Expanded Bruker Strategy and TAM

- Unbiased Proteomics and Multiomics
- Spatial Biology and Single-Cell Multiomics
- Microbiology and Molecular Diagnostics

JP Morgan 2021 Healthcare Conference
Frank H. Laukien, President & CEO
January 11, 2021
Any statements contained in this presentation that 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 preliminary 2020 results and for future financial and operational performance; expected growth and business outlook, including market size, growth and market position; statements regarding our business and investment focus; expected success of our portfolio or technology investments, including our Project Accelerate initiatives; product launches; and capital expenditures. These statements include words such as “anticipate”, “expect”, “estimate”, “future”, “plan”, “goals”, and similar terms. Forward-looking statements are based on current expectations, forecasts and assumptions of our management and 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; adverse changes in conditions in the global economy and continued volatility in the capital markets; the integration of businesses we have acquired or may acquire; fluctuations in foreign currency exchange rates; our ability to successfully implement our restructuring initiatives and cost reduction initiatives; our ability to improve operating margins, profitability and cash flow; changing technologies; product development and market acceptance of our products; the cost and pricing of our products; 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 most recent reports filed with the SEC, including, without limitation, our annual report on Form 10-K for the year ended December 31, 2019, our most recent quarterly reports on Form 10-Q and our current reports on Form 8-K. We expressly disclaim any intent or obligation to update these forward-looking statements other than as required by law.
Preliminary Q4 2020 Revenue:

- We currently expect Q4 2020 revenue of $620 - $625 million, including ~4.5% FX tailwind.
- Sequential QoQ recovery in 2020
- Expected Q4 2020 YoY growth of +3% to +4% stronger than previous scenarios of -2% to -6%.

Preliminary FY 2021 Year-over-year Outlook:\(^{(1)}(2)\):

- Expect organic revenue growth in high single digits
- Expect non-GAAP EPS of at least $1.60. (>20% YoY growth vs. current FactSet consensus for FY 2020)
- We currently expect to issue financial guidance for FY 2021, when we report our Q4 and FY 2020 results in February.

\(^{(1)}\) All year-over-year increases compared to FY 2020 results, which we expect to release in February 2021.

\(^{(2)}\) Assuming no dramatic deterioration of the COVID-19 pandemic, including further hard lockdowns in key markets, and steady progress with vaccinations.

Because the Company’s financial statements for the fiscal year ended December 31, 2020 have not yet been finalized or audited, the preliminary statement regarding the Company’s expectations regarding its fiscal year 2020 revenue and FX tailwind are subject to change, and the Company’s actual revenue growth for this period may differ materially from this preliminary estimate. Accordingly, you should not place undue reliance on this preliminary estimate.

Reconciliation of non-GAAP financial measures to the most directly comparable GAAP measures is available at the end of this presentation.
Introducing *Project Accelerate 2.0*

**High Value**  
**Innovative**  
**Differentiated**  
**Life Science Tools & Diagnostic Solutions**

### Expanded Strategy & Incremental TAMs:

- **Unbiased Proteomics & Multiomics:** $5-6B TAM
- **Spatial Biology & Single-Cell Multiomics:** $3-5B TAM
- **Microbiology & Molecular Dx:** ~$20B TAM

TAM = total addressable market

### Solution Leadership & Deep Applications Expertise

- **timsTOF® Platform:**  
  4D Proteomics  
  4D Metabolomics  
  Tissue SpatialOMx

- **Microscopy & Cytometry:**  
  Spatial Biology & Single-Cell Multiomics

- **MALDI Biotyper & PCR:**  
  Clinical Microbiology & Infectious Disease Molecular Dx

- **High-field NMR:**  
  Functional Structural Biology, Translational Phenomics

- **NMR and MS:**  
  Unique Biopharma Solutions for Biologics

- **Leading Nano Tools:**  
  Materials Research, Next-Gen Semi Metrology
Bruker’s Dual Strategy: 

*Project Accelerate 2.0 & Operational Excellence* drive customer success and profitable growth

- *Transforming our portfolio* for attractive secular growth trends
- Driving *key product innovation cycles*
- Six high-growth, high-margin *Project Accelerate 2.0* initiatives with expanded scope and TAMs
- Positioning company for break-out opportunities in *proteomics* and *spatial & single-cell biology*
- *Operational Excellence*, including commercial and R&D excellence
- Managing core for *profitable growth* and gains in market share

Bruker well-positioned in diverse and attractive life science tools and molecular diagnostics markets.
**Project Accelerate 2.0**
Faster growth from six expanded high-growth, high-margin initiatives

**Consumables, Software, Service & Aftermarket**
Consumables, assays, services, libraries & scientific software

**Next-gen Nanomaterials Research & Semi Metrology**
Enabling R&D and QC of next-gen logic, memory, displays, renewable energy, nanotools and nanomaterials

**Spatial Biology & Single-Cell Targeted Multiomics**
Next-gen super-res microscopy & cytometry for immunology, oncology, single-cell and subcellular spatial biology and targeted multiomics

**Unbiased Proteomics & Multiomics**
MS and NMR solutions for proteomics, multiomics, tissue SpatialOMx, functional structural biology, biomolecular condensates

**Microbiology & Molecular Dx**
High-value solutions for faster, accurate and broadly scalable infectious disease diagnostics, now including viral MDx

**Biopharma & Applied**
High-value NMR, MS and FTIR/NIR solutions for drug discovery, development and pharma PAT; Applied food analysis and forensics

**Next-gen Nano & Semi Tools**

**Spatial Biology & Single-Cell Multiomics**

**Microbiology, Viral & Molecular Diagnostics**
**Project Accelerate 2.0**

Expanded Strategic Scope and Incremental TAMs for Bruker

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**Unbiased Proteomics & Multiomics**

- **Overall TAM:** $5-6B
- **Bruker TAM:** $2B

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**Spatial Biology & Single-Cell Multiomics**

- **Overall TAM:** $3-5B
- **Bruker TAM:** $1B

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**Microbiology & Molecular Dx**

- **Overall TAM:** $20B

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(1) Proteomics & Multiomics Overall TAM includes proteomics instrumentation, unbiased tissue spatialomics and multiomics tools, and relevant portion of HPLC markets. Proteomics reagents not included. Genomics markets not included.

Bruker Unbiased Proteomics & Multiomics TAM includes MS-based proteomics, structural biology by NMR, single crystal diffraction, SPR and unbiased tissue spatialomics with mass spec read-out.

(2) Spatial Biology & Single-Cell Analysis Overall TAM includes relevant single-cell targeted analysis systems, relevant portion of high content imaging and flow cytometry markets, relevant portion of immunohistochemistry markets, and fluorescence microscopy.

Bruker Spatial Biology & Targeted Single-Cell Multiomics TAM includes spatial cell marker immuno-profiling for suspended cells and tissues, targeted proteomics, subcellular, single-cell and tissue and fluorescence microscopy.

(3) Microbiology and Molecular DX Overall TAM includes bacterial and fungal identification, antibiotic susceptibility testing, molecular diagnostics, viral diagnostics, COVID-19 diagnostics and hospital hygiene testing.

Bruker Microbiology and Infectious Disease (ID) Molecular DX TAM includes bacterial and fungal identification and relevant portions of antibiotic susceptibility testing, molecular diagnostics, COVID-19 diagnostics and hospital hygiene markets.

Sources: Bruker estimates, SDi Global Assessment Report, Frost & Sullivan, DeciBio and various industry reports.
Unbiased 4D Proteomics by TIMS/PASEF

timsTOF is unlocking the transformative power of CCS-enabled, deep 4D proteomics:

- $750M SAM*
- Expect Bruker SAM* to go up more than 2x
- timsTOF installed base now at >250 units

Pioneering Unbiased 4D Proteomics for Large Cohort Validation

- Excellent speed and robustness for >50 runs/day
- CCS-enabled 4D TIMS/PASEF for greater depth
- timsTOF flex MALDI imaging cell or tissue selection for deep unbiased spatial proteomics

H1-2022: unbiased quantitative true single-cell proteomics (SCP) complements SC-RNA-seq

- Early access customers in H2-2021
- Breakthrough paper by Mann-group: unbiased, quantitative true single-cell proteomics (SCP)
- Single-cell protein and RNA levels different; proteomics yields quantitative SC biology
- Cellular proteomes have high copy numbers for meaningful quantitative SCP (vs. sparse SC-RNA)
Unbiased 4D Proteomics by TIMS/PASEF

Recent timsTOF Innovations

- Novel MALDI-2 option for timsTOF fleX™
  - 10x-100x sensitivity for many small molecules and lipids
  - increases applications range of MALDI based MS imaging

- Revolutionary CCS-enabled 4D Proteomics workflows:
  - dia-PASEF for high throughput and SCP
  - prm-PASEF for targeted assays
  - caps-PASEF for cross-linking
  - PaSER™ ‘Run and Done’ GPU-search

- New multiomics collaboration with Seer for marketing combined Proteograph-timsTOF proteomics solution

- COVID-19 research examples on timsTOF:
Functional Structural Biology by GHz-NMR

Unique capabilities
- dynamics, function & binding of globular proteins
- intrinsically disordered proteins and protein regions
- ubiquitous ‘biomolecular condensates’ in cell biology

“We will use the 1.2 GHz for characterizing droplets and oligomers of intrinsically disordered proteins that are key players in many diseases, such as COVID-19 and neurodegeneration and cancer. These important disordered systems currently cannot be studied at atomic resolution with other methods, such as X-ray crystallography or cryo-EM.”
Prof. Christian Griesinger, Director, Max Planck Institute for Biophysical Chemistry

GHz NMR enables Discoveries in disease research, e.g., COVID-19, Alzheimer’s, CVD and Cancer

- Example: Viral RNA replication in host-cell membraneless organelle formed by IDRs
- 1.2 GHz system customer acceptances in 2020:
  - ✓ CERM/Florence, Italy (Q2)
  - ✓ ETH Zürich, Switzerland (Q3)
  - ✓ Max Planck Institute, Göttingen, Germany (Q4)
- 4-5 GHz-class NMR acceptances expected in 2021
- Additional European 1.2 GHz order in Q4 2020

NMR of intrinsically partially disordered SARS-CoV-2 N (nucleocapsid) protein, acquired on 1.2 GHz NMR, Markus Zweckstetter et al., MPI Goettingen
COVID Disease Research: Drug binding by High-Field NMR
Phenomics Research by NMR & Mass Spec

Investigating Structures, Dynamics, Function and Binding of SARS-CoV-2 Viral RNA and Proteins

- International COVID19 NMR Consortium: 30 groups, 15 countries
- NMR functional, structural and binding information near physiological conditions
  - Location, affinity and kinetics of ligand binding
  - Dynamic changes at viral RNA or protein binding site to understand inhibitor efficacy
  - For repurposed and novel therapies

Collaboration with ANPC, Murdoch University to support COVID-19 pheno-conversion and ‘long COVID’ research

- Research on variation in COVID-19 severity, patient pheno-conversion and recovery
- Bruker NMR and timsTOF Pro, impact II and MRMS perform deep metabolomics of plasma to study COVID pheno-conversion and pheno-reversion during ‘long COVID’
- Bruker expects validation of ‘long COVID’ risk stratification and recovery assay in 2021

“At the ANPC, we are dedicating 100% of our resources to the COVID-19 fight [...] to identify specific biomarkers to figure out who has it, how we can detect it and stratify patients by severity risk and assess the real-time patient responses to treatments.”
Prof. Jeremy Nicholson, Pro Vice Chancellor for Health, Murdoch University

“At Bruker offers us access to its research facilities, support for our NMR spectrometers, as well as analysis software. The COVID19 NMR consortium benefits greatly from this collaboration, and we are fortunate to have Bruker as a key partner.”
Prof. Harald Schwalbe, CoFounder/Coordinator of COVID19 NMR consortium
Data revealed that 11.8% of T-cells are expressing PD-1.

Quantitative data provides actionable insight.

**Spatial Biology & Single-Cell Multiomics**

**Canopy** quantitative, high-resolution spatial biology & targeted single-cell multiomics research now

**Bruker ChipCytometry™:**

**Quantitative Spatial Biology & Single-Cell Targeted Proteomics**

- **High-plex imaging** for quantitative spatial tissue profiling and suspended single cells (e.g., PBMCs)
- **High-resolution now**
- **Highest dynamic range for superior quantitation**
  - single-cell resolution targeted spatial biology with biomarker quantitation across 8-log range
- **Applications in immunology, immuno-oncology, infectious disease research, and targeted proteomics**
- **Serves translational research in biopharma and academic medical centers (AMCs)**
- **135+ validated antibodies;** compatible with other commercial antibody probes for targeted proteomics
“Vutara was key to doing our oligoSTORM super-resolution work. It is the only platform that can offer that level of performance and depth of imaging to enable the results we were after. We are excited to further our oligoFISSEQ work on this exciting platform.”

Ting Wu, Professor, Dept. of Genetics, Harvard Medical School

“I see the potential of the Vutara VXL in spatial omics research and I am excited to collaborate with Bruker. Having multimodal imaging with integrated fluidics and software support for ORCA, smFISH, seqFISH, and MERFISH, the Vutara VXL will be the ideal platform for spatial transcriptomics, or multiomics RNA expression and 3D DNA folding in the same cells.”

Alistair Boettiger, Asst Professor, Developmental Biology, Stanford
Microbiology & Molecular Diagnostics
Expanding Infectious Disease Strategy and TAM

- **MALDI Biotyper (MBT)** installed base ~**4,300 systems**
- Rapid adoption of 3rd generation **MALDI Biotyper® sirius**
- ~200 million pathogen IDs p.a. on MALDI Biotypers
- Rapidly growing assay, consumables and service revenues

**Existing Dx Solutions**

**Fast MBT ID Growth**
- Applied proteomics replaces biochemical ID
- Gains in MALDI market
- **New: MBT sirius**
- **RUO colistin-resistance assay**

**Non-Clinical Markets**
- MBT regulatory approval in USA, Europe for food testing (AOAC\(^1\))
- Epidemiology and pathogen tracking, e.g. US CDC, China CDC

**New Assays & Platforms**

**MBT Product Development**
- **Sepsityper** rapid ID from positive blood cultures
- Functional resistance assays STAR Carba/Cepha
- **Work-in-progress (WIP):** MBT selected fast AST

**MDx Expansion**
- **IR Biotyper** for hygiene/HAI
- Molecular Dx for acute TB

**COVID-19 testing:**
- Ramp NA extraction
- SARS-CoV-2 assay with endemic hCoV rule-out
- Winter 4-plex panel for CV19/FluA&B/RSV
- Rapid antigen PoC tests

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\(^1\) AOAC = official method of analysis / ISO
SARS-CoV-2 Testing in Europe

• Bruker-Hain products for SARS-CoV-2\(^{(1)}\):
  ✓ Automated sample prep systems
  ✓ Nucleic acid (NA) extraction kits
  ✓ FluoroType® SARS-CoV-2 two-gene PCR with rule-out of endemic human coronaviruses (hCoVs)

• FluoroType SARS-CoV-2/Flu A&B/RSV Winter Four-Plex PCR panel\(^{(1)}\)

• New in 2021: Rapid POC antigen testing
  ✓ mariPOC® automated antigen testing Manufacturing & distribution collaboration \(^{(1)(2)}\)
  ✓ Lateral Flow Assay (LFA) antigen test: Distribution collaboration\(^{(1)(3)}\)

“...For winter, with an increased incidence of influenza infections, we needed differentiation of multiple respiratory viruses in one test to avoid workload or costs... We are very pleased with the performance of this winter four-plex panel, which we now use broadly for our respiratory disease samples.”
Dr. Steffi Czieschnek, Medical Healthcare Center Suhl, Germany

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\(^{(1)}\) CE-IVD for Europe.
\(^{(2)}\) Distribution agreement for various European countries.
\(^{(3)}\) Distribution in Bruker-Hain’s Europe and Africa core countries.
Microbiology & Molecular Diagnostics

MBT Sepsityper Kit US IVD® December 2020 FDA Clearance

Fast Identification From Positive Blood Cultures

Sepsis • When every hour counts

Direct ID from positive blood culture (PBC)
- ID possible in 15-20 minutes after PBC alert
- Efficient and faster results to treating physicians
- Enabling change of therapy with earlier ID
  - De-escalation or targeted antimicrobial treatment
  - Reduced length of hospital stay and costs
  - Improved patient outcomes

Think sepsis. Time matters.

Sepsis is a complication caused by the body’s overwhelming and life-threatening response to infection. It can lead to tissue damage, organ failure, and death. Sepsis is difficult to diagnose. It happens quickly and can be confused with other conditions early on. Sepsis is a medical emergency. Time matters. When sepsis is quickly recognized and treated, lives are saved. Healthcare providers are the critical link to preventing, recognizing, and treating sepsis.

Each year, at least **1.7 million** adults in America develop sepsis.

Nearly **270,000** Americans die as a result of sepsis.

**1 in 3** patients who die in a hospital have sepsis.

https://www.cdc.gov/sepsis/datarreports/index.html
“...The MBT Sepsityper Kit US IVD will be the next step for a lot of clinical microbiology laboratories. Many are currently using multiplex PCR tests, but once you have the MALDI Biotyper, it is more cost-effective to use the MBT Sepsityper Kit US IVD for fast identification than PCR syndromic panels.”
Mr. Ike Northern, Director of Infectious Disease Testing and Immunology, CompuNet Clinical Laboratory, Dayton, OH

“Rapid (MBT) Sepsityper identification has become instrumental in terms of our patient care. Especially in critically ill patients, the improved turn-around-time allows disease specific treatment which conserves health-care resources and, most importantly, improves patient outcomes.”
Dr. Elisabeth C. Shearon, Medical Director, Alverno Laboratories in Hammond, Indiana

“The MBT Sepsityper data has allowed us to adjust antibiotic therapy according to our local antibiogram. This, at times, has allowed us to narrow or stop certain antibiotic treatments while in other cases, it has allowed us to escalate antibiotic coverage pending sensitivity data. It has become a crucial tool for our Antimicrobial Stewardship team.”
Dr. Steven D. Burdette, Chief of Infectious Diseases, Miami Valley Hospital, Dayton OH

* All quoted early adopters have self-validated the research-use-only (RUO) version of the MBT Sepsityper kit prior to FDA-clearance of the MBT Sepsityper Kit US IVD.
Questions & Answers – Project Accelerate 2.0

Expanded Bruker Strategy and TAM
- Unbiased Proteomics and Multiomics
- Spatial Biology and Single-Cell Multiomics
- Microbiology and Molecular Diagnostics
Appendix
Growth, Profitability & Margin Expansion
2016-2019: Track Record of Improving Financial Performance

Drivers (2016-2019)

Volume and Product Mix
- MALDI Biotyper (MBT)
- FTIR/NIR/Raman
- NMR recovery
- Aftermarket

Operational Excellence
- Bruker Management Process
- Outsourcing, best-cost product development
- Commercial excellence, including CRM expansion
- Highly disciplined operating expense management

Operational Scalability & Portfolio
- Selected portfolio pruning, strategic portfolio reorientation towards attractive secular trends
- Exited small plants and streamlined production
- Established shared service centers

Footnotes:
(1) YTD 2020 results negatively impacted by lower revenue during the COVID-19 pandemic.
LTM: for the last twelve months ended September 30, 2020.
EPS – Earnings per share.
A reconciliation of non-GAAP OPM and non-GAAP EPS to the most directly comparable GAAP measures is available at the end of this presentation.
The Company adopted Accounting Standards Update (ASU) 2017-07 as of January 1, 2018 under the retrospective approach. Accordingly, the 2016 and 2017 income statement accounts have been restated to reflect ASU 2017-07.

Reconciliation of GAAP to Non-GAAP Financial Measures (Unaudited) (in millions, except per share amounts)

<table>
<thead>
<tr>
<th></th>
<th>Three Months Ended December 31,</th>
<th>Nine Months Ended September 30,</th>
<th>Last Twelve Months Ended September 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$ 1,611.3</td>
<td>$ 1,765.9</td>
<td>$ 1,895.6</td>
</tr>
<tr>
<td></td>
<td>$ 2,072.6</td>
<td></td>
<td>$ 1,959.9</td>
</tr>
<tr>
<td></td>
<td>$ 1,936.0</td>
<td></td>
<td>$ 1,685.7</td>
</tr>
<tr>
<td>GAAP Operating Income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$ 181.8</td>
<td>$ 219.5</td>
<td>$ 262.4</td>
</tr>
<tr>
<td></td>
<td>$ 300.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$ 117.7</td>
<td>$ 135.5</td>
<td>$ 253.2</td>
</tr>
<tr>
<td>Restructuring Costs</td>
<td>20.8</td>
<td>16.2</td>
<td>9.4</td>
</tr>
<tr>
<td>Acquisition-Related Costs</td>
<td>11.1</td>
<td>10.2</td>
<td>7.3</td>
</tr>
<tr>
<td>Purchased Intangible Amortization</td>
<td>21.7</td>
<td>29.6</td>
<td>28.9</td>
</tr>
<tr>
<td>Other Costs</td>
<td>7.1</td>
<td>5.4</td>
<td>9.9</td>
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<tr>
<td></td>
<td>$ 60.7</td>
<td>$ 61.4</td>
<td>$ 55.5</td>
</tr>
<tr>
<td></td>
<td>$ 63.1</td>
<td></td>
<td></td>
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<tr>
<td>Non-GAAP Operating Income</td>
<td>$ 242.5</td>
<td>$ 280.9</td>
<td>$ 317.9</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$ 364.0</td>
<td></td>
</tr>
<tr>
<td>Non-GAAP Operating Margin</td>
<td>15.0%</td>
<td>15.9%</td>
<td>16.8%</td>
</tr>
<tr>
<td></td>
<td>17.6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-GAAP Interest &amp; Other Expense, net</td>
<td>(13.4)</td>
<td>(22.3)</td>
<td>(17.7)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(20.5)</td>
<td></td>
</tr>
<tr>
<td>Non-GAAP Profit Before Tax</td>
<td>229.1</td>
<td>258.6</td>
<td>300.2</td>
</tr>
<tr>
<td></td>
<td>343.5</td>
<td></td>
<td></td>
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<tr>
<td>Non-GAAP Income Tax Provision</td>
<td>(35.9)</td>
<td>(64.7)</td>
<td>(78.5)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(96.6)</td>
<td></td>
</tr>
<tr>
<td>Non-GAAP Tax Rate</td>
<td>15.7%</td>
<td>25.0%</td>
<td>26.1%</td>
</tr>
<tr>
<td></td>
<td>28.1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minority Interest</td>
<td>(0.9)</td>
<td>(1.7)</td>
<td>(1.3)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(0.8)</td>
<td></td>
</tr>
<tr>
<td>Non-GAAP Net Income Attributable to Bruker</td>
<td>192.3</td>
<td>192.2</td>
<td>220.4</td>
</tr>
<tr>
<td></td>
<td>246.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Weighted Average Shares Outstanding (Diluted)</td>
<td>162.2</td>
<td>159.1</td>
<td>157.2</td>
</tr>
<tr>
<td></td>
<td>156.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-GAAP Earnings Per Share</td>
<td>$ 1.19</td>
<td>$ 1.21</td>
<td>$ 1.40</td>
</tr>
<tr>
<td></td>
<td>$ 1.57</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$ 0.53</td>
<td>$ 0.77</td>
<td>$ 1.30</td>
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(1) The Company adopted Accounting Standards Update (ASU) 2017-07 as of January 1, 2018 under the retrospective approach. Accordingly, the 2016 and 2017 income statement accounts have been restated to reflect ASU 2017-07.
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### Reconciliation of GAAP to Non-GAAP Financial Measures (Unaudited)

<table>
<thead>
<tr>
<th></th>
<th>2016 (1)</th>
<th>2017 (1)</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Reconciliation of GAAP and Non-GAAP Gross Profit</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GAAP Gross Profit</td>
<td>$ 745.3</td>
<td>$ 816.0</td>
<td>$ 900.0</td>
<td>$ 995.3</td>
<td>$ 296.3</td>
<td>$ 626.8</td>
</tr>
<tr>
<td>Non-GAAP Adjustments:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restructuring Costs</td>
<td>11.0</td>
<td>5.6</td>
<td>2.6</td>
<td>5.2</td>
<td>1.1</td>
<td>1.3</td>
</tr>
<tr>
<td>Acquisition-Related Costs</td>
<td>2.1</td>
<td>5.7</td>
<td>3.9</td>
<td>12.2</td>
<td>3.0</td>
<td>0.5</td>
</tr>
<tr>
<td>Purchased Intangible Amortization</td>
<td>18.7</td>
<td>24.0</td>
<td>21.6</td>
<td>23.5</td>
<td>5.1</td>
<td>15.1</td>
</tr>
<tr>
<td>Other Costs</td>
<td>0.1</td>
<td>0.8</td>
<td>0.6</td>
<td>0.8</td>
<td>-</td>
<td>(0.1)</td>
</tr>
<tr>
<td><strong>Total Non-GAAP Adjustments:</strong></td>
<td>31.9</td>
<td>36.1</td>
<td>28.7</td>
<td>41.7</td>
<td>9.2</td>
<td>16.8</td>
</tr>
<tr>
<td><strong>Non-GAAP Gross Profit</strong></td>
<td>$ 777.2</td>
<td>$ 852.1</td>
<td>$ 928.7</td>
<td>$ 1,037.0</td>
<td>$ 305.5</td>
<td>$ 643.6</td>
</tr>
<tr>
<td><strong>Non-GAAP Gross Margin</strong></td>
<td>48.2%</td>
<td>48.3%</td>
<td>49.0%</td>
<td>50.0%</td>
<td>50.9%</td>
<td>47.3%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2016 (1)</th>
<th>2017 (1)</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Reconciliation of GAAP and Non-GAAP Selling, General and Administrative (SG&amp;A) Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GAAP SG&amp;A Expenses</td>
<td>$ 389.8</td>
<td>$ 415.2</td>
<td>$ 444.7</td>
<td>$ 500.2</td>
<td>$ 130.3</td>
<td>$ 338.2</td>
</tr>
<tr>
<td>Non-GAAP Adjustments:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchased Intangible Amortization</td>
<td>3.0</td>
<td>5.6</td>
<td>7.3</td>
<td>14.9</td>
<td>4.0</td>
<td>11.6</td>
</tr>
<tr>
<td><strong>Non-GAAP SG&amp;A Expenses</strong></td>
<td>$ 386.8</td>
<td>$ 409.6</td>
<td>$ 437.4</td>
<td>$ 485.3</td>
<td>$ 126.3</td>
<td>$ 326.6</td>
</tr>
</tbody>
</table>

(1) The Company adopted Accounting Standards Update (ASU) 2017-07 as of January 1, 2018 under the retrospective approach. Accordingly, the 2016 and 2017 income statement accounts have been restated to reflect ASU 2017-07.
The Company adopted Accounting Standards Update (ASU) 2017-07 as of January 1, 2018 under the retrospective approach. Accordingly, the 2016 and 2017 income statement accounts have been restated to reflect ASU 2017-07.

### Reconciliation of GAAP to Non-GAAP Financial Measures (Unaudited)

<table>
<thead>
<tr>
<th>(in millions, except per share amounts)</th>
<th>Twelve Months Ended December 31,</th>
<th>2016 (1)</th>
<th>2017 (1)</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reconciliation of GAAP and Non-GAAP Tax Rate</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GAAP Tax Rate</td>
<td>13.0%</td>
<td>59.4%</td>
<td>26.0%</td>
<td>29.4%</td>
<td>38.1%</td>
<td>25.0%</td>
</tr>
<tr>
<td>Non-GAAP Adjustments:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax Impact of Non-GAAP Adjustments</td>
<td>-1.0%</td>
<td>-0.1%</td>
<td>-0.6%</td>
<td>-1.3%</td>
<td>-0.7%</td>
<td>-0.7%</td>
</tr>
<tr>
<td>Tax Authority Settlements</td>
<td>0.1%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Valuation Allowance Release</td>
<td>3.7%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>U.S. Tax Reform- Toll Charge</td>
<td>0.0%</td>
<td>-27.8%</td>
<td>-2.7%</td>
<td>0.6%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>U.S. Tax Reform- Tax Rate Change</td>
<td>0.0%</td>
<td>-0.6%</td>
<td>0.1%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>U.S. Tax Reform- Change in APB 23</td>
<td>0.0%</td>
<td>-6.5%</td>
<td>3.5%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.1%</td>
</tr>
<tr>
<td>Other Discrete Items</td>
<td>-0.1%</td>
<td>0.6%</td>
<td>-0.2%</td>
<td>-0.6%</td>
<td>-3.0%</td>
<td>0.6%</td>
</tr>
<tr>
<td>Total Non-GAAP Adjustments:</td>
<td>2.7%</td>
<td>-34.4%</td>
<td>0.1%</td>
<td>-1.3%</td>
<td>-3.7%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Non-GAAP Tax Rate</td>
<td>15.7%</td>
<td>25.0%</td>
<td>26.1%</td>
<td>28.1%</td>
<td>34.4%</td>
<td>25.0%</td>
</tr>
</tbody>
</table>

### Reconciliation of GAAP and Non-GAAP Earnings Per Share (Diluted)

<table>
<thead>
<tr>
<th>(in millions, except per share amounts)</th>
<th>Twelve Months Ended December 31,</th>
<th>2016 (1)</th>
<th>2017 (1)</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>GAAP Earnings Per Share (Diluted)</td>
<td>$ 0.95</td>
<td>$ 0.49</td>
<td>$ 1.14</td>
<td>$ 1.26</td>
<td>$ 0.44</td>
<td>$ 0.57</td>
</tr>
<tr>
<td>Non-GAAP Adjustments:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restructuring Costs</td>
<td>0.13</td>
<td>0.10</td>
<td>0.06</td>
<td>0.01</td>
<td>0.02</td>
<td>0.04</td>
</tr>
<tr>
<td>Acquisition-Related Costs</td>
<td>0.07</td>
<td>0.06</td>
<td>0.05</td>
<td>0.11</td>
<td>0.01</td>
<td>-</td>
</tr>
<tr>
<td>Purchased Intangible Amortization</td>
<td>0.14</td>
<td>0.19</td>
<td>0.18</td>
<td>0.24</td>
<td>0.06</td>
<td>0.17</td>
</tr>
<tr>
<td>Other Costs</td>
<td>0.04</td>
<td>0.04</td>
<td>0.06</td>
<td>0.04</td>
<td>0.01</td>
<td>0.06</td>
</tr>
<tr>
<td>Bargain Purchase Gain</td>
<td>(0.06)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Income Tax Rate Differential</td>
<td>(0.08)</td>
<td>0.33</td>
<td>(0.09)</td>
<td>(0.09)</td>
<td>(0.01)</td>
<td>(0.07)</td>
</tr>
<tr>
<td>Total Non-GAAP Adjustments:</td>
<td>0.24</td>
<td>0.72</td>
<td>0.26</td>
<td>0.31</td>
<td>0.09</td>
<td>0.20</td>
</tr>
<tr>
<td>Non-GAAP Earnings Per Share (Diluted)</td>
<td>$ 1.19</td>
<td>$ 1.21</td>
<td>$ 1.40</td>
<td>$ 1.57</td>
<td>$ 0.53</td>
<td>$ 0.77</td>
</tr>
</tbody>
</table>

(1) The Company adopted Accounting Standards Update (ASU) 2017-07 as of January 1, 2018 under the retrospective approach. Accordingly, the 2016 and 2017 income statement accounts have been restated to reflect ASU 2017-07.
Reconciliation of GAAP to Non-GAAP Financial Measures (Unaudited)

(in millions, except per share amounts)

<table>
<thead>
<tr>
<th></th>
<th>Three Months Ended December 31,</th>
<th>Twelve Months Ended December 31,</th>
<th>Nine Months Ended September 30,</th>
<th>Last Twelve Months Ended September 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2016 (1)</td>
<td>2017 (1)</td>
<td>2018</td>
<td>2019</td>
</tr>
<tr>
<td>GAAP Interest &amp; Other Income (Expense), net</td>
<td>$ (4.2)</td>
<td>$ (21.7)</td>
<td>$ (17.7)</td>
<td>$ (20.5)</td>
</tr>
<tr>
<td>Non-GAAP Adjustments:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bargain Purchase Gain</td>
<td>(9.2)</td>
<td>(0.6)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Non-GAAP Interest &amp; Other Income (Expense), net</td>
<td>$ (13.4)</td>
<td>$ (22.3)</td>
<td>$ (17.7)</td>
<td>$ (20.5)</td>
</tr>
<tr>
<td></td>
<td>Three Months Ended December 31,</td>
<td>Nine Months Ended September 30,</td>
<td>Last Twelve Months Ended September 30,</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2019</td>
<td>2020</td>
<td>2020</td>
<td></td>
</tr>
<tr>
<td>GAAP Interest &amp; Other Income (Expense), net</td>
<td>$ (6.5)</td>
<td>$ (15.4)</td>
<td>$ (21.9)</td>
<td></td>
</tr>
<tr>
<td>Non-GAAP Adjustments:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bargain Purchase Gain</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Non-GAAP Interest &amp; Other Income (Expense), net</td>
<td>$ (6.5)</td>
<td>$ (15.4)</td>
<td>$ (21.9)</td>
<td></td>
</tr>
</tbody>
</table>

Reconciliation of Impact of Adoption of ASU 2017-07 (2)

<table>
<thead>
<tr>
<th></th>
<th>Cost of revenues</th>
<th>Selling, general and administrative</th>
<th>Research and development</th>
<th>Interest and other income (expense), net</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017 (1)</td>
<td>(2.8)</td>
<td>(0.7)</td>
<td>(1.1)</td>
<td>4.6</td>
</tr>
<tr>
<td>2018</td>
<td>(3.0)</td>
<td>(0.7)</td>
<td>(1.1)</td>
<td>4.8</td>
</tr>
<tr>
<td>2019</td>
<td>(2.1)</td>
<td>(0.7)</td>
<td>(0.7)</td>
<td>3.9</td>
</tr>
<tr>
<td>Net Impact to Net Income and Earnings per Share:</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

With respect to the Company’s preliminary outlook for 2021 non-GAAP EPS, we are not providing the most directly comparable GAAP financial measure or corresponding reconciliations to such GAAP financial measure 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 EPS 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 EPS calculated and presented in accordance with GAAP.

(1) The Company adopted Accounting Standards Update (ASU) 2017-07 as of January 1, 2018 under the retrospective approach. Accordingly, the 2016 and 2017 income statement accounts have been restated to reflect ASU 2017-07.