenses

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
GAAP SG&A expenses	\$ 211.3	\$ 164.7	\$ 729.4	\$ 607.4
Non-GAAP adjustments:				
Purchased intangible amortization	(6.1)	(4.8)	(22.5)	(18.8)
Non-GAAP SG&A expenses	\$ 205.2	\$ 159.9	\$ 706.9	\$ 588.6

Reconciliation of GAAP Interest and Other Income (Expense), net to Non-GAAP Interest and Other Income (Expense), net

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
GAAP interest and other income (expense), net	\$ 137.4	\$ (10.0)	\$ 107.3	\$ (18.8)
Non-GAAP adjustments:				
Investments related adjustments	(144.1)	—	(130.0)	(1.6)
Non-GAAP interest and other income (expense), net	\$ (6.7)	\$ (10.0)	\$ (22.7)	\$ (20.4)

Reconciliation of GAAP Tax Rate to Non-GAAP Tax Rate

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
GAAP tax rate	15.4%	19.3%	21.6%	28.1%
Non-GAAP adjustments:				
Tax impact of non-GAAP adjustments	19.3%	1.7%	6.5%	-1.8%
Other discrete items	-3.4%	-0.4%	-0.9%	1.4%
Total non-GAAP adjustments:	15.9%	1.3%	5.6%	-0.4%
Non-GAAP tax rate	31.3%	20.6%	27.2%	27.7%

Reconciliation of GAAP Earnings Per Share to Non-GAAP Earnings Per Share (Diluted)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
GAAP earnings per share (diluted)	\$ 1.41	\$ 0.66	\$ 2.90	\$ 1.99
Non-GAAP adjustments:				
Restructuring Costs	0.11	—	0.15	0.03

Acquisition-related costs	0.08	0.03	0.13	0.13
Purchased intangible amortization	0.09	0.07	0.32	0.25
Other costs	0.06	0.01	0.14	0.06
Interest and other income (expense), net	(0.99)	—	(0.88)	—
Income tax rate differential	(0.06)	(0.03)	(0.18)	(0.12)
Total non-GAAP adjustments:	(0.71)	0.08	(0.32)	0.35
Non-GAAP earnings per share (diluted)	\$ 0.70	\$ 0.74	\$ 2.58	\$ 2.34

Bruker Corporation
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES - Continued
(unaudited and in millions, except per share data)

Reconciliation of GAAP Operating Cash Flow to Non-GAAP Free Cash Flow

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
GAAP operating cash flow	\$ 205.5	\$ 171.5	\$ 350.1	\$ 274.4
Non-GAAP adjustments:				
Purchases of property, plant and equipment	(31.5)	(34.6)	(106.9)	(129.2)
Non-GAAP free cash flow	\$ 174.0	\$ 136.9	\$ 243.2	\$ 145.2

Reconciliation of Non-GAAP Return on Invested Capital (ROIC)

	FY 2023		FY 2022	
Non-GAAP operating income	\$	546.3	\$	505.6
Less: non-GAAP income tax provision		(142.5)		(134.4)
Non-GAAP operating income after tax	\$	403.8	\$	371.2
Average total invested capital				
Average long-term debt	\$	1,181.9	\$	1,213.0
Average current portion of long-term debt		70.0		65.6
Average total shareholders' equity		1,272.6		1,108.3
Less: average cash and cash equivalents		(566.9)		(856.9)
Average total invested capital	\$	1,957.6	\$	1,530.0
Return on invested capital (ROIC)		20.6%		24.3%

Reconciliation of Non-GAAP EBITDA

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
Non-GAAP net income attributable to Bruker	\$ 102.4	\$ 109.4	\$ 379.7	\$ 348.9
Non-GAAP adjustments:				
Interest Expense, net ¹	2.1	3.2	8.9	13.3
Non-GAAP Income Tax Provision (from above)	46.3	28.6	142.6	134.4
GAAP Depreciation Expense	23.6	14.9	67.8	51.7
Amortization Expense ²	0.6	—	0.8	0.7
Total Non-GAAP adjustments:	72.6	46.7	220.1	200.1
Non-GAAP EBITDA	\$ 175.0	\$ 156.1	\$ 599.8	\$ 549.0
Non-GAAP EBITDA Margin	20.5%	22.0%	20.2%	21.7%

¹ GAAP Interest Expense, net

² GAAP Amortization Expense - with purchased intangible amortization already adjusted out of non-GAAP net income

Bruker Corporation
REVENUE
(unaudited and in millions)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
Revenue by group:				
Bruker BioSpin	\$ 257.9	\$ 203.4	\$ 798.5	\$ 696.7
Bruker CALID	257.2	221.2	960.4	822.2
Bruker Nano	268.5	227.2	941.9	787.0
BEST	75.2	58.9	280.7	237.1
Eliminations	(4.3)	(2.3)	(17.0)	(12.3)
Total revenue	<u>\$ 854.5</u>	<u>\$ 708.4</u>	<u>\$ 2,964.5</u>	<u>\$ 2,530.7</u>

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
Revenue by end customer geography:				
United States	\$ 212.2	\$ 177.8	\$ 777.7	\$ 696.1
Europe	284.2	236.2	981.3	839.3
Asia Pacific	296.2	242.8	989.0	804.9
Other	61.9	51.6	216.5	190.4
Total revenue	<u>\$ 854.5</u>	<u>\$ 708.4</u>	<u>\$ 2,964.5</u>	<u>\$ 2,530.7</u>

Reconciliation of GAAP Reported Revenue Growth to Organic Revenue Growth				
	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
	Total Bruker		Total Bruker	
GAAP revenue as of prior comparable period	\$ 708.4	\$ 683.5	\$ 2,530.7	\$ 2,417.9
Non-GAAP adjustments:				
Acquisitions and divestitures	19.0	11.6	56.2	34.3
Organic	112.5	60.8	366.4	246.5
Currency	14.6	(47.5)	11.2	(168.0)
Total Non-GAAP adjustments:	146.1	24.9	433.8	112.8
GAAP revenue	<u>\$ 854.5</u>	<u>\$ 708.4</u>	<u>\$ 2,964.5</u>	<u>\$ 2,530.7</u>
Revenue growth	20.6%	3.6%	17.1%	4.7%
Organic revenue growth	15.9%	8.9%	14.5%	10.2%

Bruker Corporation
REVENUE - Continued
(unaudited and in millions)

Reconciliation of GAAP Reported Revenue Growth to Organic Revenue Growth - Continued

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022

	2023		2022		2023		2022	
	Bruker Scientific Instruments (1)		Bruker Scientific Instruments (1)		Bruker Scientific Instruments (1)		Bruker Scientific Instruments (1)	
GAAP revenue as of prior comparable period	\$	651.8	\$	629.2	\$	2,305.9	\$	2,208.1
Non-GAAP adjustments:								
Acquisitions and divestitures		19.0		11.6		56.2		34.3
Organic		101.0		53.4		333.4		210.0
Currency		11.8		(42.4)		5.3		(146.5)
Total non-GAAP adjustments:		131.8		22.6		394.9		97.8
GAAP revenue	\$	783.6	\$	651.8	\$	2,700.8	\$	2,305.9
Revenue growth		20.2%		3.6%		17.1%		4.4%
Organic revenue growth		15.5%		8.5%		14.5%		9.5%

(1) Bruker Scientific Instruments (BSI) revenue reflects the sum of the BSI BioSpin, CALID and Nano Segments as presented in our 2022 10K.

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023		2023	
	BEST, net of Intercompany Eliminations		BEST, net of Intercompany Eliminations	
GAAP revenue as of prior comparable period	\$	56.6	\$	224.8
Non-GAAP adjustments:				
Organic		11.5		33.0
Currency		2.8		5.9
Total non-GAAP adjustments:		14.3		38.9
GAAP revenue	\$	70.9	\$	263.7
Revenue growth		25.3%		17.3%
Organic revenue growth		20.3%		14.7%

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Source: Bruker Corporation