

BRUKER BIOSCIENCES CORP  
Form PREM14A  
December 11, 2007

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

**Bruker BioSciences Corporation**

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(Name of Registrant as Specified In Its Charter)

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11
- (1) Title of each class of securities to which transaction applies:  
Capital shares of Bruker BioSpin Inc., Bruker BioSpin Invest AG, Techneon AG and Bruker Physik GmbH
- 
- (2) Aggregate number of securities to which transaction applies:  
All of the issued and outstanding capital shares of Bruker BioSpin Inc., Bruker BioSpin Invest AG, Techneon AG and Bruker Physik GmbH
- 
- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):  
\$410,761,000, calculated pursuant to Rule 0-11(c)(1)(i) and (a)(4) of the Securities Exchange Act of 1934, as amended, which represents the combined book value of the common stock of Bruker

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BioSpin Inc. and capital shares of Bruker BioSpin Invest AG, Bruker Physik GmbH and Techneon AG which will be received by Bruker BioSciences Corporation in the transaction.

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(4) Proposed maximum aggregate value of transaction:  
\$914,000,000

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(5) Total fee paid:  
\$82,152

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- o Fee paid previously with preliminary materials.
- o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

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(2) Form, Schedule or Registration Statement No.:

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(3) Filing Party:

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(4) Date Filed:

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**BRUKER BIOSCIENCES CORPORATION**

**40 Manning Road  
Billerica, MA 01821  
(978) 663-3660**

To the stockholders of Bruker BioSciences Corporation:

On behalf of the board of directors and management of Bruker BioSciences Corporation, I would like to invite you to attend our Special Meeting of Stockholders to be held on [Wednesday, January 30], 2008 at 9:00 a.m., local time, at the offices of Nixon Peabody LLP, 100 Summer Street, Boston, Massachusetts.

At this important meeting you will be asked to consider and vote on proposals to, among other things, approve three transactions that will result in the combination of Bruker BioSciences with the Bruker BioSpin group of companies, including Bruker BioSpin Inc., Bruker BioSpin Invest AG, Technon AG and Bruker Physik GmbH and each of their respective direct and indirect wholly owned subsidiaries, which we sometimes collectively refer to as the "Bruker BioSpin Group."

Upon completion of the proposed transactions, the shareholders of the Bruker BioSpin Group will receive approximately \$388 million in cash and 57,544,872 shares of our common stock, which have a market value of approximately \$703.8 million as of December 5, 2007. As of December 5, 2007, this represented approximately 35% of our post-transaction outstanding voting securities. The amount of 57,544,872 shares was based upon an agreed amount of \$526 million of stock consideration and the trailing ten trading day average closing price of our common stock ending two trading days prior to the signing of the transaction agreements of \$9.14 per share which, combined with the approximately \$388 million of cash consideration, reflected a total purchase price for the Bruker BioSpin Group of \$914 million.

The six Bruker BioSpin Group shareholders, comprised of me, Frank H. Laukien, and five other members of my family, who we refer to as the Bruker BioSpin Group Shareholders, are also major stockholders of Bruker BioSciences. Accordingly, the board of directors of Bruker BioSciences appointed a special committee consisting of independent directors unaffiliated with the Bruker BioSpin Group Shareholders for the purpose of considering the advisability of the combination, negotiating its terms on behalf of Bruker BioSciences and recommending to the board of directors of Bruker BioSciences whether the combination was in the best interests of the stockholders of Bruker BioSciences who are not affiliated with the Bruker BioSpin Group Shareholders.

The closing of the combination is contingent on stockholder approval of the transactions contemplated by each of the transaction agreements, including the issuance of shares of our common stock in connection with the transactions. Although not required under Delaware law, the rules of The NASDAQ Global Select Market require stockholder approval of the share issuance, which must, under our bylaws, be approved by the affirmative vote of the holders of a majority of the shares of Bruker BioSciences common stock present or represented by proxy at the Special Meeting and entitled to vote. Under the terms of each of the transaction agreements, the Bruker BioSpin Group Shareholders, who currently hold, in the aggregate, approximately 52% of the outstanding shares of Bruker BioSciences common stock, have covenanted that they will vote the shares of our stock that they own in favor of the transactions contemplated by the transaction agreements. In addition, under the terms of each of the transaction agreements, the transactions contemplated must also be approved by the holders of shares of Bruker BioSciences common stock who are unaffiliated with the Bruker BioSpin Group Shareholders and who represent at least a majority of the total votes cast by these unaffiliated holders at the Special Meeting.

**Each of the proposals regarding the transaction agreements are conditioned on the approval of the other two proposals regarding the transaction agreements. After careful consideration, the board of directors has unanimously approved the terms and conditions of the transaction agreements and recommend that you vote "FOR" each of the transactions necessary to effect the combination of**

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**Bruker BioSciences with the Bruker BioSpin Group and the related issuance of shares of Bruker BioSciences common stock.**

In addition to the proposals relating to the transactions necessary to effect the combination with the Bruker BioSpin Group and the related issuance of shares, you will be asked to consider and vote upon the following proposals at the Special Meeting:

A proposal to amend the Bruker BioSciences certificate of incorporation to increase the number of shares of common stock authorized for issuance from 200,000,000 to 260,000,000.

A proposal to amend the Bruker BioSciences amended and restated stock option plan to increase the number of shares of common stock for which options and restricted stock may be granted under the stock option plan from 8,000,000 to 10,000,000.

A proposal to amend the Bruker BioSciences certificate of incorporation to change our name from Bruker BioSciences Corporation to Bruker Corporation.

A proposal to elect one Class II Director to hold office until the 2008 Annual Meeting of Stockholders and one Class III Director to hold office until the 2009 Annual Meeting of Stockholders.

The proposals regarding the charter amendments, the amendment to our stock option plan and the election of new directors are contingent on the approval of each of the transactions contemplated by the transaction agreements and the related issuance of shares of common stock as well as on the closing of the combination. **The board of directors recommends that you vote "FOR" the proposals to amend our charter, the amendment of the stock option plan and the election of the two additional directors to serve on the board.**

All stockholders are invited to attend the meeting. Whether or not you plan to attend, you can ensure that your shares are represented at the meeting by promptly voting and submitting your proxy by telephone or by the internet, or by completing, dating and returning the enclosed Proxy Card. A postage-paid envelope is enclosed for that purpose. Your shares cannot be voted unless you vote by telephone or internet, date, sign and return the enclosed Proxy Card, or attend the meeting in person. Regardless of the number of shares you own, your careful consideration of, and vote on, the matters before the stockholders is important.

I look forward to your participation and thank you for your continued support.

Sincerely,

**Frank H. Laukien, Ph.D.**

*Chairman, President and Chief Executive Officer*

**Neither the Securities and Exchange Commission nor any U.S. state securities commission has approved or disapproved of the proposed issuance of shares of Bruker BioSciences common stock in connection with the combination or determined whether this proxy statement is truthful or complete. Any representation to the contrary is a criminal offense.**

**This proxy statement is dated December [ ], 2007 and is first being mailed to Bruker BioSciences stockholders on or about that date.**

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**ADDITIONAL INFORMATION**

This proxy statement incorporates by reference important business and financial information about Bruker BioSciences from documents that are not included in or delivered with this proxy statement. You may obtain documents that are incorporated by reference in this proxy statement without charge by requesting them in writing or by telephone from Bruker BioSciences at:

Bruker BioSciences Corporation  
40 Manning Road  
Billerica, Massachusetts 01821, U.S.A.  
Telephone: +1-978-663-3660  
Attention: Investor Relations

Please note that copies of the documents provided to you will not include exhibits, unless the exhibits are specifically incorporated by reference in the documents or this proxy statement.

**In order to receive timely delivery of requested documents in advance of the Special Meeting, you should make your request no later than December [ ], 2007.**

**For a more detailed description of the information incorporated in this proxy statement by reference and how you may obtain it, see "Where You Can Find More Information" beginning on page [142].**

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**BRUKER BIOSCIENCES CORPORATION**  
**NOTICE OF SPECIAL MEETING OF STOCKHOLDERS**

To Our Stockholders:

Notice is hereby given that the Special Meeting of the Stockholders of Bruker BioSciences Corporation will be held on [Wednesday, January 30], 2008, at 9:00 a.m., local time, at the offices of Nixon Peabody LLP, 100 Summer Street, Boston, Massachusetts, for the following purposes:

1. To consider and vote upon a proposal to approve the transactions contemplated by the stock purchase agreement, dated as of December 2, 2007, by and among Bruker BioSciences, Bruker BioSpin Inc. and the stockholders of Bruker BioSpin Inc. relating to the acquisition of Bruker BioSpin Inc. by Bruker BioSciences.
2. To consider and vote upon a proposal to approve the transactions contemplated by the share purchase agreement, dated as of December 2, 2007, by and among Bruker BioSciences (which will assign its purchase rights to Bruker BioSpin Corporation), Bruker Daltonik GmbH, Bruker Optik GmbH, Bruker Physik GmbH, Techneon AG, SciTec GmbH & Co. KG and the shareholders of Bruker Physik and Techneon relating to the acquisition of Bruker Physik and Techneon AG by Bruker BioSciences.
3. To consider and vote upon a proposal to approve the transactions contemplated by the merger agreement, dated as of December 2, 2007, by and among Bruker BioSciences, Bruker BioSpin Invest AG, Bruker BioSpin Beteiligungs AG and the stockholders of Bruker BioSpin Invest AG relating to the acquisition of Bruker BioSpin Invest AG by Bruker BioSciences and to approve the issuance of shares of Bruker BioSciences common stock in connection with the merger.
4. To consider and vote upon a proposal to amend the Bruker BioSciences certificate of incorporation to increase the number of shares of common stock authorized for issuance from 200,000,000 to 260,000,000.
5. To consider and vote upon a proposal to amend the Bruker BioSciences amended and restated stock option plan to increase the number of shares of common stock for which options and restricted stock may be granted under the stock option plan from 8,000,000 to 10,000,000.
6. To consider and vote upon a proposal to amend the Bruker BioSciences certificate of incorporation to change the name of Bruker BioSciences Corporation to Bruker Corporation.
7. To elect one Class II Director to hold office until the 2008 Annual Meeting of Stockholders and one Class III Director to hold office until the 2009 Annual Meeting of Stockholders.
8. To transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

Although proposals 1 through 3 are separate matters to be voted upon by Bruker BioSciences stockholders in connection with the transactions, each proposal is expressly conditioned upon the approval of each of the other proposals. This means that, even if the requisite majority of our stockholders approves one of these proposals, Bruker BioSciences will not complete the transaction contemplated by that proposal unless the Bruker BioSciences stockholders also approve each of the other proposals so that the transactions can be completed as planned and as more fully described in the proxy statement accompanying this Notice.

Although proposals 4 through 7 are separate matters to be voted upon by Bruker BioSciences stockholders in connection with the transactions, each proposal is expressly conditioned upon the approval of each of the other proposals. This means that, even if the requisite majority of our stockholders approves one of these proposals, Bruker BioSciences will not complete the transaction contemplated by that proposal unless the Bruker BioSciences stockholders also approve each of the

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other proposals so that the transactions can be completed as planned and as more fully described in the proxy statement accompanying this Notice.

The board of directors has fixed the close of business on December 18, 2007 as the record date for the determination of stockholders entitled to notice of and to vote at this Special Meeting and at any adjournment or postponement thereof.

By order of the board of directors

**Richard M. Stein**

*Corporate Secretary*

Billerica, Massachusetts

December , 2007

All stockholders are invited to attend the meeting. Whether or not you plan to attend, you can ensure that your shares are represented at the meeting by promptly voting and submitting your proxy by telephone or by the internet, or by completing, dating and returning the enclosed Proxy Card. A postage-paid envelope is enclosed for that purpose. Your shares cannot be voted unless you vote by telephone or internet, date, sign and return the enclosed Proxy Card, or attend the meeting in person. Regardless of the number of shares you own, your careful consideration of, and vote on, the matters before the stockholders is important. Even if you have given your proxy, you may still vote in person if you attend the meeting. Please note, however, that if your shares are held of record by a broker, bank or other nominee and you wish to vote at the meeting, you will not be permitted to vote in person at the meeting unless you first obtain a proxy issued in your name from the record holder.

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APPENDIX A Proxy Card

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**SUMMARY TERM SHEET**

*The following is a summary of the proposed transactions among Bruker BioSciences Corporation and Bruker BioSpin Inc., Bruker BioSpin Invest AG, Bruker Physik GmbH and Techneon AG (which we sometimes refer to collectively as the Bruker BioSpin Group), in which Bruker BioSciences proposes to acquire all of the capital stock of the companies comprising the Bruker BioSpin Group. The transactions contemplated will constitute a business combination of companies under common control as the five largest Bruker BioSciences stockholders, Frank H. Laukien, President, Chief Executive Officer and Chairman of the board of directors of Bruker BioSciences, Dirk D. Laukien, Senior Vice President of Bruker BioSciences and President of its subsidiary Bruker Optics Inc., Joerg Laukien, a director of Bruker BioSciences, Marc Laukien and Isolde Laukien-Kleiner, who are all related as family members, are also, together with Robyn Laukien, the shareholders of each of the companies within the Bruker BioSpin Group. Bruker BioSciences is seeking stockholder approval of the transactions necessary to effect the combination and the issuance of Bruker BioSciences common stock to the Bruker BioSpin Group shareholders.*

*This term sheet is a summary and does not contain all of the information that may be important to you. You should carefully read this entire document, including the appendices and the other documents to which this document refers you, for a more complete understanding of the matters relating to the transactions and the issuance of Bruker BioSciences common stock. See "Where You Can Find More Information" beginning on page [142].*

On December 2, 2007 Bruker BioSciences entered into definitive agreements with each of the companies of the Bruker BioSpin Group, which we refer to collectively as the transaction agreements, to acquire all of the equity of each of the Bruker BioSpin Group companies. In connection with the proposed transactions and business combination:

Bruker BioSciences, under the terms of the U.S. stock purchase agreement, will acquire 100% of the common stock of Bruker BioSpin Inc., a Delaware corporation.

Bruker BioSciences, under the terms of the German share purchase agreement, will acquire, directly and indirectly, 100% of the share capital of each of Bruker Physik GmbH, a German limited liability company, and Techneon AG, a Swiss stock corporation.

Bruker BioSciences, under the terms of the Swiss merger agreement, will acquire through various of its indirect subsidiaries via merger the equity interest of Bruker BioSpin Invest AG, a corporation organized under the laws of Switzerland.

Upon completion of the transactions, the companies of the Bruker BioSpin Group will become wholly owned subsidiaries of our company.

The aggregate total purchase price payable by Bruker BioSciences to the holders of all of the equity of the Bruker BioSpin Group is payable in cash and stock.

This consideration will be paid to the shareholders of the Bruker BioSpin Group approximately pro rata in accordance with their respective ownership of the shares of each of the Bruker BioSpin Group companies.

There will be a cash payment to the shareholders of the Bruker BioSpin Group of \$388 million.

Bruker BioSciences expects to issue 57,544,872 restricted shares of its common stock, which have a market value as of December 5, 2007 of \$703.8 million, to the shareholders of the Bruker BioSpin Group as the stock portion of the aggregate purchase price. The amount of 57,544,872 shares was based upon an agreed amount of \$526 million of stock consideration and the trailing ten trading day average closing price of our common stock ending two trading days prior to the signing of the transaction agreements of \$9.14 per share which, combined with the approximately

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\$388 million of cash consideration, reflected a total purchase price for the Bruker BioSpin Group of \$914 million.

As permitted by the transaction agreements, prior to the closing of the transactions and independent of the transactions, the Bruker BioSpin Group will pay the Bruker BioSpin Group Shareholders a dividend of 75 million Swiss Francs (approximately \$66.7 million based on the exchange rate of 0.88 U.S. Dollars per Swiss Franc on December 5, 2007) out of accumulated retained earnings of Bruker BioSpin Invest AG. This pre-closing dividend by the Bruker BioSpin Group is not part of the purchase price for the transactions.

Bruker BioSciences and some of its foreign subsidiaries expect to enter into credit agreements with a syndicate of lenders to finance a portion of the cash consideration to be paid to the shareholders of the companies comprising the Bruker BioSpin Group. The aggregate \$380 million principal amount credit facilities, of which we expect to draw down approximately \$351 million, will consist of a \$230 million five-year revolving credit facility and a \$150 million five-year term loan facility. Bruker BioSciences has executed commitments from J.P. Morgan Securities Inc. and Citibank, N.A. for the entire \$380 million principal amount of the new credit facilities. The proceeds of the facilities will be used to finance a portion of the cash portion of the combination and to provide working capital and funds for general corporate purposes, including permitted future acquisitions, if any. The credit facilities will be secured by pledges of 100% of the equity interests in our domestic subsidiaries and 65% of the equity interests in our material foreign subsidiaries.

The transaction agreements prohibit the sale of the Bruker BioSciences shares issued as part of the purchase price for a period of one year after the closing date, except for certain permitted transfers of stock from one Bruker BioSpin Group Shareholder to another.

The shareholders of the companies comprising Bruker BioSpin Group, including our president and chief executive officer Frank H. Laukien, senior vice president Dirk Laukien, and Director Joerg Laukien, currently hold, in the aggregate, approximately 52% of the outstanding shares of Bruker BioSciences common stock, and, immediately following the consummation of the transactions if the closing date was December 5, 2007, would hold approximately 69% of the outstanding shares of Bruker BioSciences common stock.

The six shareholders of the Bruker BioSpin Group will be subject to five year non-competition and non-solicitation covenants which are described in each of the transaction agreements.

\$92 million of the cash purchase price will be held in escrow following the closing of the transactions to satisfy any indemnification claims asserted by Bruker BioSciences within a designated time period.

An additional \$6.75 million of the cash purchase price will be held in escrow following the closing of the transactions to satisfy any post-closing adjustments to the purchase consideration which may result if the working capital of the Bruker BioSpin Group is less than \$180 million on December 31, 2007.

Upon completion of the combination, Frank H. Laukien and Dirk D. Laukien will serve as co-chief executive officers of our Bruker BioSpin operations. Joerg Laukien will serve as the European chief operating officer of our Bruker BioSpin subsidiary.

### QUESTIONS AND ANSWERS ABOUT THE COMBINATION

**Q: Why is Bruker BioSciences proposing the transactions and the combination?**

**A:** We are proposing to enter into the transactions and to combine with the companies of the Bruker BioSpin Group because we believe that the Bruker BioSpin Group business complements the



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business of our three existing direct operating subsidiaries, Bruker AXS, Bruker Daltonics and Bruker Optics. We expect that adding the products of the Bruker BioSpin Group will increase our sales opportunities and increase our presence in various markets, providing Bruker BioSciences with an extra competitive edge as we become a more broadly based company.

**Q: How much is Bruker BioSciences paying for the companies comprising the Bruker BioSpin Group?**

A: Bruker BioSciences has agreed to pay the shareholders of the Bruker BioSpin Group \$388 million in cash and 57,544,872 Bruker BioSciences shares, which as of December 5, 2007 have a market value of approximately \$703.8 million, for all of the outstanding shares of the Bruker BioSpin Group companies. The amount of 57,544,872 shares was based upon an agreed amount of \$526 million of stock consideration and the trailing ten trading day average closing price of our common stock ending two trading days prior to the signing of the transaction agreements of \$9.14 per share which, combined with the approximately \$388 million of cash consideration, reflected a total purchase price for the Bruker BioSpin Group of \$914 million.

**Q: How will Bruker BioSciences pay for the shares of Bruker BioSpin Group?**

A: Bruker BioSciences will purchase the Bruker BioSpin Group companies' stock using a combination of cash and newly issued shares of Bruker BioSciences common stock. Bruker BioSciences will finance the cash component of the combination consideration from its available cash and with borrowings under new credit facilities to be entered into in connection with the combination. The new credit facilities are expected to have an aggregate borrowing capacity of \$380 million, which, together with available cash, will be available for the following purposes: (1) to finance approximately \$388 million of cash consideration to be paid to shareholders of the Bruker BioSpin Group companies; (2) to finance expenses of the combination; (3) to provide working capital; and (4) for general corporate purposes, including the financing of any future acquisitions, if any.

**Q: What will happen to my shares of Bruker BioSciences common stock in the combination?**

A: The shares of Bruker BioSciences common stock that you hold will not change as a result of the combination. However, you should be aware that the issuance of shares of our common stock to the shareholders of the Bruker BioSpin Group will cause a reduction in the relative percentage interests of current Bruker BioSciences stockholders in earnings, voting, liquidation value and book value.

**Q: What am I voting on in connection with the combination and why?**

A: You are voting to approve Bruker BioSciences' combination with the Bruker BioSpin Group companies as well as the issuance of the shares of our common stock which will be used a part of the consideration for the acquisition.

To consummate the combination, you are being asked to vote on the following items necessary to effectuate the transaction:

A proposal to purchase Bruker BioSpin Inc. (Proposal 1);

A proposal to purchase Bruker Physik and Techneon (Proposal 2);

A proposal to approve Bruker BioSciences' acquisition, via merger, of the equity interests of Bruker BioSpin Invest AG and the related issuance of shares (Proposal 3). You are asked to vote on the related issuance of shares to consummate this transaction because our common stock is quoted on the NASDAQ Global Select Market. NASDAQ Marketplace Rule 4350(i)(1)(C)(i) requires stockholder approval of the issuance of common stock in connection with the acquisition because various of our officers and directors have greater than a 5% equity interest in each of the Bruker BioSpin Group companies, and the shares of our



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common stock issued in connection with the acquisition will result in a greater than 5% increase in Bruker BioSciences outstanding common stock and voting power;

A proposal to approve a charter amendment to increase the number of authorized shares that may be issued by the company from 200,000,000 to 260,000,000 (Proposal 4);

A proposal to approve an amendment to the Bruker BioSciences amended and restated stock option plan to increase the number of shares of common stock for which options may be granted from 8,000,000 to 10,000,000 (Proposal 5);

A proposal to approve a charter amendment to change to our name from Bruker BioSciences Corporation to Bruker Corporation (Proposal 6); and

A proposal to approve the election of one Class II Director to hold office until the 2008 Annual Meeting of Stockholders and one Class III Director to hold office until the 2009 Annual Meeting of Stockholders (Proposal 7).

**The board of directors recommends that you vote "FOR" each of the proposals set forth above.**

**Q:**

**What stockholder approvals are needed in connection with the combination?**

**A:**

The affirmative vote of the holders of a majority of the outstanding shares of Bruker BioSciences common stock present or represented by proxy and entitled to vote at the Special Meeting is required to approve the transactions contemplated by the transaction agreements, including the issuance of shares of Bruker BioSciences common stock to be used as part of the consideration. Each holder of common stock is entitled to one vote per share. As of the record date, Bruker BioSciences directors and executive officers and their affiliates owned [37.9]% of the outstanding shares. The five largest stockholders of Bruker BioSciences, including Frank H. Laukien, are also five of the six shareholders of the companies of the Bruker BioSpin Group and are parties to the transaction agreements. These six shareholders have covenanted in the transaction agreements that they will vote in favor of the acquisition. The shares held by these six shareholders represent approximately 52% of the voting power of Bruker BioSciences capital stock entitled to vote at the stockholder meeting, and are sufficient, under our bylaws and NASDAQ rules, to approve the transactions contemplated by the transaction agreements, including the share issuance.

The terms of the transaction agreements also provide that the transactions contemplated by the stock purchase and merger agreements are subject to approval by holders of shares of Bruker BioSciences common stock who are unaffiliated with the Bruker BioSpin Group Shareholders, and who represent at least a majority of the total votes cast by these unaffiliated holders at the Special Meeting.

**Q:**

**What stockholder approvals are required to approve the charter amendments and the amendment to our stock option plan?**

**A:**

The affirmative vote of the holders of a majority of the shares of Bruker BioSciences common stock outstanding as of the record date is required to adopt and approve (i) the amendment to the certificate of incorporation to increase the number of shares of common stock authorized for issuance from 200,000,000 to 260,000,000 and (ii) the amendment to the certificate of incorporation to change our name to Bruker Corporation.

The affirmative vote of a majority of our shares present or represented at the Special Meeting is required to approve the amendment to our stock option plan to increase the number of shares of common stock for which options and restricted stock may be granted under the stock option plan from 8,000,000 to 10,000,000.

**Q: What stockholder approvals are required to elect the new directors to the board?**

A: Our directors are elected by a plurality of the shares of common stock present in person or represented by proxy at the Special Meeting and entitled to vote. This means that the two candidates for election as directors at the Special Meeting who receive the highest number of affirmative votes will be elected.

**Q: Has the board of directors appointed a special committee in connection with the combination?**

A: Yes, the board of directors of Bruker BioSciences appointed a special committee consisting of independent directors unaffiliated with the Bruker BioSpin Group Shareholders for the purpose of considering the advisability of the combination, negotiating its terms on behalf of Bruker BioSciences and recommending to the board of directors of Bruker BioSciences whether the combination was in the best interests of the stockholders of Bruker BioSciences who are not affiliated with the Bruker BioSpin Group Shareholders. The terms of the transaction agreements require that the transaction itself, rather than just the share issuance as required under NASDAQ Marketplace Rule 4350(i)(1)(C)(i), be approved by the holders of shares of Bruker BioSciences common stock who are unaffiliated with the Bruker BioSpin Group Shareholders and who represent at least a majority of the total votes cast by these unaffiliated holders at the Special Meeting.

**Q: Will the shares of common stock to be issued as part of the consideration for the purchase of the shares of the Bruker BioSpin Group companies be registered?**

A: No, the shares of Bruker BioSciences common stock to be issued in connection with the transactions will not be registered under the Securities Act of 1933 and thus will not be freely transferable under the Securities Act of 1933. Bruker BioSpin Group Shareholders receiving shares of Bruker BioSciences common stock in the transactions may sell these shares pursuant to any applicable exemption under the Securities Act except that, pursuant to the terms of the transaction agreements, they are prohibited from selling the shares for a period of one year after the closing date of the transactions, except for certain permitted transfers of stock from one Bruker BioSpin Group Shareholder to another.

**Q: What are the material U.S. federal income tax consequences of the transactions?**

A: The transactions are not expected to result in any material U.S. federal income tax consequences for Bruker BioSciences stockholders.

**Q: When do you expect the transactions to be completed?**

A: We are working to complete the combination as quickly as possible. We expect to complete the transactions during the first quarter of 2008.

**Q: Do I have any dissenters' rights?**

A: No. There are no rights of appraisal or similar rights of dissenters with respect to any matter to be acted upon pursuant to this proxy statement.

#### **QUESTIONS AND ANSWERS ABOUT VOTING**

**Q: What do I need to do now?**

A: After carefully reading and considering the information contained in this proxy statement, please respond by completing, signing and dating your proxy card or voting instructions and returning it in the enclosed postage paid envelope, or by submitting your proxy or voting instructions by telephone or through the internet, as soon as possible so that your shares may be represented at the stockholder

meeting.

**Q:**  
**What if I don't vote?**

**A:**  
If you fail to respond, it will have the same effect as a vote against the two proposals to amend the certificate of incorporation, although it will have no effect on the other proposals.

If you respond and do not indicate how you want to vote, your proxy will be counted as a vote in favor of all of the proposals.

If you respond and abstain from voting, your proxy will have the same effect as a vote against all of the proposals, other than the election of directors.

**Q:**  
**Can I change my vote after I have delivered my proxy?**

**A:**  
Yes. You can change your vote at any time before your proxy is voted at the stockholder meeting. You can do this in one of three ways. You can revoke your proxy, submit a new proxy or, if you are a holder of record, you can attend the Special Meeting and vote in person. If you choose to revoke your proxy or submit a new proxy, you must submit your notice of revocation or your new proxy to the secretary of Bruker BioSciences before the Special Meeting. If your shares are held in an account at a brokerage firm or bank, you should contact your brokerage firm or bank to change your vote. Also, if you submit your proxy electronically through the internet or by telephone, you can change your vote by submitting a proxy at a later date, using the same procedures, in which case your later submitted proxy will be recorded and your earlier proxy revoked.

**Q:**  
**Who can help answer my questions?**

**A:**  
If you have any questions about the proposals or how to submit your proxy, or if you need additional copies of this proxy statement or the enclosed proxy card or voting instructions, you should contact:

Bruker BioSciences Corporation  
Investor Relations  
40 Manning Road  
Billerica, Massachusetts 01821  
Telephone: 978-663-3660, ext. 1411  
e-mail: *Michael.Willett@bdal.com*

## TRANSACTION SUMMARY

This summary highlights selected information about the transactions and the related issuance of shares and may not contain all of the information that is important to you. You should carefully read this entire proxy statement and the other documents we refer to, in their entirety, for a more complete understanding of the transactions. In particular, you should read the documents attached to this proxy statement, including the U.S. stock purchase agreement, the German share purchase agreement and the Swiss merger agreement, which are attached as Annexes A-1 through A-3. In addition, this proxy statement incorporates important business and financial information about Bruker BioSciences from other documents that may not be included in or delivered with this proxy statement. You may obtain the information incorporated by reference into this proxy statement without charge by following the instructions in the section entitled "Where You Can Find More Information" that begins on page [142] of this proxy statement.

## THE COMPANIES

### **Bruker BioSciences Corporation**

40 Manning Road

Billerica, Massachusetts 01821

(978) 663-3660

<http://www.bruker-biosciences.com>

Bruker BioSciences Corporation designs, manufactures, services and markets analytical and life science systems and associated products to address the evolving needs of our customers in life science research, pharmaceutical, biotechnology and molecular diagnostics research, as well as in chemicals and materials analysis in various industries in government applications. We are the publicly traded parent of our three main operating subsidiaries: Bruker AXS Inc., Bruker Daltonics Inc. and Bruker Optics Inc.

### *Bruker AXS*

Bruker AXS is a leading developer and provider of life science and advanced materials research tools based on X-ray technology tools for advanced X-ray and spark-OES instrumentation used in non-destructive molecular materials and elemental analysis in academic, research and industrial applications.

### *Bruker Daltonics*

Bruker Daltonics is a leading developer and provider of innovative life science tools based on mass spectrometry and also develops and provides a broad range of field analytical systems for chemical, biological, radiological and nuclear (CBRN) detection.

### *Bruker Optics*

Bruker Optics is a leading developer and provider of research, analytical and process analysis instruments and solutions based on infrared and Raman molecular spectroscopy technology.

### **The Bruker BioSpin Group** *(see page [90])*

The companies of the Bruker BioSpin Group develop, manufacture and distribute life science analytical instrumentation and solutions based on magnetic resonance core technology. The companies' products include tools developed for nuclear magnetic resonance, or NMR, electron paramagnetic resonance, or EPR, magnetic resonance imaging, or MRI. The Bruker BioSpin Group also designs and develops superconducting wire materials that can be used in a variety of applications including power

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cables, motors, generators and superconducting magnets. Products and solutions developed by the Bruker BioSpin Group are utilized in a wide variety of applications, including:

life science applications including the structure and function determination of large biomolecules such as proteins and membrane proteins;

pharmaceutical and biotech research and manufacturing to identify new compounds, observe the interaction of drugs with a target protein, study the toxicology of drug candidates and identify properties of the final product;

metabolic profiling and fingerprinting, where patterns can be evaluated using spectroscopic techniques combined with multivariate statistical methods to gain insight into the response of a biological system to perturbations in a time-related manner;

non-invasive magnetic resonance imaging aimed at detecting the origins of disease related pathways and targets by combining the use of molecular biomarkers;

structure determination and elucidation for application in organic and inorganic synthesis;

materials research for the design and characterization of materials such as polymers, catalysts, fuel cell materials, etc.;

food, beverage and agricultural analysis for the monitoring of the production and distribution cycle of products to ensure their origin, authenticity, safety and reliability; and

superconducting magnets for use in magnetic resonance, imaging and physics experiments.

Magnetic resonance is the core technology of the Bruker BioSpin Group. Magnetic resonance is a natural phenomenon occurring when a molecule, placed in a magnetic field, gives off a radio frequency signature. The signature is characteristic of the particular molecule and this leads to a multitude of precise chemical and structural information. A typical magnetic resonance instrument includes a radio frequency source and transmitter, one or more very sensitive detectors, a magnet sized for the particular application and operating and analysis software.

When magnetic resonance is used to analyze the resonance effect of various atoms, it is known as NMR. NMR is a widely used analytical technique by academia, pharmaceutical and biotechnology companies and other industrial users in life sciences and materials science research.

When an image is reconstructed by localizing the origin of the NMR signal, this is known as MRI. The Bruker BioSpin Group's MRI products focus on pre-clinical applications, mainly research on small animals for disease studies and drug discovery by pharmaceutical companies and academia.

When the magnetic resonance signals arise from the electrons contained in a molecule, this is known as EPR. EPR is used mainly in academia for research purposes. All three magnetic resonance techniques employ strong magnetic fields which are typically reached through the use of superconducting magnets. The Bruker BioSpin Group is a leader in superconducting magnet technology and also owns a developer and manufacturer of the specialty superconducting wires needed for magnetic resonance magnets.

The Bruker BioSpin Group's magnetic resonance product line is complimented with a number of accessories. These accessories include a wide array of sample handling devices for automation and high throughput applications, as well as advanced data management and analysis software. These accessories permit the Bruker BioSpin Group to tailor its products for specific customers.

In addition to these magnetic resonance instruments, the Bruker BioSpin Group also manufactures bench-top instruments for process control, quality assurance and quality control applications. The Bruker BioSpin Group typically sells these bench-top instruments to the pharmaceutical industry, the food industry and other industrial customers.

The Bruker BioSpin Group includes research and manufacturing facilities in Germany, Switzerland, France and the U.S., as well as numerous sales, applications and service offices throughout the U.S., Europe, Asia and South America. The Bruker BioSpin Group employs approximately 1,850 people throughout the world.

**Bruker BioSpin Inc.** (see page [91])

15 Fortune Drive  
Billerica, Massachusetts 01821  
(978) 439-9899  
<http://www.bruker.com>

Bruker BioSpin Inc. was incorporated in Delaware in June 2000, originally as Bruker BioSpec Inc., later changing its name to Bruker BioSpin, Inc. Bruker BioSpin Inc. is a privately held company, wholly owned by the Bruker BioSpin Group Shareholders. Bruker BioSpin Inc. is the holding company for the U.S. operations of the Bruker BioSpin Group.

**Bruker Physik GmbH** (see page [91])

Silberstreifen 4  
76287 Rheinstetten  
Germany  
<http://www.bruker.com>

Bruker Physik GmbH was incorporated in 1960 in Germany. It is a holding company that includes the German Bruker BioSpin Group companies as well as European Advanced Superconductors GmbH & Co. KG, or EAS, and European High Temperature Superconductors GmbH & Co. KG, or EHTS. Bruker Physik is a privately held company, ultimately wholly owned by the Bruker BioSpin Group Shareholders.

**Bruker BioSpin Invest AG** (see page [91])

Aegeristrasse 52  
Postfach 351  
6301 Zug Switzerland  
<http://www.bruker.com>

Bruker BioSpin Invest AG was incorporated in Switzerland in 1986. It is a holding company that includes the Swiss Bruker BioSpin Group companies. Bruker BioSpin Invest AG is a privately held company, wholly owned by the Bruker BioSpin Group Shareholders.

## **STRUCTURE OF THE TRANSACTIONS AND OPERATIONS AFTER THE COMBINATION**

Bruker BioSciences is acquiring all of the outstanding stock of the companies comprising the Bruker BioSpin Group in three transactions through which Bruker BioSciences will: (1) acquire all of the common stock of Bruker BioSpin Inc., (2) acquire all of the share capital of Bruker Physik and Technon, and (3) acquire the equity of Bruker BioSpin Invest AG through a reverse triangular merger. Following the completion of these transactions, we intend to operate the Bruker BioSpin Group companies as wholly owned subsidiaries alongside Bruker AXS, Bruker Daltonics and Bruker Optics.

## **PURCHASE PRICE** (see pages 49, 59 and 68)

The aggregate total purchase price payable by Bruker BioSciences for the stock of the companies of the Bruker BioSpin Group in the three transactions is \$388 million payable in cash and 57,544,872 shares of Bruker BioSciences stock which, as of December 5, 2007, have a market value of approximately \$703.8 million. The amount of 57,544,872 shares was based upon an agreed amount of \$526 million of stock consideration and the trailing ten trading day average closing price of our common stock ending two trading days prior to the signing of the transaction agreements of \$9.14 per

share which, combined with the approximately \$388 million of cash consideration, reflected a total purchase price for the Bruker BioSpin Group of \$914 million.

This consideration will be paid to the shareholders of the Bruker BioSpin Group approximately pro rata in accordance with their respective ownership of the shares of each of the Bruker BioSpin Group companies. As described in more detail later in this proxy statement, the transaction agreements prohibit the sale of the Bruker BioSciences shares issued as part of the combined purchase price for a period of one year after the closing date, except for various permitted transfers of stock from one Bruker BioSpin Group Shareholder to another, under cash-share exchange agreements entered into among the Bruker BioSpin Group Shareholders in order to allow them to achieve their desired individual cash and share percentage elections from the aggregate proceeds of the three transactions. Bruker BioSciences will finance the cash component of the combination consideration from its available cash and with borrowings under new credit facilities to be entered into in connection with the combination. The new credit facilities are more fully described in this proxy statement. See "Source of Funds" on page [43].

#### **RECOMMENDATION OF THE BOARD OF DIRECTORS AND OPINION OF FINANCIAL ADVISORS** (see pages [26 and 35])

*Recommendation of Bruker BioSciences' Board of Directors.* Upon recommendation of the independent special committee of the board of directors, and after careful consideration, the board of directors of Bruker BioSciences unanimously determined that each of the stock purchase agreements and the merger agreement and the transactions contemplated by these transaction agreements, including the issuance of shares, are advisable and voted to approve each of the U.S. stock purchase agreement, the German share purchase agreement and the Swiss merger agreement and recommended that the stockholders vote FOR each of the transactions and the issuance of shares of Bruker BioSciences common stock in connection with the combination.

*Opinion of the Special Committee's Financial Advisor.* Bear, Stearns & Co. Inc. has rendered a written opinion to the special committee of the board of directors of Bruker BioSciences that, as of December 2, 2007, and based upon and subject to the assumptions, qualifications and limitations set forth therein, the aggregate consideration to be issued in the transactions was fair, from a financial point of view, to the holders of Bruker BioSciences shares, excluding the holders of Bruker BioSciences shares who also own shares of the Bruker BioSpin Group companies. The full text of the written opinion, dated December 2, 2007, is attached as Annex B. We encourage you to read the opinion carefully and in its entirety to understand the procedures followed, assumptions made, matters considered and limitations on the review undertaken by Bear Stearns in providing its opinion.

#### **THE STOCKHOLDER MEETING** (see page [24])

The Bruker BioSciences Special Meeting will be held at the offices of Nixon Peabody LLP, 100 Summer Street, Boston, Massachusetts on [January 30,] 2008, starting at 9:00 a.m., local time.

#### **INTERESTS OF DIRECTORS AND EXECUTIVE OFFICERS IN THE COMBINATION** (see page [44])

Some of the directors and executive officers of Bruker BioSciences may have interests in the acquisition that are different from, or are in addition to, the interests of Bruker BioSciences' stockholders, including financial interests as shareholders of the companies of the Bruker BioSpin Group. The Bruker BioSpin Group Shareholders control 100% of the shares of the Bruker BioSpin Group being acquired by Bruker BioSciences. The five Laukien family members who comprise the largest shareholders of the companies within the Bruker BioSpin Group are also the five largest Bruker BioSciences stockholders. In addition, while Frank Laukien serves as Chairman, CEO and President of

Bruker BioSciences, Dirk Laukien serves as the Senior Vice President of Bruker BioSciences and Joerg Laukien serves as a Director of Bruker BioSciences, Frank Laukien and Dirk Laukien also serve under an informal arrangement as Co-CEOs of the Bruker BioSpin Group, and Joerg Laukien also serves as the European COO of the Bruker BioSpin Group.

**MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES** *(see page [46])*

The transactions are not expected to result in any material U.S. federal income tax consequences for Bruker BioSciences stockholders, excluding the holders of Bruker BioSciences shares who also own shares of the Bruker BioSpin Group companies.

**CONDITIONS TO THE COMPLETION OF THE COMBINATION** *(see pages [54, 64, and 74])*

Under the terms of each of the U.S. stock purchase agreement, the German share purchase agreement and the Swiss merger agreement, the completion of the combination is subject to:

the approval of the transactions contemplated by the U.S. stock purchase agreement, the German share purchase agreement and the Swiss merger agreement by the holders of shares of Bruker BioSciences common stock who are unaffiliated with the Bruker BioSpin Group Shareholders who represent at least a majority of the total votes cast by these unaffiliated holders at the Special Meeting; and

the approval of the transactions contemplated by the U.S. stock purchase agreement, the German share purchase agreement and the Swiss merger agreement by the holders of Bruker BioSciences common stock who represent at least a majority of the total votes cast at the Special Meeting. This approval is guaranteed since the Bruker BioSpin Group Shareholders, who own in the aggregate approximately 52% of the outstanding Bruker BioSciences common stock as of December 5, 2007, have agreed in each of the transaction agreements to vote to approve all of these transactions.

The completion of the transactions contemplated by the transaction agreements is also subject to the satisfaction or waiver of other conditions, including, among others, the expiration or termination of applicable waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended. See "Conditions to the Acquisition" on pages [54, 64, and 74].

**TERMINATION OF THE TRANSACTION AGREEMENTS** *(see pages [57, 67 and 78])*

The transaction agreements may be terminated at any time prior to closing by the mutual written consent of Bruker BioSciences and the sellers. In addition, either Bruker BioSciences or the applicable sellers may terminate the U.S. stock purchase agreement, the German share purchase agreement and the Swiss merger agreement at any time prior to closing if:

any governmental entity shall have issued an order permanently restraining, enjoining, or otherwise prohibiting the completion of the transactions and such order is final and nonappealable;

we do not receive stockholder approval for the transactions;

either the U.S. stock purchase agreement, the German share purchase agreement or the Swiss merger agreement is terminated; or

the closing has not occurred by June 30, 2008, unless a breach of an agreement by the party seeking termination is the cause of or results in the failure of the acquisition to be completed.

Bruker BioSciences may terminate each of the agreements at any time prior to closing if the sellers or Bruker BioSpin Inc., Bruker Invest, Technon or Bruker Physik breach any of their respective



covenants, representations and warranties, or other agreements contained in the agreements and the breach would give rise to the failure of a condition to Bruker BioSciences' obligation to complete the acquisition and the breach is not curable or, if curable, is not cured or waived within 20 calendar days after written notice of the breach has been delivered to the breaching party.

The applicable sellers may terminate the agreements at any time prior to closing if Bruker BioSciences breaches any of its covenants, representations and warranties, or other agreements contained in the agreements and the breach would give rise to the failure of a condition to the sellers' obligation to complete the acquisition and the breach is not curable or, if curable, is not cured or waived within 20 calendar days after written notice of the breach has been delivered to Bruker BioSciences.

**EXPENSES** *(see pages [58, 67 and 78])*

The transaction agreements provide generally that regardless of whether the combination is consummated, all fees and expenses incurred by the parties will be paid by the party incurring such fees and expenses. With respect to fees due in connection with filings made pursuant to the Hart-Scott-Rodino Act, Bruker BioSciences shall be responsible for all fees relating to its own filing and the Bruker BioSpin Group shall be responsible for all fees relating to filings made by it or any of the selling shareholders. In addition, Bruker BioSciences shall be responsible for the payment of all transfer, documentary, sales, use, registration and other such taxes incurred in connection with the transaction, including all applicable German and other real estate transfer or gains taxes and stock transfer taxes, which may exceed, in the aggregate, \$[3.6 million].

**"NO SOLICITATION" PROVISIONS** *(see pages [53, 63, and 73])*

The Bruker BioSpin Group companies have agreed to, and to cause their subsidiaries to, and the selling shareholders have agreed to, and to cause the companies of the Bruker BioSpin Group and their subsidiaries to, cause each of its officers, managers, employees, subsidiaries, affiliates, agents and other representatives to, as of the execution of the transaction agreements, cease any existing discussions or negotiations with respect to any inquiry or proposal regarding the sale, consolidation, merger or other similar transaction regarding the Bruker BioSpin Group and not to initiate any such discussions or negotiations (other than with Bruker BioSciences) concerning any such inquiry or proposal. The selling shareholders and the companies of the Bruker BioSpin Group are obligated to immediately disclose to Bruker BioSciences any such third party inquiries or proposals, including the terms thereof.

**ACCOUNTING TREATMENT OF THE COMBINATION** *(see page [46])*

The combination represents a business combination of companies under common control due to the majority ownership of all companies by the Bruker BioSpin Group Shareholders as an affiliated stockholder group. As a result, the transactions will be accounted for at historical carrying value.

**REGULATORY MATTERS** *(see page [46])*

Under U.S. antitrust laws, the companies may not complete the Bruker BioSpin Inc. transaction until Bruker BioSciences has notified the Antitrust Division of the Department of Justice and the Federal Trade Commission of the transaction and filed the necessary report forms, and until a required waiting period has ended. Bruker BioSciences intends to file the required information and materials to notify the Department of Justice and the Federal Trade Commission of the transactions in December, 2007. In addition, Bruker BioSciences must obtain any consents, authorizations, approvals, filings or exemptions in connection with compliance with the rules of the NASDAQ and make such filings and

approvals as are required to be made or obtained under the securities or "Blue Sky" laws of various states in connection with the issuance of Bruker BioSciences common stock.

We cannot assure you that we will obtain all regulatory approvals to complete the acquisition or that the granting of these approvals will not involve the imposition of conditions on the completion of the acquisition or require changes to the terms of the acquisition. These conditions or changes could result in the conditions to the acquisition not being satisfied.

#### COMPLETION AND EFFECTIVENESS OF THE TRANSACTIONS *(see page [45])*

We will complete the transactions when all of the conditions to completion of each of the transaction agreements are satisfied or waived in accordance with the relevant agreement. We expect to complete the transactions and the combination of businesses during the first calendar quarter of 2008.

#### BRUKER BIOSPIN GROUP SELECTED COMBINED FINANCIAL DATA

The following selected combined financial information of the Bruker BioSpin Group is provided to aid your analysis of the financial aspects of the transactions. We derived this information from unaudited combined financial statements for the nine months ended September 30, 2007 and 2006, and from audited combined financial statements for the years ended December 31, 2006, 2005, 2004, 2003 and 2002. This information is only a summary, and you should read it in conjunction with the Bruker BioSpin Group's historical combined financial statements and the related notes and Management's Discussion and Analysis of Financial Conditions and Results of Operations contained in this proxy statement. See "WHERE YOU CAN FIND MORE INFORMATION" on page [142].

Nine Months Ended September 30,		Year Ended December 31,				
2007	2006	2006	2005	2004	2003	2002

(in thousands)

#### Condensed Consolidated Statement of Operations Data:

Total revenue	\$ 351,893	\$ 313,487	\$ 446,954	\$ 445,235	\$ 487,329	\$ 390,742	\$ 296,408
Cost of revenue	210,026	180,989	246,309	253,019	288,164	212,365	150,790
Gross profit	141,867	132,498	200,645	192,216	199,165	178,377	145,618
Operating expenses	93,012	89,213	123,914	98,397	157,014	118,153	93,587
Operating income	48,855	43,285	76,731	93,819	42,151	60,224	52,031
Net income	\$ 43,528	\$ 30,467	\$ 56,574	\$ 75,226	\$ 23,656	\$ 39,985	\$ 35,330

During 2004, the Bruker BioSpin Group recorded a pre-tax charge against operating income of \$28.5 million to cover litigation expenses and probable liabilities associated with alleged patent infringement litigation by a competitor against the Bruker BioSpin Group. The related accrual was included in long-term other liabilities on the condensed consolidated balance sheet as of December 31, 2004. During 2005, a favorable settlement agreement was signed for various magnet patent litigation cases, which released the Bruker BioSpin Group from any infringement liabilities and, as a result, a pre-tax amount of \$25.8 million of this liability was reversed, and this contributed positively to operating income in 2005.

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	As of September 30, 2007 (in thousands)	As of December 31, (in thousands)				
		2006	2005	2004	2003	2002
<b>Condensed Consolidated Balance Sheet:</b>						
Cash and cash equivalents	\$ 268,819	\$ 259,094	\$ 248,782	\$ 237,758	\$ 181,489	\$ 195,598
Working capital	350,331	328,184	281,057	340,675	307,420	232,761
Total assets	792,292	762,669	727,893	797,616	739,881	612,219
Total debt	9,674	12,802	23,306	42,184	45,037	8,864
Other long-term liabilities	51,450	45,485	37,513	91,098	61,156	44,116
Total shareholders' equity	\$ 410,761	\$ 385,735	\$ 335,160	\$ 339,166	\$ 321,531	\$ 269,730

**SELECTED UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL DATA**

We are providing the following selected Unaudited Pro Forma Condensed Combined Financial Data to provide you with a better understanding of what the results of operations and financial position of Bruker BioSciences might have been had the combination been completed at an earlier date. The Unaudited Pro Forma Condensed Combined Statements of Operations data for the nine months ended September 30, 2007 and 2006 and for the years ended December 31, 2006, 2005 and 2004 give effect to the combination as if it had been completed on January 1, 2004. The Unaudited Pro Forma Condensed Combined Balance Sheet data as of September 30, 2007 give effect to the combination as if it had been completed on that date.

We have prepared the selected Unaudited Pro Forma Condensed Combined Financial Data based on available information using assumptions that management believes are reasonable. For details about the assumptions used, see footnotes 3 and 4 to the unaudited pro forma condensed combined financial statements on pages [87 and 88]. The selected Unaudited Pro Forma Condensed Combined Financial Data are being provided for informational purposes only. They do not purport to represent Bruker BioSciences' actual financial position or results of operations had the combination occurred on the dates specified nor do they project Bruker BioSciences' results of operations or financial position for any future period or date.

The selected Unaudited Pro Forma Condensed Combined Statements of Operations data do not reflect any adjustments for nonrecurring items or anticipated operating synergies resulting from the combination. In addition, pro forma adjustments are based on certain assumptions and other information that is subject to change as additional information becomes available. Accordingly, the adjustments included in Bruker BioSciences' financial statements published after the completion of the combination will vary from the adjustments included in the unaudited pro forma condensed combined financial data included in this proxy statement.

The selected Unaudited Pro Forma Condensed Combined Data does not include any adjustments for liabilities resulting from integration planning, as management of Bruker BioSciences and the Bruker BioSpin Group are in the process of making these assessments, and estimates of these costs, if any, are not currently known.

The selected Unaudited Pro Forma Condensed Combined Financial Data should be read in conjunction with the Bruker BioSciences and the Bruker BioSpin Group audited and unaudited historical financial statements and related notes as well as "Management's Discussion and Analysis of

Financial Condition and Results of Operations." See "Where You Can Find More Information" on page [142].

Nine Months Ended September 30,		Year Ended December 31,		
2007	2006	2006	2005	2004

(in thousands, except per share data)

**Unaudited Pro Forma Condensed Consolidated  
Statement of Operations Data:**

Total revenue	\$ 689,377	\$ 589,462	\$ 850,476	\$ 787,846	\$ 811,823
Cost of revenue	381,223	320,859	450,853	429,841	461,624
Gross profit	308,154	268,603	399,623	358,005	350,199
Operating expenses	233,715	210,651	292,586	241,954	301,274
Operating income	74,439	57,952	107,037	116,051	48,925
Net income	48,247	26,801	58,283	68,316	3,378
Net income per share basic	\$ 0.30	\$ 0.17	\$ 0.37	\$ 0.43	\$ 0.02
Net income per share diluted	\$ 0.30	\$ 0.17	\$ 0.36	\$ 0.43	\$ 0.02

During 2004, the Bruker BioSpin Group recorded a pre-tax charge against operating income of \$28.5 million to cover litigation expenses and probable liabilities associated with alleged patent infringement litigation by a competitor against the Bruker BioSpin Group. The related accrual was included in long-term other liabilities on the condensed consolidated balance sheet as of December 31, 2004. During 2005, a favorable settlement agreement was signed for various magnet patent litigation cases, which released the Bruker BioSpin Group from any infringement liabilities and, as a result, a pre-tax amount of \$25.8 million of this liability was reversed, and this contributed positively to operating income in 2005.

As of  
September 30, 2007

(in thousands)

**Unaudited Pro Forma Condensed Consolidated Balance Sheet:**

Cash and cash equivalents	\$ 193,723
Working capital	367,500
Total assets	1,160,361
Total debt	400,051
Other long-term liabilities	82,771
Total stockholders' equity	182,170

**COMPARATIVE PER SHARE INFORMATION**

The following table sets forth selected historical per share information of Bruker BioSciences and the Bruker BioSpin Group and unaudited pro forma consolidated per share information as of the nine months ended September 30, 2007 and 2006 and for the years ended December 31, 2006, 2005 and 2004, giving effect to the transactions described in the transaction agreements as if they had occurred on January 1, 2004.

The historical book value per share is computed by dividing stockholders' equity by the actual common stock outstanding. The pro forma per share net income (loss) from continuing operations is computed by dividing the pro forma net income (loss) from continuing operations by the pro forma weighted average number of shares outstanding, assuming Bruker BioSciences had acquired the Bruker BioSpin Group at the beginning of the earliest period presented. The pro forma combined book value

per share is computed by dividing total pro forma stockholders' equity by the pro forma number of common shares outstanding, assuming the combination had occurred on that date.

The following information should be read in conjunction with the separate audited historical consolidated financial statements and related notes of Bruker BioSciences and the Bruker BioSpin Group, the unaudited pro forma condensed combined financial information and related notes of Bruker BioSciences and the selected historical and selected unaudited pro forma financial data, either included or incorporated by reference into this proxy statement. See "Where You Can Find More Information" beginning on page [142] and "Bruker BioSpin Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page [93]. The pro forma information is presented for illustrative purposes only and is not necessarily indicative of the operating results or financial position that would have occurred if the combination of the Bruker BioSpin Group had been consummated as of the beginning of the earliest period presented, nor is it necessarily indicative of the future operating results or financial position of the combined company.

	Nine Months Ended September 30,		Year Ended December 31,			
	2007	2006	2006	2005	2004	2003
<b>HISTORICAL BRUKER BIOSCIENCES</b>						
Basic Net Income (loss) from continuing operations per share	\$ 0.17	\$ 0.09	\$ 0.18	\$ 0.10	\$ (0.04)	\$ (0.17)
Diluted Net Income (loss) from continuing operations per share	\$ 0.16	\$ 0.09	\$ 0.18	\$ 0.10	\$ (0.04)	\$ (0.17)
Book value per share at the end of the period	\$ 2.24	\$ 1.73	\$ 1.87	\$ 2.27	\$ 2.36	\$ 2.32

	Nine Months Ended September 30,		Year Ended December 31,			
	2007	2006	2006	2005	2004	2003
<b>HISTORICAL BRUKER BIOSPIN GROUP</b>						
Book value at the end of the period* (in thousands)	\$ 410,761	\$ 355,442	\$ 385,735	\$ 335,160	\$ 339,166	\$ 321,531

\* Aggregate book value of the combined Bruker BioSpin Group has been presented as the structure of the equity capitalization of certain Bruker BioSpin Group companies makes per share calculations impracticable.

	Nine Months Ended September 30,		Year Ended December 31,		
	2007	2006	2006	2005	2004
<b>UNAUDITED BRUKER BIOSCIENCES PRO FORMA COMBINED</b>					
Pro Forma Net Income from continuing operations per share Basic and Diluted	\$ 0.30	\$ 0.17	\$ 0.36	\$ 0.43	\$ 0.02
Pro forma book value per share at the end of the period	\$ 1.11				

**PER SHARE MARKET PRICE DATA AND DIVIDEND INFORMATION**

Bruker BioSciences common stock has been traded on the NASDAQ Global Select Market since August 4, 2000. There was no public market for Bruker BioSciences common stock prior to that date. The Bruker BioSpin Group companies' common stock is not, and has never

been, traded publicly. The following table sets forth, for the periods indicated, the high and low per share prices for Bruker

BioSciences common stock as reported on the NASDAQ Global Select Market. The prices reflect inter-dealer prices and do not include retail markups, markdowns or commissions.

**Bruker BioSciences Common Stock Price**

	For the Fiscal Year Ended December 31, 2007		For the Fiscal Year Ended December 31, 2006		For the Fiscal Year Ended December 31, 2005	
	High	Low	High	Low	High	Low
First Quarter	\$ 10.90	\$ 7.07	\$ 5.45	\$ 4.24	\$ 4.14	\$ 3.16
Second Quarter	\$ 11.56	\$ 8.08	\$ 6.26	\$ 4.52	\$ 4.49	\$ 3.07
Third Quarter	\$ 9.29	\$ 6.30	\$ 7.33	\$ 5.19	\$ 4.69	\$ 3.86
Fourth Quarter (through December 5, 2007)	\$ 12.45	\$ 8.42	\$ 8.47	\$ 6.70	\$ 5.60	\$ 3.97

**Recent Share Price**

On November 30, 2007, the last trading day before the combination was announced, the closing price of Bruker BioSciences common stock as reported on the NASDAQ Global Select Market was \$9.29 per share. The closing sale price of Bruker BioSciences common stock as reported on the NASDAQ Global Select Market on December 5, 2007 was \$12.23 per share. As of that date there were 132 holders of record of Bruker BioSciences common stock based on information provided by our transfer agent. The number of stockholders of record does not reflect the actual number of individual or institutional stockholders that own Bruker BioSciences common stock because most stock is held in the name of nominees. There are a substantially greater number of beneficial owners of Bruker BioSciences common stock.

The information above shows only historical prices. No assurances can be given as to the market prices of Bruker BioSciences common stock at any other time before or after the consummation of the combination.

**Dividend Information**

We have not declared or paid any dividends on Bruker BioSciences' common stock since our inception and do not intend to pay any dividends on our common stock in the foreseeable future. We currently intend to retain available funds for use in our business. Any determination to pay dividends in the future will be at the discretion of our board of directors and will depend upon, among other things, our financial condition, results of operations and capital requirements. The terms of some of our outstanding indebtedness and new credit facilities prohibit us from paying cash dividends.

Historically, the companies of the Bruker BioSpin Group have from time to time declared and paid dividends to shareholders from retained earnings. In accordance with German and Swiss law, dividends from the German and Swiss companies have been declared and paid only from retained earnings (after deduction of certain reserves) shown in the companies' local statutory financial statements, which differs from that shown on U.S. GAAP financial statements as a result of different bases of accounting.

In November 2007, Bruker BioSpin Invest declared a dividend to shareholders of 75 million Swiss Francs, or approximately \$66.7 million based on the exchange rate of \$0.89 U.S. Dollars per Swiss Franc as of December 5, 2007, which will be paid to shareholders in December, 2007 prior to the consummation of the proposed transactions. In July 2007, Bruker BioSpin Inc. declared and paid dividends to shareholders of \$5.0 million. In April 2007, Bruker BioSpin Invest declared and paid dividends to shareholders of \$37.6 million.

In 2006 and 2005, Bruker BioSpin Invest declared and paid dividends of approximately \$28.9 million and \$22.2 million, respectively. In 2006 and 2005, Bruker BioSpin Inc. declared and paid

dividends of \$0 and \$5.0 million respectively. In 2006 and 2005, Bruker Physik declared and paid dividends of approximately \$0.5 million and \$6.4 million, respectively.

The following table sets forth dividends declared by the combined Bruker BioSpin Group during the nine months ended September 30, 2007 and 2006, and for the fiscal years ended December 31, 2007, 2006, 2005, 2004, 2003 and 2002.

**Bruker BioSpin Group  
Dividends Declared  
(in thousands)**

Nine Months Ended September 30, 2007	Nine Months Ended September 30, 2006	Year Ended December 31,				
		2006	2005	2004	2003	2002
\$ 42,641	\$ 29,518	\$ 29,518	\$ 33,640	\$ 38,882	\$ 25,929	\$ 28,730

## RISK FACTORS

In addition to the other information included or incorporated by reference in this proxy statement, including the Risk Factors contained in Bruker BioSciences' Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, you should carefully consider the matters described below relating to the proposed combination in deciding whether or not to vote for the proposals presented in this proxy statement. Additional risks and uncertainties not presently known to Bruker BioSciences or that are not currently believed to be material, if they occur, also may adversely affect the proposed combination of the Bruker BioSpin Group and/or the combined company post-combination.

***Although Bruker BioSciences expects that the combination with the Bruker BioSpin Group will result in benefits to Bruker BioSciences, the combined company may not realize those benefits because of integration difficulties and other challenges.***

The success of the combination with the Bruker BioSpin Group will depend, in part, on the ability of Bruker BioSciences to realize the potential synergies, cost savings and growth opportunities from integrating the business of the Bruker BioSpin Group with the business of Bruker BioSciences. Bruker BioSciences' success in realizing these benefits and the timing of this realization depends upon the successful integration of the operations of the Bruker BioSpin Group. The difficulties of combining the operations of the companies of the Bruker BioSpin Group with those of Bruker BioSciences' operating subsidiaries, Bruker AXS, Bruker Daltonics and Bruker Optics, include, among others:

consolidating research and development operations while preserving the research and development activities and important relationships of each of the operating subsidiaries;

retaining key employees;

consolidating corporate and administrative infrastructures;

integrating and managing the technology of the companies; and

minimizing the diversion of management's attention from ongoing business concerns.

Bruker BioSciences cannot assure you that the integration of the Bruker BioSpin Group will result in the realization of the full benefits which the company anticipates will result from the combination.

***The market price of Bruker BioSciences common stock may decline as a result of the combination with the Bruker BioSpin Group.***

The market price of Bruker BioSciences' common stock may decline as a result of the combination with the Bruker BioSpin Group if:

Bruker BioSciences does not achieve the perceived benefits of the combination as rapidly as, or to the extent anticipated by, financial or industry analysts; or

The effect of the combination on Bruker BioSciences' financial results is not consistent with the expectations of financial or industry analysts. Accordingly, investors may experience a loss as a result of a decreasing stock price and Bruker BioSciences may not be able to raise future capital, if necessary, in the equity markets.

***As a result of the transactions, our overall debt level will increase, which may limit our ability to obtain future financing and may affect the growth of our business.***

As a result of the transactions, our overall debt level will increase from approximately \$48.7 million at September 30, 2007, to approximately \$400.0 million at such date on a pro forma basis after giving effect to the transactions. After the completion of the transactions, our level of debt and



other obligations could have significant adverse consequences on the business and future prospects of the combined company, including the following:

the combined company may not be able to obtain financing in the future for working capital, capital expenditures, acquisitions, debt service requirements or other purposes;

less levered competitors could have a competitive advantage because they have lower debt service requirements; and

the combined company may be less able to take advantage of significant business opportunities and to react to changes in market or industry conditions than its competitors due to payments required on its credit facilities.

***Some directors and executive officers of Bruker BioSciences have interests in the transactions that may differ from or are in addition to the interests of Bruker BioSciences stockholders, including, if the transactions are completed, the receipt of financial and other benefits.***

Our chief executive officer and chairman of the board, Frank H. Laukien, and the other members of the Bruker BioSpin Group Shareholders own stock in both Bruker BioSciences and the Bruker BioSpin Group. Bruker BioSpin Group Shareholders own or control 100% of the shares of the Bruker BioSpin Group. 57,544,872 shares of Bruker BioSciences common stock will be issued to the Bruker BioSpin Group Shareholders, in connection with the combination. Following the combination, the Bruker BioSpin Group Shareholders, would own, in the aggregate, approximately 69% of the outstanding shares of common stock of Bruker BioSciences. The Bruker BioSpin Group Shareholders will also receive \$388 million in cash as part of the transaction consideration. In addition, prior to the closing of the transactions, the Bruker BioSpin Group companies will make a one time 75 million Swiss Franc dividend payment (approximately \$66.7 million based on the exchange rate of \$0.89 U.S. Dollars per Swiss Franc on December 5, 2007) to the Bruker BioSpin Group Shareholders. Although the Bruker BioSciences' board of directors appointed an independent special committee to determine the advisability of and to negotiate the terms of the transactions, you should take the potential conflicts of interest of the Bruker BioSpin Group Shareholders into account when considering the recommendations of the special committee and of the board of directors.

***The combination with the Bruker BioSpin Group is subject to the receipt of consents and approvals from government entities that may not be received or that may impose conditions that could have an adverse effect on Bruker BioSciences following the completion of the transactions.***

We cannot complete the combination with the Bruker BioSpin Group unless we and the Bruker BioSpin Group receive various consents, orders, approvals and clearances from antitrust and other authorities in the United States and possibly other countries. While we believe we will receive the requisite regulatory approvals from these authorities, there can be no assurance of this. In addition, the authorities may impose conditions on the completion of the transactions or require changes to the terms of the combination. For example, the authorities may require divestiture of certain assets as a condition of closing any or all of the transactions. Bruker BioSciences is not obligated to agree to divest material assets in order to obtain regulatory approval of the proposed combination with the Bruker BioSpin Group. While Bruker BioSciences does not currently expect that any such conditions or changes would be imposed, there can be no assurance that they will not be, and such conditions or changes could have the effect of delaying completion of the combination with the Bruker BioSpin Group or imposing additional costs on Bruker BioSciences.

***The issuance of 57,544,872 shares of Bruker BioSciences common stock to the shareholders of the Bruker BioSpin Group companies in the combination will substantially reduce the percentage interests of Bruker BioSciences stockholders.***

If the transactions are completed, 57,544,872 million shares of Bruker BioSciences common stock will be issued to current shareholders of the Bruker BioSpin Group, and former Bruker BioSpin Group shareholders will own approximately 69% of the outstanding common stock of Bruker BioSciences after the transactions. The issuance of these shares to current shareholders of the Bruker BioSpin Group will cause a reduction in the relative percentage interests of current Bruker BioSciences stockholders in earnings, voting, liquidation value and book and market value. The issuance of shares of Bruker BioSciences common stock at any implied premium would likely result in dilution to the market price of Bruker BioSciences common stock. The issuance of additional shares in future transactions could further reduce the percentage interests of current Bruker BioSciences stockholders and Bruker BioSpin Group shareholders.

***The Bruker BioSpin Group operates in a mature market and has achieved a high market share and, as a result, the potential for future growth may be limited.***

The markets for NMR, research MRI and EPR are well established. The Bruker BioSpin Group has a high market share and, as a result, future growth may be limited to the growth of the overall market for NMR, research MRI and EPR products. While this growth has been steady, when measured over long time periods, future growth may depend on new applications developed by academic and industrial customers, and in most cases outside the control of the Bruker BioSpin Group.

***The increasing prices of metal raw materials and superconducting wire could adversely affect the gross margins and profitability of the Bruker BioSpin Group and its superconducting wire business.***

The last few years have seen sharp increases in the prices for various raw materials, in part due to high demand from developing countries. The Bruker BioSpin Group relies on some of these materials for the production of its products. In particular, for the Bruker BioSpin Group's superconducting magnet production, both for the horizontal and vertical magnet series, the Bruker BioSpin Group relies on the availability of copper, steel and the metallic raw materials for traditional low-temperature superconducting wires. Higher prices for these commodities will increase the production cost of superconducting wires and superconducting magnets and may adversely affect gross margins.

The price of copper has increased significantly over the last decade. Since copper is a main constituent of low temperature superconductors, this may affect the price of superconducting wire. This type of increase would have an immediate effect on the production costs of superconducting magnets and may negatively affect the profit margins for those products. In addition, an increase in raw material cost affects the production cost of the superconducting wire produced by the Bruker BioSpin Group.

***The emerging risk of liquid helium becoming scarce and significantly more expensive could dampen the demand for NMR and research MRI products.***

The demand for helium has risen sharply over the last decade. The superconducting magnets used in magnetic resonance rely on liquid helium for their operation. The high global demand, in combination with a shortage in supply, has caused prices for liquid helium to rise significantly. This has an adverse effect on the operating costs for magnetic resonance equipment, and may dampen demand for NMR, EPR and research MRI magnets in the future.

***The Bruker BioSpin Group has always operated as a private company and does not have in place the financial organization, reporting and controls necessary for a public company.***

Since its formation, the Bruker BioSpin Group has always operated as a private company. It has never put in place the financial organization, reporting and controls which are required for a U.S. public company. The cost of implementing this type of financial organization, reporting and controls may be significant, and compliance with U.S. public company requirements, including those implemented as part of the Sarbanes-Oxley Act 2002, may have an adverse effect on the operations of the Bruker BioSpin Group. If those limitations caused Bruker BioSciences to miss a reporting deadline or otherwise not comply with an applicable law or regulation, Bruker BioSciences might, among other things, be unable to use a Form S-3 registration statement for twelve months, have a material weakness in its internal controls or violate its bank covenants.

***The Bruker BioSpin Group develops and manufactures superconducting magnets with significant product liability risks.***

The nuclear magnetic resonance (NMR), research magnetic resonance imaging (MRI), Fourier transform mass spectrometry (FTMS), and certain electron paramagnetic resonance (EPR) magnets of the Bruker BioSpin Group utilize high magnet fields and cryogenics to operate at approximately 4 Kelvin, the temperature of liquid helium. There is an inherent risk of potential product liability due to the existence of these high magnetic fields, associated stray fields outside the magnet, and the handling of the cryogens associated with superconducting magnets.

***The Bruker BioSpin Group depends on various sole source suppliers.***

The Bruker BioSpin Group obtains various components for its products from sole or limited source suppliers. There are limited, if any, available alternatives to these suppliers. The existence of shortages of these components or the failure of delivery with regard to these components could have a material adverse effect upon the Bruker BioSpin Group's revenues and margins. In addition, price increases from these suppliers could have a material adverse effect upon the gross margins of the Bruker BioSpin Group.

#### **CAUTIONARY INFORMATION REGARDING FORWARD-LOOKING STATEMENTS**

The Securities and Exchange Commission encourages companies to disclose forward-looking information so that investors can better understand a company's future prospects and make informed investment decisions. This proxy statement contains such "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements may be made directly in this proxy statement, and they may also be made a part of this proxy statement by reference to other documents filed with the Securities and Exchange Commission by Bruker BioSciences, which is known as "incorporation by reference." These statements may include statements regarding the period following completion of the transactions. Words such as "anticipate," "estimate," "expects," "projects," "intends," "plans," "believes" and words and terms of similar substance used in connection with any discussion of future operating or financial performance, or the combination with the Bruker BioSpin Group, identify forward-looking statements. All forward-looking statements are management's present expectations of future events and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements, including the risks described under "Risk Factors" in this proxy statement and in our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. Stockholders are cautioned not to place undue reliance on the forward-looking statements, which speak only as of the date of this proxy statement or the date of the document incorporated by reference in this proxy statement. Bruker BioSciences is not under any obligation, and expressly disclaims any obligation, to update or alter any forward-looking statements, whether as a result of new information, future events or otherwise.

For additional information about factors that could cause actual results to differ materially from those described in the forward-looking statements, please see the quarterly reports on Form 10-Q and the annual reports on Form 10-K that Bruker BioSciences has filed with the Securities and Exchange Commission.

All subsequent forward-looking statements attributable to Bruker BioSciences or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section.

## STOCKHOLDER MEETING

This proxy statement and the enclosed Proxy Card are furnished in connection with the solicitation of proxies by the board of directors of Bruker BioSciences for use at the 2008 Special Meeting of Stockholders and at any adjournment thereof. The approximate date on which this proxy statement and form of proxy are first being sent to stockholders is December [ ], 2007.

### Date, Time and Place of Stockholder Meeting

As set forth in the notice of meeting, the Bruker BioSciences 2008 Special Meeting of Stockholders is scheduled to be held on [January 30], 2008 at 9:00 a.m. at the office of Nixon Peabody LLP, 100 Summer Street, Boston, Massachusetts.

### Purpose

The stockholder meeting is being held so that stockholders may consider and vote on:

a proposal to approve the transactions contemplated by the U.S. stock purchase agreement, dated as of December 2, 2007, by and among Bruker BioSciences, Bruker BioSpin Inc. and the stockholders of Bruker BioSpin Inc. relating to the acquisition of Bruker BioSpin Inc. by Bruker BioSciences;

a proposal to approve the transactions contemplated by the German share purchase agreement, dated as of December 2, 2007, by and among Bruker BioSciences, Bruker Physik, Bruker Optik, Bruker Daltonik, SciTec, Techneon and the shareholders of Bruker Physik and Techneon relating to the acquisition of Bruker Physik by Bruker BioSciences;

a proposal to approve the transactions contemplated by the Swiss merger agreement, dated as of December 2, 2007, by and among Bruker BioSciences, Bruker BioSpin Invest, Bruker BioSpin Beteiligungs and the shareholders of Bruker BioSpin Invest relating to the merger of Bruker BioSpin Beteiligungs with and into Bruker BioSpin Invest, and to approve the issuance of shares of Bruker BioSciences common stock in connection with the merger;

a proposal to amend the Bruker BioSciences certificate of incorporation to increase the number of shares of common stock authorized for issuance from 200,000,000 to 260,000,000;

a proposal to amend the Bruker BioSciences amended and restated stock option plan to increase the number of shares of common stock for which options and restricted stock may be granted under the stock option plan from 8,000,000 to 10,000,000;

a proposal to amend the Bruker BioSciences certificate of incorporation to change the name of Bruker BioSciences Corporation to Bruker Corporation;

a proposal to elect one Class II Director to hold office until the 2008 Annual Meeting of Stockholders and one Class III Director to hold office until the 2009 Annual Meeting of Stockholders; and

to transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

Although the above proposals are separate matters to be voted upon by the stockholders of Bruker BioSciences in connection with the various transactions, the first through the third proposals are expressly conditioned upon the approval of the other two proposals. Even if the stockholders of Bruker BioSciences approve one of these proposals, Bruker BioSciences will not complete the transaction contemplated by that proposal unless the stockholders also approve the other proposals, so that all transactions can be completed as described in this proxy statement.

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Although the above proposals are separate matters to be voted upon by the stockholders of Bruker BioSciences in connection with the various transactions, the fourth through the seventh proposals are expressly conditioned upon the approval of the other proposals. Even if the stockholders of Bruker

BioSciences approve one of these proposals, Bruker BioSciences will not complete the transaction contemplated by that proposal unless the stockholders also approve the other proposals, so that all transactions can be completed as described in this proxy statement.

#### **Record Date**

Only stockholders of record at the close of business on December 18, 2007 are entitled to notice of and to vote at the Special Meeting. On December 18, 2007, Bruker BioSciences had outstanding and entitled to vote [ ] shares of common stock. Each outstanding share of common stock entitles the record holder to one vote. Votes will be tabulated by our transfer agent and the inspector of elections, who will be one of our employees or one of our attorneys.

#### **Vote Required for Approval**

*Transactions and Share Issuance.* The transactions contemplated by each of the U.S. stock purchase agreement, the German share purchase agreement and the Swiss merger agreement, including the share issuance, must be approved by the affirmative vote of the holders of a majority of the shares of Bruker BioSciences common stock present or represented by proxy at the Special Meeting and entitled to vote. The transactions contemplated by the U.S. stock purchase agreement, the German share purchase agreement and the Swiss merger agreement must also be approved by the affirmative vote of holders of shares of Bruker BioSciences common stock who are unaffiliated with the Bruker BioSpin Group Shareholders and who represent at least a majority of the total votes cast by these unaffiliated holders at the Special Meeting.

*Proposals to Amend our Certificate of Incorporation.* The affirmative vote of the holders of a majority of the shares of Bruker BioSciences common stock outstanding as of the record date is required to adopt and approve each of the proposals to amend our certificate of incorporation.

*Amendment to Stock Option Plan.* The affirmative vote of the holders of a majority of the shares of Bruker BioSciences common stock present or represented by proxy at the Special Meeting and entitled to vote is required to approve the amendment to the Amended and Restated 2000 Stock Option Plan.

*Elections of Directors.* Directors shall be elected by a plurality of the votes of the shares of common stock present in person or represented by proxy at the Special Meeting and entitled to vote. This means that the two candidates for election as directors at the Special Meeting who receive the highest number of affirmative votes will be elected.

As of the record date, Bruker BioSciences directors and executive officers and their affiliates owned approximately 52% of the outstanding shares of Bruker BioSciences' common stock. The Bruker BioSpin Group Shareholders, including Frank H. Laukien, Dirk Laukien and Joerg Laukien, who are parties to the U.S. stock purchase agreement, the German share purchase agreement and the Swiss merger agreement, have covenanted under the terms of those agreements to vote all of their shares of Bruker BioSciences in favor of the transactions and related share issuance. These shares represent approximately 52% of the voting power of Bruker BioSciences entitled to vote at the stockholder meeting and, under our bylaws and NASDAQ rules, are sufficient to approve the proposals regarding the transactions and related share issuance. However, the terms of each transaction agreement provide that the transactions contemplated by the transaction agreements are subject to approval by holders of shares of Bruker BioSciences common stock who are unaffiliated with the Bruker BioSpin Group Shareholders and who represent at least a majority of the total votes cast by these unaffiliated holders at the Special Meeting.

#### **Voting of Proxies; Quorum; Abstentions and Broker Non-Votes**

If the enclosed Proxy Card is properly executed and returned, it will be voted in the manner directed by the stockholder. If no instructions are specified with respect to any particular matter to be

acted upon, proxies will be voted in favor of such matter. In addition, if other matters come before the meeting, the persons named in the accompanying proxy and acting thereunder will have discretion to vote on those matters in accordance with their best judgment. Any person signing the enclosed form of proxy has the power to revoke it by voting in person at the meeting, by giving written notice of revocation to the Secretary of Bruker BioSciences at 40 Manning Road, Billerica, Massachusetts 01821 at any time before the proxy is exercised or by granting a subsequently dated proxy. Please note, however, that if your shares are held of record by a broker, bank or nominee and you wish to vote at the meeting, you will not be permitted to vote in person unless you first obtain a proxy issued in your name from the record holder.

The holders of a majority in interest of all of the Bruker BioSciences common stock, par value \$.01 per share, issued, outstanding and entitled to vote are required to be present in person or be represented by proxy at the Special Meeting in order to constitute a quorum for the transaction of business. Each share of common stock outstanding on the record date will be entitled to one vote on all matters.

Because abstentions with respect to any matter are treated as shares present or represented and entitled to vote for the purposes of determining whether that matter has been approved by the stockholders, abstentions have the same effect as negative votes for each proposal other than the vote to elect directors. Broker non-votes are not deemed to be present or represented for purposes of determining whether stockholder approval of that matter has been obtained, but they are counted as present for purposes of determining the existence of a quorum at the Special Meeting.

### **Solicitation of Proxies**

Bruker BioSciences will bear the cost of the solicitation. Although it is expected that the solicitation will be primarily by mail, regular employees or representatives of Bruker BioSciences (none of whom will receive any extra compensation for their activities) may also solicit proxies by telephone, telecopier and in person and arrange for brokerage houses and other custodians, nominees and fiduciaries to send proxies and proxy materials to their principals at the expense of Bruker BioSciences.

### **Recommendations of the Board of Directors**

The board of directors of Bruker BioSciences unanimously determined that each of the transaction agreements and the transactions contemplated by the transaction agreements including the combination with the Bruker BioSpin Group are advisable, voted to approve each of the transaction agreements and recommends that the stockholders vote:

FOR Proposal No. 1, the purchase of Bruker BioSpin Inc.;

FOR Proposal No. 2, the purchase of Bruker Physik and Techneon;

FOR Proposal No. 3, the approval of a merger agreement with Bruker BioSpin Invest to acquire the equity of Bruker BioSpin Invest;

FOR Proposal No. 4, the amendment to the certificate of incorporation to increase the number of shares of common stock authorized for issuance from 200,000,000 to 260,000,000;

FOR Proposal No. 5, the amendment to the amended and restated stock option plan to increase the number of shares of common stock for which options and restricted stock may be granted under the stock option plan from 8,000,000 to 10,000,000;

FOR Proposal No. 6, the amendment to the certification of incorporation to change our name to Bruker Corporation; and

FOR the election of each of the directors nominated for election in Proposal No. 7.

Bruker BioSciences' principal executive offices are located at 40 Manning Road, Billerica, Massachusetts 01821, and our telephone number is (978) 663-3660.

**PROPOSALS 1 THROUGH 3: THE TRANSACTIONS AND THE ISSUANCE OF SHARES IN CONNECTION WITH THE COMBINATION**

This section of the proxy statement describes material aspects of each of the proposed transactions, including the U.S. stock purchase agreement, the German share purchase agreement and the Swiss merger agreement and the related issuance of Bruker BioSciences shares of common stock. While we believe that the following description covers the material terms of the combination, this summary may not contain all of the information that is important to you. You should read this entire proxy statement and the other documents which are attached or incorporated by reference carefully for a more complete understanding of the combination.

**General**

Bruker BioSciences' board of directors is using this proxy statement to solicit proxies from the holders of Bruker BioSciences common stock for use at the Bruker BioSciences Special Meeting.

**Proposals**

At the Special Meeting, holders of Bruker BioSciences common stock are being asked to vote on, among other items, the acquisitions of Bruker BioSpin Inc., Bruker Physik, and Techneon and the merger of Bruker BioSpin Beteiligungs with and into Bruker BioSpin Invest, and the issuance of shares of Bruker BioSciences common stock in connection with the transactions.

**The combination will not be completed unless Bruker BioSciences' stockholders approve each of the transactions and the issuance of shares of Bruker BioSciences common stock in connection with the transactions.**

**Background of the Combination**

From time to time, the board of directors of Bruker BioSciences and the Bruker BioSpin Group Shareholders, each have separately considered strategic alternatives and business combinations.

During January, February and March 2007, the Bruker BioSpin Group Shareholders considered the possibility of a business combination with Bruker BioSciences. While the Bruker BioSpin Group Shareholders did not reach any conclusion during their discussions, the Bruker BioSpin Group Shareholders agreed that they would continue their internal deliberations.

On April 2, 2007, during a telephonic meeting of the board of directors of Bruker BioSciences, Frank Laukien, the Chairman, Chief Executive Officer and President of Bruker BioSciences, who is also one of the owners of the Bruker BioSpin Group and an officer and director of various of the Bruker BioSpin Group of companies, informed the Bruker BioSciences board of directors of the possible interest of the Bruker BioSpin Group Shareholders in considering a business combination. The board discussed the possibility of a potential transaction and various considerations relating to such a transaction. The board considered the establishment of a special committee to deal with such a possible transaction, but determined that the topic should be deferred pending further consideration at the next board meeting.

After the April 2, 2007 Bruker BioSciences Board telephonic meeting, the independent directors of Bruker BioSciences established an informal working group of independent directors to consider the possibility of a future business combination with the Bruker BioSpin Group. William Linton, the lead director of Bruker BioSciences, was joined on the informal working group by Collin D'Silva and Richard Kniss.

In April 2007, the independent working group established informal contacts with three investment banks in order to obtain their initial reaction and informal views on a potential acquisition of the

Bruker BioSpin Group. Two investment banks were invited to give telephonic presentations to the informal working group in April 2007, including strategic rationale, potential investor perception and potential valuation ranges.

At a May 2, 2007 board of directors meeting of Bruker BioSciences, Mr. Linton presented the board with an update of the informal working group's views on a potential business combination with the Bruker BioSpin Group, assuming the Bruker BioSpin Group Shareholders would be interested in pursuing such a transaction. Frank Laukien and William Knight, the Bruker BioSciences Chief Financial Officer, also informed the board that several significant financial investors in Bruker BioSciences during recent visits to the company and during phone conversations had urged Bruker BioSciences to very seriously consider and explore a potential combination with the Bruker BioSpin Group.

During April, May, June and July 2007, the Bruker BioSpin Group Shareholders continued their deliberations concerning the desirability of a potential combination with Bruker BioSciences while the independent working group of the Board had various discussions with Frank Laukien regarding the possible transaction.

On July 18, 2007, four of the owners of the Bruker BioSpin Group met and decided that the feasibility, desirability and structural/tax consequences of a business combination with Bruker BioSciences should be more seriously explored and that discussions of that topic with the independent directors on the board of Bruker BioSciences should be initiated.

On August 1, 2007, at a meeting of the Bruker BioSciences board of directors, Frank Laukien informed the Board of this more serious interest from the owners of the Bruker BioSpin Group. The board engaged in an extensive discussion regarding the rationale for a possible business combination and strategic alternatives. Among the topics discussed were the benefit to customers, the impact on the public stockholders of Bruker BioSciences, synergies, the Bruker BioSpin Group financial results and the Bruker BioSpin Group forecast. The various conflicts present in connection with a possible transaction with the Bruker BioSpin Group were also discussed. The board decided that if the matter were to proceed, it should do so under the auspices of the independent directors. As a result, the board of directors created a special committee of independent directors, consisting of Messrs. Linton, D'Silva and Kniss, and chaired by lead director William Linton.

All members of the special committee are independent directors within the meaning of the listing standards of the NASDAQ Stock Market, and are unaffiliated with the Bruker BioSpin Group Shareholders. The tasks of the special committee were: (i) to consider the advisability of the proposed acquisition of the Bruker BioSpin Group, (ii) if it concluded that the acquisition was advisable, to negotiate on behalf of Bruker BioSciences, (iii) to negotiate the terms of the acquisition, and (iv) to recommend to the board of directors of Bruker BioSciences whether the acquisition was in the best interest of the stockholders of Bruker BioSciences who are not affiliated with the Bruker BioSpin Group Shareholders. The special committee was authorized to retain its own financial and legal advisers to assist it in discharging those responsibilities. The board received presentations on the Bruker BioSpin Group by Barbara Burgess, the Vice President of Finance and Chief Accounting Officer of the Bruker BioSpin Group companies located in the United States, Mark Chaykovsky, the Executive Vice President of U.S. NMR Sales for the Bruker BioSpin Group and Werner Maas, an Executive Vice President of the Bruker BioSpin Group.

During the August 1, 2007 board meeting, the owners of the Bruker BioSpin Group also communicated that Dirk Laukien and Joerg Laukien together would be the designated negotiators for the Bruker BioSpin Group, and that Bernhard Wangler would in particular represent the interests of Bruker BioSpin's largest shareholder Isolde Laukien. It was also determined that for the purposes of a potential Bruker BioSciences acquisition of the Bruker BioSpin Group, Frank Laukien, as well as director and counsel Richard Stein and his law firm Nixon Peabody LLP, would support all parties in

the process in a neutral fashion with information, due diligence, tax and structure advice and logistical support, but would not be negotiating for either party.

On August 13, 2007, the special committee held its first meeting. At that meeting, the committee retained Dewey & LeBoeuf LLP to act as its legal advisor. Dewey Ballantine LLP, a predecessor of Dewey & LeBoeuf, previously acted as legal advisor to the special committee of Bruker BioSciences' board of directors in connection with the acquisition of Bruker Optics Inc. and as advisor to the special committee of Bruker Daltonics' board of directors in connection with its merger with Bruker AXS in 2003. Also at that meeting, the committee members reviewed their qualifications and confirmed that they were free from conflicts of interest with respect to the Bruker BioSpin Group owners. Representatives of Dewey & LeBoeuf briefed the committee on its fiduciary duties and the anticipated operation of the special committee process.

On August 16, 2007, the special committee interviewed potential financial advisors. The committee subsequently determined to retain Bear Stearns & Co. Inc. as its financial advisor. Bear Stearns previously acted as financial advisor to the special committee of Bruker BioSciences' board of directors in connection with the acquisition of Bruker Optics Inc. and as financial advisor to the special committee of Bruker Daltonics' board of directors in connection with its merger with Bruker AXS in 2003.

Throughout the period from mid-August through the end of November 2007, members of Bruker BioSpin Group management, members of the special committee and their respective financial, legal and tax advisors in the United States, Germany and Switzerland engaged in a series of meetings, telephone conference calls and email exchanges to consider and discuss various valuation, structural, due diligence and tax issues related to the proposed business combination, including those meetings referred to below.

On September 4, 2007, representatives of the Bruker BioSpin Group presented a corporate and financial overview of the Bruker BioSpin Group to Bruker BioSciences management, Bear Stearns and Dewey & LeBoeuf.

On September 12, 2007, the special committee met with its advisors to receive a report of the results of the September 4, 2007 meeting and to discuss the structure of the transaction proposed by Bruker BioSciences and Bruker BioSpin Group management. At this meeting, Bear Stearns provided the special committee with its preliminary views regarding financial information relating to the Bruker BioSpin Group.

On September 14, 2007, representatives of the Bruker BioSpin Group delivered a telephonic and powerpoint webex presentation to the special committee and its advisors regarding the Bruker BioSpin Group's business and historical financial results.

On September 19, 2007, the special committee met with its advisors. At this meeting, the committee and Bear Stearns discussed the preliminary, pre-due diligence valuation of the Bruker BioSpin Group and the special committee's perspectives as to the strategic rationale for the combination. The special committee directed Bear Stearns to deliver to the owners of the Bruker BioSpin Group the committee's preliminary view on valuation.

That same day, representatives of Bear Stearns met with Dirk Laukien, Joerg Laukien, Frank Laukien and William Knight, the Chief Financial Officer of Bruker BioSciences. At that meeting, Bear Stearns presented the special committee's preliminary view on the valuation of the Bruker BioSpin Group.

On September 30, 2007, on behalf of the special committee, Mr. Linton met in person and telephonically with Dirk Laukien, Joerg Laukien, Frank Laukien and Bernhard Wangler to receive the

views of the owners of Bruker BioSpin as to the valuation of the Bruker BioSpin Group, with Mark Chaykovsky and William Knight in attendance.

On October 2, 2007, representatives of Bear Stearns met with Dirk Laukien, Frank Laukien and William Knight to discuss the proposed valuation of the Bruker BioSpin Group, potential synergies arising from a combination of Bruker BioSciences and the Bruker BioSpin Group and Bruker BioSciences' strategic rationale for the combination.

On October 3, 2007, the special committee met with its advisors and Bruker BioSciences management. At this meeting, Mr. Linton reported the results of the September 30, 2007 meeting and representatives of Bear Stearns reported the results of the October 2, 2007 meeting. Bruker BioSciences management delivered to the special committee an analysis of Bruker BioSciences' strategic rationale for the possible combination and potential synergies arising from such combination. The special committee discussed the proposed valuation of the Bruker BioSpin Group with its advisors. Also at that meeting, representatives of Dewey & LeBoeuf led a discussion of the special committee's fiduciary duties.

On October 4, 2007, on behalf of the special committee, Mr. Linton met with Dirk Laukien and Frank Laukien to discuss, among other things, the special committee's view as to the valuation of the Bruker BioSpin Group. The following day, the shareholders of the Bruker BioSpin Group communicated to the special committee their revised view as to the valuation of the Bruker BioSpin Group.

On October 9, 2007, the special committee met with its advisors to review the status of the negotiations with the owners of the Bruker BioSpin Group regarding valuation. After a thorough review of the prospects of the Bruker BioSpin Group and potential synergies from the combination, the special committee authorized Mr. Linton to convey an updated view as to the valuation of the Bruker BioSpin Group.

On October 11, 2007, a proposed letter of intent was presented to the shareholders of the Bruker BioSpin Group by Dewey & LeBoeuf on behalf of the special committee.

On October 12, 2007, a non-binding letter of intent was executed by all parties. The letter of intent provided, among other things, for a purchase price of \$388 million in cash, a number of Bruker BioSciences shares equal to \$526 million based on the trailing ten trading day average closing price of Bruker BioSciences common stock ending two trading days prior to the signing of the transaction agreement, provided that the average closing price was between \$8.25 and \$9.15 per share, a pre-closing dividend payable by Bruker BioSpin Group to its shareholders of \$66 million (later modified to 75 million Swiss francs) and commitments by these shareholders to negotiate exclusively with Bruker BioSciences and to grant Bruker BioSciences and its advisors full access to its operations to conduct due diligence. The letter of intent also provided that the execution of definitive agreements for the transaction would be conditioned on delivery of satisfactory Bruker BioSpin Group financial statements as of and for the periods ended September 30, 2007 and 2006 and the satisfactory completion by Bruker BioSciences of its financial, legal and business due diligence investigation of the Bruker BioSpin Group.

The special committee's advisors initially met with representatives of the Bruker BioSpin Group to commence their due diligence investigation on October 16, 2007. During the following weeks, the special committee's advisors met with Bruker BioSpin Group representatives on numerous occasions, reviewed legal and financial documents and conducted site visits at Bruker BioSpin Group facilities.

On behalf of the special committee, Dewey & LeBoeuf transmitted the initial draft of the U.S. stock purchase agreement on November 7, 2007, and on November 14, 2007 Dewey & LeBoeuf transmitted the initial drafts of the Swiss agreement and plan of merger and the German share purchase agreement. On November 19, 2007, the special committee received comments to the stock

purchase agreements and the merger agreement from the Bruker BioSpin Group owners. From November 19, 2007 to December 1, 2007, Dewey & LeBoeuf conducted numerous conference calls with representatives of the Bruker BioSpin Group owners and representatives of the special committee during which the comments of the parties were discussed and resolved.

On November 9, 2007, the special committee met with its advisors to receive an update on the progress of the due diligence efforts of Bear Stearns, Dewey & LeBoeuf and Pestalozzi Lachenal Patry.

On November 13, 2007, Bear Stearns presented to the special committee the preliminary results of its review of the financial aspects of the proposed combination. Also at that meeting, Dewey & LeBoeuf updated the special committee on their legal due diligence findings.

At a meeting of the special committee on November 16, 2007, Bruker BioSciences' financial management reported to the special committee its observations with respect to the internal controls, accounting policies and financial reporting function of the Bruker BioSpin Group.

On November 19, 2007, the special committee met to receive an update on the status of the negotiations and ongoing due diligence review of the Bruker BioSpin Group. Independent directors of Bruker BioSciences who were not members of the special committee also participated in the meeting. At that meeting, Bear Stearns presented a draft of its financial analysis related to the proposed acquisition of the Bruker BioSpin Group.

On November 30, 2007, the special committee met with its advisors to discuss the status of the negotiation of the transaction agreements.

On December 1, 2007, the Bruker BioSpin Group unaudited financial statements as of and for the periods ended September 30, 2007 and 2006 and the audited financial statements as of and for the periods ended December 31, 2006 and 2005 were distributed to the Bruker BioSciences board of directors.

On December 2, 2007, the special committee met with its advisors, representatives of Ernst & Young LLP, the independent auditors of the Bruker BioSpin Group, and representatives of Bruker BioSpin and Bruker BioSciences management to discuss the financial statements of the Bruker BioSpin Group and the results of the Ernst & Young audit of the annual statements and its review of the September 30, 2007 and 2006 statements. Independent directors of Bruker BioSciences who were not members of the special committee also participated in the meeting.

Also at this meeting, Bear Stearns delivered its oral opinion, which was subsequently confirmed in writing, that as of December 2, 2007, and based upon and subject to the assumptions, qualifications and limitations set forth in the written opinion, the aggregate consideration to be issued in the transactions was fair, from a financial point of view, to the holders of Bruker BioSciences shares, excluding the holders of Bruker BioSciences shares who also own shares of the Bruker BioSpin Group companies. Dewey & LeBoeuf provided a summary of the terms of the transaction. The special committee then voted unanimously to approve the transaction and to recommend its approval by the full board of Bruker BioSciences.

A meeting of the Bruker BioSciences board of directors was convened immediately after the adjournment of the special committee meeting, at which the special committee reported on its vote, after which the independent members of the board also unanimously voted in favor of the transaction and recommended that it be approved and adopted by the stockholders of Bruker BioSciences.

## Reasons for the Combination

The Bruker BioSciences board of directors and the Bruker BioSciences special committee considered a number of factors and additional benefits for Bruker BioSciences' stockholders that could result from the combination. These factors and potential benefits include:

The complementary nature of the businesses of Bruker BioSciences' subsidiaries, Bruker AXS, Bruker Daltonics and Bruker Optics, with that of the Bruker BioSpin Group would allow for potential strategic benefits, including enhancing Bruker BioSciences' position as a leading tools supplier for life science and materials research, offering a broader technology base, and providing an increased distribution, sales and service infrastructure;

Acquiring the Bruker BioSpin Group would allow Bruker BioSciences to increase its critical mass competitively and improve its worldwide geographical distribution coverage in the Americas, Europe and Asia;

The combined companies, with expected 2007 pro forma revenues of greater than \$900 million, together will be able to better leverage the excellent "Bruker" brand recognition among customers, and will make the combined company a large player in the analytical instruments and life-science tools industry; the nearly doubled larger overall combined company size may positively affect certain customer vendor selections in cases where customers prefer to buy from large companies in the industry.

The sales groups of Bruker BioSciences' subsidiaries and the Bruker BioSpin Group will be able to offer jointly each other's products, providing opportunities to supply customers with unique equipment packages that have a broader range of applications and value. In selected locations, Bruker BioSciences' products can be showcased together with the Bruker BioSpin Group's products, providing greater visibility to customers and emphasizing the synergies among the products;

The combination offers certain cost savings in areas of marketing through the use of joint representation at trade shows and other events. In addition, lead generation can increase for the integrated company as customer databases are integrated;

Joint R&D projects can offer opportunities to provide new solution strategies for customers;

The NMR technologies of the Bruker BioSpin Group and the accurate-mass electrospray time-of-flight (ESI-TOF) mass spectrometers of Bruker Daltonics are particularly complementary in small molecule analysis applications in metabolomics, nutritional research, toxicology, forensics, and small molecule biomarker research and validation;

The ultra-high field NMR technologies of the Bruker BioSpin Group and the single-crystal diffraction X-ray spectrometers of Bruker AXS are particularly complementary in small molecule and protein three-dimensional structure determination;

The combined Bruker BioSpin and Bruker Daltonics operating companies will post-closing explore a combined effort in clinical research systems, molecular diagnostics and molecular imaging, drawing primarily on NMR, research MRI and mass spectrometry technologies;

The established corporate governance, as well as the financial and controlling organizations of Bruker BioSciences, can assist the Bruker BioSpin Group in NASDAQ and SEC compliance, introduction of Sarbanes-Oxley control processes, etc. in a cost-effective manner, and without significant expected increases in the general and administrative expenses of the Bruker BioSpin Group;

The transaction on a pro forma basis is highly accretive for Bruker BioSciences shareholders for the year 2006 and for the nine-month period ending September 30, 2007;



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The debt leverage planned after the closing of the transaction and the funding of the planned senior credit facility is considered conservative, the interest spreads achieved are considered favorable, the planned debt push-down structure is considered reasonably tax effective, and the combined expected cash-flow profile of the combined companies is expected to allow steady interest payments and significant principal repayments over the five year term of the senior credit facility;

Various financial investors in Bruker BioSciences in 2007 have expressed a strong preference for a potential acquisition by Bruker BioSciences of the Bruker BioSpin Group, if done for a reasonable valuation and parameters; these financial investors, not affiliated with the shareholders of the Bruker BioSpin Group, urged the Bruker BioSciences management to pursue this transaction, as the investors expect additional opportunities to increase shareholder value from the combination; and

The oral opinion of Bear Stearns to the Bruker BioSciences special committee on December 2, 2007, subsequently confirmed by a written opinion, also dated December 2, 2007, that, as of December 2, 2007, and based upon and subject to the assumptions, qualifications, and limitations set forth therein, the aggregate consideration to be issued in the transactions was fair, from a financial point of view, to the holders of Bruker BioSciences shares, excluding the holders of Bruker BioSciences shares who also own shares of the Bruker BioSpin Group companies. The full text of Bear Stearns' written opinion, dated December 2, 2007, which sets forth the assumptions made, matters considered and limitations on the review undertaken by Bear Stearns, is attached as **Annex B** and is incorporated into this proxy statement by reference.

In addition, the Bruker BioSciences' board of directors took into consideration the unanimous recommendation of the Bruker BioSciences' special committee.

The Bruker BioSciences' board of directors and the Bruker BioSciences' special committee also identified a number of risks and uncertainties in its deliberations concerning the acquisition, including the following:

The need to integrate the Bruker BioSpin Group into Bruker BioSciences' financial and information systems;

The risk of diverting management focus and resources from other strategic opportunities and from operational matters while working to implement the combination;

The risk that the combination would not be consummated; and

The risks associated with incurring long-term debt obligations in connection with the financing of the transactions.

The foregoing discussion of the factors considered by the Bruker BioSciences board of directors and the special committee is not intended to be exhaustive but summarizes the material factors considered by the Bruker BioSciences board of directors and the special committee in making its recommendation. In view of the wide variety of factors considered by the Bruker BioSciences board of directors and special committee, neither found it practical to and did not quantify or assign any relative or specific weights to the preceding factors or determine that any factor was of particular importance, nor did it specifically characterize any factor as positive or negative, except as described above. The Bruker BioSciences board of directors and the special committee viewed its decision and recommendation as being based on the totality of the information presented. In addition, individual members of the Bruker BioSciences board of directors and the special committee may have given differing weights to differing factors and may have viewed certain factors more positively or negatively than others. Throughout its deliberations, the Bruker BioSciences board of directors and the special

committee consulted with Bruker BioSciences management and their respective legal and financial advisors.

The Bruker BioSciences board of directors and the special committee each concluded that certain of these risks could be managed or mitigated and others were unlikely to occur or have a material impact on the combined company or the transactions, and that, on balance, the potential benefits of the combination outweighed the risks of the combination. For these reasons, the Bruker BioSciences board of directors and the special committee determined the stock purchase agreements and the merger agreement and the transactions contemplated by them, including the issuance of Bruker BioSciences shares as a part of the consideration, are advisable, fair to and in the best interests of Bruker BioSciences and its stockholders, including unaffiliated stockholders, approved (or, in the case of the Bruker BioSciences special committee, recommended approval of) the U.S. stock purchase agreement, the German share purchase agreement and the Swiss merger agreement and recommended that holders of Bruker BioSciences common stock approve the transactions contemplated by the U.S. and German purchase agreements and the Swiss merger agreement, including the issuance of Bruker BioSciences common stock in connection with the combination with the Bruker BioSpin Group.

#### **Recommendation of the Board of Directors and Special Committee**

By unanimous vote of the Bruker BioSciences special committee, the Bruker BioSciences special committee determined that the U.S. stock purchase agreement, the German share purchase agreement and the Swiss merger agreement and the transactions contemplated by each of them, including the issuance of Bruker BioSciences shares as a part of the consideration for the combination, are advisable, fair to and in the best interests of Bruker BioSciences and its stockholders, including unaffiliated stockholders, voted to recommend approval of the U.S. and German purchase agreements and the Swiss merger agreement by the board of directors of Bruker BioSciences. By the unanimous vote of the members of the board of directors present at the board meeting and who voted on the transaction (all non-independent directors, namely Frank H. Laukien, Joerg Laukien, Bernhard Wangler and Richard Stein, recused themselves from voting) at the board meeting at which the transaction agreements were considered and voted upon, the Bruker BioSciences board of directors determined that the U.S. and German purchase agreements and the Swiss merger agreement as proposed and the transactions contemplated by them, including the combination and related issuance of shares, are advisable, fair to and in the best interests of Bruker BioSciences and its stockholders, approved the U.S. stock purchase agreement, the German share purchase agreement and the Swiss merger agreement and recommended that holders of Bruker BioSciences common stock vote FOR the transactions contemplated by the U.S. stock purchase agreement, the German share purchase agreement and the Swiss merger agreement, including the issuance of Bruker BioSciences common stock as part of the consideration for the combination with the Bruker BioSpin Group.

In considering the recommendation of the Bruker BioSciences board of directors with respect to the combination with the Bruker BioSpin Group and related issuance of shares, you should be aware that certain directors and executive officers of Bruker BioSciences may have interests in the combination that are different from, or are in addition to, the interests of Bruker BioSciences stockholders. Please see the section entitled "Interests of Certain Directors and Executive Officers in the Combination" that begins on page [44] of this proxy statement.

## Opinion of the Special Committee's Financial Advisor

### Overview

Pursuant to an engagement letter dated September 6, 2007, the Bruker BioSciences special committee retained Bear Stearns to act as its financial advisor with respect to a possible transaction with the Bruker BioSpin Group. In selecting Bear Stearns, the Bruker BioSciences special committee considered the fact that Bear Stearns is an internationally recognized investment banking firm with substantial experience advising companies in the healthcare industry as well as substantial experience providing strategic advisory services. Bear Stearns, as part of its investment banking business, is continuously engaged in the evaluation of businesses and their debt and equity securities in connection with mergers and acquisitions; underwritings, private placements and other securities offerings; senior credit financings; valuations; and general corporate advisory services.

At the December 2, 2007 meeting of the Bruker BioSciences special committee, Bear Stearns delivered its oral opinion, which was subsequently confirmed in writing, that, as of December 2, 2007, and based upon and subject to the assumptions, qualifications and limitations set forth in the written opinion, the aggregate consideration to be issued in the transactions was fair, from a financial point of view, to the holders of Bruker BioSciences shares, excluding the holders of Bruker BioSciences shares who also own shares in the Bruker BioSpin Group companies.

**The full text of Bear Stearns' written opinion is attached as Annex B to this proxy statement and you should read the opinion carefully and in its entirety. The opinion sets forth the assumptions made, some of the matters considered and qualifications to and limitations of the review undertaken by Bear Stearns. The Bear Stearns opinion, which was authorized for issuance by the Fairness Opinion and Valuation Committee of Bear Stearns, is subject to the assumptions and conditions contained in the opinion and is necessarily based on economic, market and other conditions and the information made available to Bear Stearns as of the date of the Bear Stearns opinion. Bear Stearns has no responsibility for updating or revising its opinion based on circumstances or events occurring after the date of the rendering of the opinion.**

In reading the discussion of the fairness opinion set forth below, you should be aware that Bear Stearns' opinion:

was provided to the Bruker BioSciences special committee for its benefit and use in connection with its consideration of the acquisition;

did not constitute a recommendation to the board of directors of Bruker BioSciences or the Bruker BioSciences special committee;

does not constitute a recommendation to any shareholder of Bruker BioSciences as to how to vote in connection with the acquisition of the Bruker BioSpin Group or otherwise; and

did not address Bruker BioSciences' underlying business decision to pursue the acquisition of the Bruker BioSpin Group, the relative merits of the acquisition as compared to any alternative business or financial strategies that might exist for Bruker BioSciences, the financing of the acquisition or the effects of any other transaction in which Bruker BioSciences might engage.

Bruker BioSciences did not provide specific instructions to, or place any limitations on, Bear Stearns with respect to the procedures to be followed or factors to be considered by it in performing its analyses or providing its opinion.

In connection with rendering its opinion, Bear Stearns:

reviewed drafts of the transaction agreements in substantially final form;

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reviewed the Bruker BioSpin Group's restated Combined Financial Statements for the years ended December 31, 2004, 2005 and 2006, as audited by Ernst & Young LLP, and its Combined Financial Statements for the nine months ended September 30, 2006 and 2007, as reviewed by Ernst & Young LLP;

reviewed Bruker BioSciences' Annual Reports to Shareholders and Annual Reports on Form 10-K for the years ended December 31, 2004, 2005 and 2006, its Quarterly Reports on Form 10-Q for the periods ended March 31, 2007, June 30, 2007 and September 30, 2007 and its Current Reports on Form 8-K filed since December 31, 2006;

reviewed certain operating and financial information relating to the Bruker BioSpin Group's business and prospects, including projections for the five years ended December 31, 2012, all as prepared and provided to us by Bruker BioSpin Group's management (which are referred to as the Bruker BioSpin Group projections);

met with certain members of the Bruker BioSpin Group's senior management to discuss the Bruker BioSpin Group's business, operations, historical financial results and future prospects and the Bruker BioSpin Group projections;

reviewed certain operating and financial information relating to Bruker BioSciences' and the Bruker BioSpin Group's businesses and prospects, including projections for each of Bruker BioSciences and the Bruker BioSpin Group for the five years ended December 31, 2012, all as prepared and provided to us by Bruker BioSciences' management (which are referred to as the Bruker BioSciences projections and the adjusted Bruker BioSpin Group projections, respectively);

reviewed certain estimates of revenue enhancements, cost savings and other combination benefits expected to result from the transaction, all as prepared and provided to us by Bruker BioSciences' management (which are referred to as the potential synergies);

met with certain members of Bruker BioSciences' senior management to discuss Bruker BioSciences' and the Bruker BioSpin Group's businesses, operations, historical financial results and future prospects, the Bruker BioSciences projections, the Bruker BioSpin Group projections, the adjusted Bruker BioSpin Group projections and the potential synergies;

reviewed the historical prices, trading multiples and trading volume of the common stock of Bruker BioSciences;

reviewed certain publicly available financial data, stock market performance data and trading multiples of companies which we deemed generally comparable to Bruker BioSciences and the Bruker BioSpin Group;

reviewed the terms of certain relevant mergers and acquisitions involving companies which we deemed generally comparable to the Bruker BioSpin Group;

performed discounted cash flow analyses based on the Bruker BioSciences projections, the adjusted Bruker BioSpin Group projections and the pro forma combined projections of Bruker BioSciences and the Bruker BioSpin Group including the potential synergies;

reviewed the pro forma financial results, financial condition and capitalization of Bruker BioSciences, giving effect to the transaction; and

conducted such other studies, analyses, inquiries and investigations as we deemed appropriate.

In connection with rendering its opinion, Bear Stearns further noted that:

Bear Stearns relied upon and assumed, without independent verification, the accuracy and completeness of the financial and other information provided to or discussed with it by Bruker

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BioSciences and the Bruker BioSpin Group or obtained by Bear Stearns from public sources, including, without limitation, the Bruker BioSciences projections, the Bruker BioSpin Group projections, the adjusted Bruker BioSpin Group projections and the potential synergies referred to above.

With respect to the Bruker BioSciences projections, the Bruker BioSpin Group projections, the adjusted Bruker BioSpin Group projections and the potential synergies, Bear Stearns relied on representations that they had been reasonably prepared on bases reflecting the best then-currently available estimates and judgments of the senior management of Bruker BioSciences and the Bruker BioSpin Group, as the case may be, as to the expected future performance of Bruker BioSciences and the Bruker BioSpin Group.

Bear Stearns did not assume any responsibility for the independent verification of any information referred to above, including, without limitation, the Bruker BioSciences projections, the Bruker BioSpin Group projections, the adjusted Bruker BioSpin Group projections and the potential synergies, Bear Stearns expressed no view or opinion as to the Bruker BioSciences projections, the Bruker BioSpin Group projections, the adjusted Bruker BioSpin Group projections and the potential synergies and the assumptions upon which they were based and Bear Stearns further relied upon the assurances of the senior management of Bruker BioSciences and the Bruker BioSpin Group, as the case may be, that they were unaware of any facts that would have made the information, the Bruker BioSciences projections, the Bruker BioSpin Group projections, the adjusted Bruker BioSpin Group projections and the potential synergies incomplete or misleading.

In arriving at its opinion, Bear Stearns did not perform or obtain any independent appraisal of the assets or liabilities (contingent or otherwise) of Bruker BioSciences and the Bruker BioSpin Group, nor was Bear Stearns furnished with any such appraisals.

Bear Stearns assumed that the transactions contemplated by the transaction agreements will be consummated in a timely manner and in accordance with the terms of the transaction agreements without any limitations, restrictions, conditions, amendments or modifications, regulatory or otherwise, that collectively would have a material effect on Bruker BioSciences or the Bruker BioSpin Group, and that the final form of the transaction agreements were substantially similar to the last drafts reviewed by it.

Bear Stearns is not a legal, regulatory, tax or accounting expert and has relied on the assessments made by Bruker BioSciences, the Bruker BioSpin Group and their respective advisors with respect to these issues.

Bear Stearns did not express any opinion as to the price or range of prices at which the shares of common stock of Bruker BioSciences may trade subsequent to the announcement or consummation of the acquisition.

### **Summary of Financial Analyses**

The following is a summary of the principal financial and valuation analyses performed by Bear Stearns and presented to the Bruker BioSciences special committee and Bruker BioSciences' board of directors in connection with rendering its fairness opinion.

Some of the financial and valuation analyses summarized below include summary data and information presented in tabular format. In order to understand fully the financial and valuation analyses, the summary data and tables must be read together with the full text of the summary. Considering the summary data and tables alone could create a misleading or incomplete view of Bear Stearns' financial and valuation analyses.

*Transaction Overview*

Based on the purchase price of approximately \$388.0 million in cash and 57,544,872 Bruker BioSciences shares, Bear Stearns calculated the implied equity value and enterprise value of the Bruker BioSpin Group based on Bruker BioSciences closing share price of \$9.29 on November 30, 2007.

<b><i>Bruker BioSpin Group Implied Equity and Enterprise Value (\$ in millions, except share and per share data)</i></b>	
Bruker BioSciences shares issued in transaction	57,544,872
Multiplied by Bruker BioSciences closing share price on November 30, 2007	\$ 9.29
	<hr/>
Implied value of Bruker BioSciences shares issued in transaction	\$ 534.6
Plus:Cash consideration in transaction	388.0
	<hr/>
<b>Implied equity value</b>	<b>\$ 922.6</b>
Plus:Debt and capital leases outstanding at September 30, 2007	9.7
Plus:Swiss tax audit exposure (as estimated by Bruker BioSciences management)	1.3
Plus:Pre-closing dividend to Bruker BioSpin Group shareholders	67.3
Minus:Cash, cash equivalents and short-term investments at September 30, 2007	(281.6)
	<hr/>
<b>Implied enterprise value</b>	<b>\$ 719.2</b>

*Bear Stearns' Financial Analyses*

*Comparable Public Companies Analysis.* Bear Stearns performed a comparable public companies analysis to assist the Bruker BioSciences' special committee in valuing the Bruker BioSpin Group based on various financial multiples of selected comparable public companies in the life science instrumentation industry. In performing this analysis, Bear Stearns reviewed certain financial information relating to the Bruker BioSpin Group and compared this information to the corresponding financial information of publicly-traded life science instrumentation companies which Bear Stearns deemed to be generally comparable to the Bruker BioSpin Group.

Bear Stearns compared the projected financial performance and the resulting multiples as of November 30, 2007 of Bruker BioSciences and the resulting multiples of the Bruker BioSpin Group at the implied purchase price in the transaction of \$922.6 million, based on BioSciences closing share price of \$9.29 on November 30, 2007, to nine publicly traded life science instrumentation companies, which it deemed generally comparable to the Bruker BioSpin Group. Based on the comparability of business dynamics relative to the Bruker BioSpin Group including market focus, customer focus, geographic mix, business mix and projected growth rates, among other things, Bear Stearns divided the nine publicly traded companies into a Tier 1 set consisting of five publicly traded companies and a Tier 2 set consisting of four publicly traded companies as follows:

<b>Tier 1</b>	<b>Tier 2</b>
<hr/> Thermo Fisher Scientific Waters Corporation Applied Biosystems Group PerkinElmer, Inc. Varian, Inc.	<hr/> Agilent Technologies, Inc. Mettler-Toledo International Inc. Techne Corporation Dionex Corporation

Using publicly available information and market data as of November 30, 2007, and in the case of Bruker BioSciences (Management) and the Bruker BioSpin Group, information based on Bruker BioSciences management estimates and using Wall Street research projections for revenue and EBITDA and consensus estimates for EPS and EPS Growth for Bruker BioSciences (Wall Street) and the above comparable companies, Bear Stearns calculated the following harmonic mean multiples for

the above public comparable companies and compared the results to Bruker BioSciences at market and the Bruker BioSpin Group at deal price:

<i>Comparable Company Harmonic Mean Multiples:</i>	Tier 1		Tier 2	
	2007E	2008E	2007E	2008E
Enterprise Value/Revenue	2.75x	2.54x	3.82x	3.56x
Enterprise Value/EBITDA	14.2	12.6	17.1	15.5
Enterprise Value/EBITDA/Growth Rate	1.10		1.66	
Share Price/EPS	24.4	21.1	27.3	23.6
Share Price/EPS/Growth Rate		1.47		1.64

  

<i>Bruker BioSciences at Market Multiples:</i>	Management		Wall Street	
	2007E	2008E	2007E	2008E
Enterprise Value/Revenue	2.06x	1.87x	1.93x	1.73x
Enterprise Value/EBITDA	17.1	14.2	16.8	14.0
Enterprise Value/EBITDA/Growth Rate	0.82		0.82	
Share Price/EPS	35.9	28.9	36.1	26.7
Share Price/EPS/Growth Rate		1.00		0.89

  

<i>Bruker BioSpin Group at Deal Multiples:</i>	2007E	2008E
Enterprise Value/Revenue	1.55x	1.45x
Enterprise Value/EBITDA	8.0	7.5
Enterprise Value/EBITDA/Growth Rate	1.12	
Equity Value/Net Income	15.8	13.8
Equity Value/Net Income/Growth Rate		1.50

"Harmonic mean" is calculated by taking the inverse of the average reciprocals of the multiples and gives equal weight to equal dollar investments in the securities whose ratios are being averaged. Bear Stearns utilizes the harmonic mean in averaging ratios in which price is the numerator. "Enterprise Value" is calculated as the sum of the value of the common equity on a fully diluted basis and the value of net debt, any minority interest and preferred stock. "EBITDA" is a company's earnings before interest, taxes, depreciation and amortization. "EPS" is a company's earnings per share. "Growth Rate" for EBITDA is the 2007 to 2008 growth in EBITDA. "Growth Rate" for EPS and net income is the consensus long term growth rate as provided by First Call for Bruker BioSciences and the comparable companies, and for Bruker BioSciences (Management) and the Bruker BioSpin Group, the compounded annual growth rate from 2008 to 2012 in projected net income based on Bruker BioSciences management estimates. "Bruker BioSciences at Market" is defined as Bruker BioSciences' enterprise value and share price based on the closing share price of the Bruker BioSciences common stock as of November 30, 2007. "Bruker BioSpin Group at Deal" is defined as the Bruker BioSpin Group's implied enterprise value and equity value based on the purchase price in the transaction of approximately \$388 million in cash and 57,544,872 Bruker BioSciences shares and Bruker BioSciences closing share price on November 30, 2007 and the value of net debt, the pre-closing dividend to the sellers and an estimated tax exposure.

*Precedent M&A transaction Analysis.* Bear Stearns performed a precedent transactions analysis to assist the Bruker BioSciences' special committee in valuing the Bruker BioSpin Group based on various financial multiples of selected comparable precedent transactions in the life science instrumentation industry. In performing this analysis, Bear Stearns reviewed certain financial information relating to the Bruker BioSpin Group and compared this information to the corresponding financial information of precedent transactions involving life science instrumentation companies which Bear Stearns deemed to be generally comparable to the Bruker BioSpin Group.

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Bear Stearns compared the financial performance and the resulting multiples of the Bruker BioSpin Group's enterprise value and equity value based on the purchase price in the transaction to six precedent transactions involving life science instrumentation companies, which it deemed generally comparable to the Bruker BioSpin Group. Such comparable precedent transactions consisted of:

Date Announced	Target/Acquiror
01/29/07	Molecular Devices Corp. / MDS Inc.
06/20/06	Biacore International / GE Healthcare Ltd.
04/17/06	Bruker Optics Inc. / Bruker BioSciences
06/13/05	SPECTRO Beteiligungs GmbH / AMETEK, Inc.
01/19/05	Kendro Laboratory Products division of SPX Corporation / Thermo Electron Corporation
04/07/03	Bruker AXS / Bruker Daltonics

Using publicly available information, and in the case of the Bruker BioSpin Group, information based on Bruker BioSciences management estimates for the years ending December 31, 2007, 2008 and 2009 and using Wall Street research projections for revenue, EBITDA and net income for the above target companies, Bear Stearns calculated the following harmonic mean multiples for the above comparable precedent transactions:

	Latest Twelve Months	Current Year	Current Year + 1
<b><i>Precedent transactions Harmonic Mean Multiples:</i></b>			
Enterprise Value/Revenue	1.41x	1.27x	0.95x
Enterprise Value/EBITDA	11.6	9.0	6.5
Enterprise Value/EBITDA/Growth Rate	0.42		
Equity Value/Net Income		20.9	15.4
Equity Value/Net Income/Growth Rate		1.09	
<b><i>Bruker BioSpin Group/Bruker BioSciences at Deal Multiples:</i></b>			
Enterprise Value/Revenue	1.55x	1.45x	1.37x
Enterprise Value/EBITDA	8.0	7.5	7.3
Enterprise Value/EBITDA/Growth Rate	1.12		
Equity Value/Net Income		13.8	13.1
Equity Value/Net Income/Growth Rate		1.50	

**Discounted Cash Flow Analysis.** Based on cash flow projections for Bruker BioSciences, the Bruker BioSpin Group and the potential synergies expected to result in the transaction all as prepared by Bruker BioSciences, Bear Stearns performed a discounted cash flow analysis to assist the Bruker BioSciences special committee in valuing the Bruker BioSpin Group, Bruker BioSciences and the pro forma combined company.

In performing its discounted cash flow analysis:

Bear Stearns estimated Bruker BioSciences' weighted average cost of capital to be within a range of 11.0-13.0% based on, among other factors, (i) a review of Bruker BioSciences' Bloomberg five-year historical adjusted beta, its Bloomberg two-year historical adjusted beta and its then-current Barra predicted beta (with a bias toward more recent historical and predicted data to more appropriately reflect Bruker BioSciences' risk profile going forward) as well as similar beta information for the comparable companies, (ii) Bear Stearns' estimate of the US equity risk premium, (iii) Bruker BioSciences' assumed target capital structure on a prospective basis and (iv) Bear Stearns' investment banking and capital markets judgment and experience in valuing companies similar to Bruker BioSciences.

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Bear Stearns estimated the Bruker BioSpin Group's weighted average cost of capital to be within a range of 10.5-12.5% based on, among other factors, (i) a review of the Bloomberg five-year historical adjusted beta, Bloomberg two-year historical adjusted beta and then-current Barra predicted betas for the comparable companies, (ii) Bear Stearns' estimate of the US equity risk premium, (iii) the Bruker BioSpin Group's assumed target capital structure on a prospective basis and (iv) Bear Stearns' investment banking and capital markets judgment and experience in valuing companies similar to the Bruker BioSpin Group.

In calculating Bruker BioSciences' and the Bruker BioSpin Group's terminal values for purposes of its discounted cash flow analyses, Bear Stearns used a reference range of terminal enterprise value/trailing EBITDA multiples (based on estimated 2012 EBITDA) of 8.0 to 10.0x. The terminal values implied by the aforementioned terminal multiple reference ranges were cross-checked for reasonableness by reference to implied perpetual growth rates in the terminal year free cash flow.

For the potential synergies, Bear Stearns estimated the discount rate to be within a range of 10.5-12.5% and in calculating terminal value for purposes of its discounted cash flow analyses, Bear Stearns used a reference range of perpetual growth rates in terminal free cash flow of 2.0-4.0%.

Discounted cash flow valuations were calculated for the Bruker BioSpin Group on a stand-alone basis using the adjusted Bruker BioSpin Group projections, both including and excluding potential synergies. Bear Stearns derived a range of implied equity values for the Bruker BioSpin Group as follows:

(\$ in millions)	Range	
	Low	High
<b>Bruker BioSpin Group</b>		
Excluding Potential Synergies	\$ 1,062	\$ 1,282
Including Potential Synergies	1,172	1,415

The ranges of implied equity values in the table above compare to the implied purchase price of \$922.6 million based on Bruker BioSciences' closing share of \$9.29 on November 30, 2007.

Discounted cash flow valuations were also calculated for Bruker BioSciences on a stand-alone basis using the Bruker BioSciences projections and for the pro forma combined company both including and excluding the potential synergies.

Bear Stearns derived a range of implied equity values per share for Bruker BioSciences and the pro forma combined company as follows:

	Range	
	Low	High
<b>Bruker BioSciences</b>		
Stand-alone	\$ 8.97	\$ 11.38
<b>Combined Company</b>		
Excluding Potential Synergies	\$ 9.85	\$ 12.74
Including Potential Synergies	10.51	13.54

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*Pro Forma Transaction Analysis.* Bear Stearns performed a pro forma transaction analysis to assist the Bruker BioSciences special committee in analyzing the financial impact of the transaction on Bruker BioSciences. Bear Stearns reviewed and analyzed certain pro forma financial impacts of the transaction on holders of Bruker BioSciences based on the following, among other items:

a purchase price of approximately \$388.0 million in cash and 57,544,872 Bruker BioSciences shares;

the financial projections provided to Bear Stearns by the management of Bruker BioSciences for both Bruker BioSciences and the Bruker BioSpin Group and the potential synergies; and

an assumption for analytical purposes that there would be no financial statement impact of potential restructuring costs or other one-time costs associated with the transaction and that the transaction was effective as of January 1, 2008.

The following table shows the projected per share accretion / (dilution) to Bruker BioSciences' standalone earnings, including and excluding the potential synergies for the years presented.

<b>Accretion / (Dilution) to Bruker BioSciences' Earnings per Share</b>	<b>2008E</b>	<b>2009E</b>	<b>2010E</b>
Including Potential Synergies	\$ 0.25	\$ 0.24	\$ 0.22
Excluding Potential Synergies	0.22	0.21	0.19

### Other Considerations

The preparation of a fairness opinion is a complex process and involves various judgments and determinations as to the most appropriate and relevant assumptions and financial and valuation analyses and the application of those methods to the particular circumstances involved. A fairness opinion is therefore not readily susceptible to partial analysis or summary description, and taking portions of the analyses set out above, without considering the analysis as a whole, would in the view of Bear Stearns create an incomplete and misleading picture of the processes underlying the analyses considered in rendering the Bear Stearns opinion. In arriving at its opinion, Bear Stearns:

Based its analyses on assumptions that it deemed reasonable, including assumptions concerning general business and economic conditions, capital markets considerations and industry-specific and company-specific factors.

Did not form a view or opinion as to whether any individual analysis or factor, whether positive or negative, considered in isolation, supported or failed to support the Bear Stearns opinion.

Considered the results of all its analyses and did not attribute any particular weight to any one analysis or factor.

Arrived at its ultimate opinion based on the results of all analyses undertaken by it and assessed as a whole and believed that the totality of the factors considered and analyses performed by Bear Stearns in connection with its opinion operated collectively to support its determination as to the fairness, from a financial point of view, to the holders of Bruker BioSciences shares, excluding the holders of Bruker BioSciences shares who also own shares in the Bruker BioSpin Group companies, of the aggregate consideration to be issued in the transactions.

Bear Stearns also noted that:

The analyses performed by Bear Stearns, particularly those based on estimates and projections, are not necessarily indicative of actual values or actual future results, which may be significantly more or less favorable than suggested by these analyses.

None of the public companies used in the comparable company analysis described above are identical to Bruker BioSciences or Bruker BioSpin, and none of the precedent merger and

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acquisition transactions used in the precedent transactions analysis described above are identical to the acquisition.

Accordingly, the analyses of publicly traded comparable companies and precedent merger and acquisition transactions is not mathematical; rather, such analyses involve complex considerations and judgments concerning the differences in financial, operating and capital markets-related characteristics and other factors regarding the companies and precedent merger and acquisition transactions to which Bruker BioSpin and the acquisition were compared.

The analyses performed by Bear Stearns do not purport to be appraisals or to reflect the prices at which any securities may trade at the present time or at any time in the future.

The type and amount of consideration payable in the acquisition were determined through negotiations between Bruker BioSciences and Bruker BioSpin and were approved by the Bruker BioSciences special committee and board of directors. The decision to enter into the transaction agreements was solely that of the Bruker BioSciences special committee and board of directors. The Bear Stearns opinion was just one of the many factors taken into consideration by the Bruker BioSciences special committee and board of directors. Consequently, Bear Stearns' analyses should not be viewed as determinative of the decisions of the Bruker BioSciences special committee and board of directors with respect to the fairness, from a financial point of view, to the holders of Bruker BioSciences shares, excluding the holders of BioSciences shares who also own shares in the Bruker BioSpin Group companies, of the aggregate consideration to be issued in the transactions.

Pursuant to the terms of Bear Stearns' engagement letter, Bruker BioSciences has agreed to pay Bear Stearns a customary transaction fee, a substantial portion of which is payable upon consummation of the transaction contemplated by the transaction agreements. A portion of Bear Stearns' compensation was paid upon delivery of its letter and may be credited against the fee payable upon consummation of the acquisition. In addition, Bruker BioSciences has agreed to reimburse Bear Stearns for certain expenses and to indemnify Bear Stearns against certain liabilities arising out of Bear Stearns' engagement.

Bear Stearns has previously been engaged by Bruker BioSciences to provide certain investment banking and other services on matters unrelated to the acquisition, for which Bear Stearns has received customary fees. Bear Stearns may seek to provide Bruker BioSciences and its respective affiliates with certain investment banking and other services unrelated to the acquisition in the future.

Consistent with applicable legal and regulatory requirements, Bear Stearns has adopted certain policies and procedures to establish and maintain the independence of Bear Stearns' research departments and personnel. As a result, Bear Stearns' research analysts may hold views, make statements or investment recommendations and/or publish research reports with respect to Bruker BioSciences, the acquisition and other participants in the acquisition that differ from the views of Bear Stearns' investment banking personnel.

In the ordinary course of business, Bear Stearns and its affiliates may actively trade (for its own account and for the accounts of its customers) certain equity and debt securities, bank debt and/or other financial instruments issued by Bruker BioSciences and its affiliates, as well as derivatives thereof, and, accordingly, may at any time hold long or short positions in these securities, bank debt, financial instruments and derivatives.

### Sources of Funds

Bruker BioSciences estimates that the total amount of funds necessary to consummate the combination (including payment of the aggregate cash consideration) will be approximately \$398.7 million, which includes \$388 million to be paid to shareholders of the Bruker BioSpin Group companies, and the remainder to be applied to pay related fees and expenses in connection with the

transactions and the financing arrangements. These payments are expected to be funded from Bruker BioSciences' available cash, together with a debt financing which Bruker BioSciences expects will be substantially on the terms described below. In connection with the execution and delivery of the stock purchase agreements and the merger agreement, Bruker BioSciences has entered into a commitment letter with J.P. Morgan Securities Inc. and Citibank, N.A. Under this commitment letter, the lenders have proposed to provide up to \$380 million in debt financing to Bruker BioSciences, consisting of (i) a term loan facility in an aggregate principal amount of \$150 million and (ii) a revolving credit facility in an aggregate principal amount of \$230 million, a portion of which will be available as a letter of credit subfacility. Advances under the credit facilities will be available to finance the combination, to pay related fees, costs and expenses in connection with these transactions and to fund the general working capital needs of Bruker BioSciences and its subsidiaries following the combination. Bruker BioSciences' material direct and indirect subsidiaries will guarantee all obligations of Bruker BioSciences, subject to tax considerations and financial assurance limitations, as applicable. In addition, the credit facilities will be secured by all of the capital stock of Bruker BioSciences' domestic subsidiaries and by 65% of the capital stock of various of our foreign subsidiaries. The credit facilities contemplated by the commitment letter are subject to customary closing conditions, including, among others:

the execution of definitive credit documentation satisfactory to the lenders;

accounting due diligence and the receipt of specified financial statements of Bruker BioSciences;

satisfactory due diligence review of Bruker BioSciences and the Bruker BioSpin Group; and

receipt of customary closing documents.

As of the date of this proxy statement, no alternative financing arrangements or alternative financing plans have been made in the event this financing is not available as anticipated. The documentation governing the financing has not been finalized and, accordingly, the actual terms may differ from those described in this proxy statement.

#### **Interests of Certain Directors and Executive Officers in the Combination**

In considering the recommendation of the board of directors of Bruker BioSciences to vote for the proposals to approve the combination with the Bruker BioSpin Group and the issuance of shares of Bruker BioSciences common stock as part of the consideration for the combination, stockholders of Bruker BioSciences should be aware that some Bruker BioSciences executive officers and directors may have interests in the acquisition that may be different from, or in addition to, those of Bruker BioSciences stockholders.

Following the combination with the Bruker BioSpin Group, Frank H. Laukien, our president, chief executive officer and chairman of the board, and Dirk D. Laukien, currently Bruker BioSciences' senior vice president, will continue in their roles at Bruker BioSciences and as co-chief executive officers of our Bruker BioSpin subsidiaries. If elected by stockholders at the Special Meeting, Dirk Laukien will also become a director of Bruker BioSciences. Joerg Laukien, currently a director of Bruker BioSciences and European chief operating officer of the Bruker BioSpin Group, will continue as European chief operating officer of our Bruker BioSpin subsidiary upon completion of the combination.

In addition to their respective roles as executive officers and directors, Frank Laukien, Dirk Laukien and Joerg Laukien each own stock in both Bruker BioSciences and the companies of the Bruker BioSpin Group. The Bruker BioSpin Group Shareholders control 100% of the shares of the Bruker BioSpin Group, and will receive all of the consideration issued by Bruker BioSciences as a result of the transactions discussed in this proxy statement.

If the acquisition of the Bruker BioSpin Group is approved by stockholders, our directors and officers who are also Bruker BioSpin Group shareholders will receive different amounts of cash and stock as consideration in exchange for their interests in the Bruker BioSpin Group companies. Frank Laukien will receive \$69.7 million of cash and 10,034,387 Bruker BioSciences shares which, as of December 5, 2007, have a market value of approximately \$122.7 million. Joerg Laukien will receive \$72.9 million of cash and 10,789,664 Bruker BioSciences shares which, as of December 5, 2007, have a market value of approximately \$132.0 million. Dirk Laukien will receive \$72.9 million of cash and 10,789,664 Bruker BioSciences shares which, as of December 5, 2007, have a market value of approximately \$132.0 million.

Upon the completion of the purchases of Bruker BioSciences common stock pursuant to the cash-stock exchange agreement among Isolde Laukien-Kleiner, Marc Laukien, Frank Laukien and Robyn Laukien, and giving effect to the resulting reallocation of cash and share proceeds, Frank Laukien will have received net cash consideration of \$19.2 million and 15,554,574 Bruker BioSciences shares which, as of December 5, 2007, have a market value of approximately \$190.2 million. Also after giving effect to this agreement, Joerg Laukien will have received net cash consideration of \$68.6 million and 11,258,741 Bruker BioSciences shares which, as of December 5, 2007, have a market value of approximately \$137.7 million. Under a separate cash-stock exchange agreement, completion of which is subject to certain conditions, Frank Laukien may purchase from Dirk Laukien an additional 1,219,733 shares of Bruker BioSciences common stock for approximately \$11.1 million. If this transfer is completed, Frank Laukien will have received net cash consideration of \$8.1 million and 16,774,307 Bruker BioSciences shares which, as of December 5, 2007, have a market value of approximately \$205.1 million. If this transfer is completed, Dirk Laukien will have received net cash consideration of \$84.0 million and 9,569,530 Bruker BioSciences shares which, as of December 5, 2007, have a market value of approximately \$117.0 million. The cash-stock exchange agreements are more fully described below in the section of this proxy statement under the heading "*Cash-Stock Exchange Agreements*" on page [47].

As of December 5, 2007, the directors and executive officers of Bruker BioSciences beneficially owned 40,447,364 shares, including stock options exercisable within 60 days of December 5, 2007, representing approximately 39% of the outstanding shares of Bruker BioSciences common stock.

For additional information relating to affiliations of various Bruker BioSciences officers, directors and stockholders, you should read the section entitled "Certain Relationships and Related Party Transactions of Bruker BioSciences" beginning on page [105].

The Bruker BioSciences board of directors was aware of these interests during its deliberation of the merits of the combination and in determining to recommend to the stockholders of Bruker BioSciences that they vote for the proposal to approve the transactions contemplated by the U.S. stock purchase agreement, the German share purchase agreement and the Swiss merger agreement, including the related issuance of shares of Bruker BioSciences common stock.

### **Completion and Effectiveness of the Combination**

The combination will be completed when and if all of the conditions to the completion of the transactions are satisfied or waived.

We are working toward completing the combination as quickly as possible. We expect to complete the combination during the first calendar quarter of 2008.

### **Structure of the Transaction and Operations Post-Combination**

The combination is structured so that (a) Bruker BioSciences will purchase all of the outstanding stock of Bruker BioSpin Inc., Bruker Physik and Techneon from the shareholders of BioSpin Inc.,

Bruker Physik and Techeon, respectively, in a private placement, and (b) Bruker BioSciences, through a reverse triangular merger agreement with Bruker BioSpin Invest, will indirectly acquire the equity of the Bruker BioSpin Invest shareholders. Consideration for the shares of the companies of the Bruker BioSpin Group will consist of a combination of cash and shares of Bruker BioSciences common stock. Bruker BioSciences intends to operate the Bruker BioSpin Group as a wholly owned operation alongside Bruker Daltonics, Bruker AXS and Bruker Optics.

#### **Material United States Federal Income Tax Consequences of the Combination**

The acquisitions are not expected to result in any material U.S. federal income tax consequences for Bruker BioSciences stockholders, other than for the owners of Bruker BioSciences shares who are also owners of shares of the Bruker BioSpin Group.

#### **Accounting Treatment of the Acquisition**

The combination represents a business combination of companies under common control due to the majority ownership of all companies by the Bruker BioSpin Group Shareholders as an affiliated stockholder group. As a result, the combination will be accounted for at historical carrying value.

#### **Regulatory Matters**

We have summarized below the material regulatory requirements affecting the combination. Although we have not yet received all of the required approvals we discuss, we anticipate that we will receive regulatory approvals sufficient to complete the combination during the first calendar quarter of 2008.

*Antitrust Considerations.* The stock purchase of Bruker BioSpin Inc. is subject to the requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, which prevents certain merger or acquisition transactions from being completed until required information and materials are furnished to the Antitrust Division of the Department of Justice and the Federal Trade Commission and specified waiting periods are terminated or expire. Bruker BioSciences and Bruker BioSpin Inc. intend to file the required information and materials to notify the Department of Justice and the Federal Trade Commission of the combination during December 2007. The applicable HSR waiting period will expire during January 2008.

The Antitrust Division of the Department of Justice or the Federal Trade Commission may challenge on antitrust grounds, regardless of the fact that the waiting period expired without comment. Accordingly, at any time before or after the completion of this stock purchase, either the Antitrust Division of the Department of Justice or the Federal Trade Commission could take action under the antitrust laws as it deems necessary or desirable in the public interest, or other persons could take action under the antitrust laws, including seeking to enjoin this stock purchase or seeking the divestiture of substantial assets of one of the parties to this stock purchase. Additionally, at any time before or after this stock purchase, notwithstanding that the applicable waiting period expired or was terminated, a private party (including an individual state) may seek to take action under the antitrust laws as it deems necessary or desirable in the public interest. Although we do not expect any conditions to be imposed by the Antitrust Division or the Federal Trade Commission, there can be no assurance that a challenge to this stock purchase will not be made or that, if a challenge is made, we will prevail.

#### **No Appraisal Rights**

There are no rights of appraisal or similar rights of dissenters with respect to any matter to be acted upon under this proxy statement. Delaware law does not require that holders of Bruker BioSciences common stock who object to the share issuance and the transactions, and who vote against

or abstain from voting in favor of the issuance and the transactions, be afforded any appraisal or dissenters' rights or the right to receive cash for their shares.

### **Foreign Regulatory Requirements**

Bruker BioSciences is not aware of any material foreign governmental approvals or actions that are required to complete the combination. Bruker BioSciences and the Bruker BioSpin Group conduct operations in a number of foreign countries, some of which have voluntary and/or post-acquisition notification systems. Should any approval or action be required, Bruker BioSciences and the Bruker BioSpin Group currently plan to seek the approval or take the action required. Failure to obtain the approval or take the action is not anticipated to have a material effect on the combination or on Bruker BioSciences.

The transactions are subject to a binding ruling by the three relevant Swiss tax authorities, comprised of the Federal Tax Authorities and the cantonal Tax Authorities of the Cantons of Zurich and Zug, that the amount of withholding taxes required under Swiss law as a result of the transactions will be based on a minimum pre-merger dividend under Swiss law set at \$50 million with withholding taxes imposed at a rate of 35% subject to a 20% tax refund. For purposes of obtaining the binding ruling, submitted on November 19, 2007 to the Swiss Federal Tax Authorities for their review were information and materials pertaining to (i) the pre-merger dividend to be distributed; (ii) the acquisition of BBIO Invest AG (Zug) by Bruker BioSciences; and (iii) the upstream merger of BBIO-AG (Zuerich) with and into BBIO Invest AG (Zug). BBIO Invest AG (Zug) is a holding company that contains various of the foreign distribution companies of the Bruker BioSpin Group. BBIO-AG (Zuerich) is a subsidiary of Bruker BioSpin Invest AG, and is the main production and research and development center of the Bruker BioSpin Group, focusing on the development and production of superconducting magnets, radio-frequency electronics, micro-imaging cryogenic and conventional probes, and high throughput automation solutions. BBIO-AG (Zuerich) also provides applications and engineering support for customers in Switzerland and a number of other countries.

A fully executed favorable binding ruling from the relevant Swiss federal and cantonal tax authorities was received on November 28, 2007 adopting a minimum pre-merger dividend set at \$50 million.

### **Restrictions on Sales of Shares Issued In Connection with the Combination**

The shares of Bruker BioSciences common stock to be issued in connection with the combination will not be registered under the Securities Act of 1933 and they will not be freely transferable under the Securities Act. Shareholders of the Bruker BioSpin Group receiving shares of Bruker BioSciences common stock in the transactions may sell these shares pursuant to any applicable exemption under the Securities Act except that, pursuant to the terms of the transaction agreements, they are prohibited from selling the shares for a period of one year after the closing date of the transactions, except for various permitted transfers of stock from one Bruker BioSpin Group Shareholder to another.

### **Cash-Stock Exchange Agreements**

In connection with the execution of the three transaction agreements, and in order to allow each of the Bruker BioSpin Group Shareholders to achieve the desired proportions of proceeds in cash and stock from the proposed transactions, the Bruker BioSpin Group Shareholders entered into cash-stock exchange agreements among themselves.

Dirk Laukien and Frank Laukien have entered into a cash-stock exchange agreement under which, if at any time within the one year period immediately following the consummation of the transactions, the daily closing price on the NASDAQ Global Select Market for Bruker BioSciences is at least \$9.14 per share, Frank Laukien will purchase from Dirk Laukien 1,219,733 shares of Bruker BioSciences

stock for \$11,148,362. The agreement may be terminated by Dirk Laukien prior to the anticipated closing date of the share purchase if the \$9.14 per share price is achieved. In addition, the agreement shall be null and void in any event if either the purchase under the agreement does not occur within one year after the closing under the transaction agreements or the consummation of the transactions under the transaction agreements does not occur on or before December 31, 2008.

In addition, a separate cash-stock exchange agreement was entered into among Isolde Laukien-Kleiner, Marc Laukien, Frank Laukien, Joerg Laukien and Robyn Laukien. Under this agreement, the following purchases will be made immediately after the consummation of the transactions: (i) Frank Laukien will purchase from Marc Laukien 1,876,943 shares of Bruker BioSciences stock for \$17,151,148, and will purchase from Isolde Laukien-Kleiner 3,643,694 shares of Bruker BioSciences stock for \$33,303,359, (ii) Robyn Laukien will purchase from Isolde Laukien-Kleiner 296,757 shares of Bruker BioSciences for \$2,712,360, and (iii) Joerg Laukien will purchase from Isolde Laukien-Kleiner 469,078 shares of Bruker BioSciences stock for \$4,287,372. This agreement shall be null and void if the consummation of the transactions does not occur on or before December 31, 2008.

## DESCRIPTION OF THE TRANSACTION AGREEMENTS

The following summary of the U.S. stock purchase agreement, the German share purchase agreement and the Swiss merger agreement is qualified in its entirety by reference to the complete text of the transaction agreements, which are incorporated by reference and attached as Annexes A-1 to A-3 to this proxy statement. We urge you to read the full text of each of the U.S. stock purchase agreement, the German share purchase agreement and the Swiss merger agreement.

### *The Stock Purchase Agreement with Bruker BioSpin Inc.*

#### **General**

On December 2, 2007, Bruker BioSciences, Bruker BioSpin Inc. and the stockholders of Bruker BioSpin Inc. entered into a stock purchase agreement, which we sometimes refer to in this proxy statement as the U.S. stock purchase agreement. Under the U.S. stock purchase agreement, Bruker BioSciences will purchase all of the outstanding shares of Bruker BioSpin Inc. for an aggregate purchase price of \$99,962,514, payable in cash.

#### **Closing Date**

Unless the parties agree otherwise, the closing of the stock purchase will take place on the later of January 23, 2008 or the first business day following the satisfaction or waiver of all of the closing conditions.

#### **Purchase Price-Payment**

The U.S. stock purchase agreement provides that Bruker BioSciences shall purchase all of the outstanding shares of Bruker BioSpin Inc. for an aggregate purchase price of \$99,962,514, which, after the funding of the escrows described below, will be payable in cash at closing to the Bruker BioSpin Inc. stockholders pro rata in accordance with their respective ownership of the Bruker BioSpin Inc. common stock.

#### **Escrow**

*Working Capital Escrow.* At the closing, \$6.75 million of the cash purchase price will be placed into escrow as security for any potential adjustments to the purchase price that will be made if the net working capital of the Bruker BioSpin Group as of December 31, 2007 is less than \$180 million. If the net working capital of the Bruker BioSpin Group is less than \$180 million, then the difference shall be paid from the working capital escrow. The unused portion of the working capital escrow will be released to the sellers within 25 business days following receipt by Bruker BioSciences of the combined audited financial statements of the Bruker BioSpin Group for the fiscal year ending December 31, 2007.

*Indemnity Escrow.* At the closing, \$92 million of the cash purchase price will be placed into escrow as security for fulfillment by the sellers of their indemnification obligations set forth in the U.S. stock purchase agreement, the German share purchase agreement and the Swiss merger agreement. The unused portion of the indemnity escrow will be released to the sellers within 30 business days of the later of (1) the 30th day following the receipt by Bruker BioSciences of the combined audited financial statements of the Bruker BioSpin Group for the fiscal year ending December 31, 2008 or (2) the resolution of any claim for indemnification of which the sellers have received notice prior to the conclusion of the 30-day period described in clause (1) of this sentence.

#### **Representations and Warranties**

The U.S. stock purchase agreement contains customary representations and warranties made by Bruker BioSpin Inc. and Bruker BioSpin Inc. stockholders to Bruker BioSciences, subject, in some

cases, to specified exceptions and qualifications contained in the stock purchase agreement or in the disclosure schedule delivered in connection therewith.

The assertions embodied in those representations and warranties were made solely for purposes of the stock purchase agreement and may be subject to important qualifications and limitations. For example, many of Bruker BioSpin Inc.'s representations and warranties are qualified by a Material Adverse Effect standard. For purposes of the stock purchase agreement, a "Material Adverse Effect" means any circumstance, change or effect that, individually or in the aggregate with other circumstances, changes or effects, is or is reasonably likely to materially delay or impede the consummation of the transactions contemplated by the stock purchase agreement or be materially adverse to the business, operations (including results of operations), prospects, assets, liabilities, or financial condition of Bruker BioSpin Inc. and its subsidiaries taken as a whole; provided, however, that none of the following, either alone or in combination, shall be considered in determining whether there has been a "Material Adverse Effect": (1) events, circumstances, changes or effects (including legal and regulatory changes) that generally affect the industries in which each of Bruker BioSpin Inc. and its subsidiaries operate, other than such events, circumstances, changes or effects that disproportionately affect (relative to other industry participants) Bruker BioSpin Inc. or its subsidiaries and (2) changes caused by a material worsening of current conditions caused by acts of terrorism or war occurring after the date of the stock purchase agreement.

Some of the representations and warranties in the stock purchase agreement may not be accurate or complete as of any specified date or may be subject to contractual standards of materiality that differ from the standards of materiality under U.S. federal securities laws. For the foregoing reasons, you should not rely on the representations and warranties as statements of factual information.

The representations and warranties regarding Bruker BioSpin Inc. and its subsidiaries made to Bruker BioSciences by Bruker BioSpin Inc. and its stockholders relate to, among other things:

corporate organization, including due incorporation, good standing, corporate power and qualification to conduct business;

authorization, execution, delivery and performance and the enforceability of the stock purchase agreement and related matters;

capital structure;

absence of conflicts with, or violations of, organizational documents or other obligations as a result of the consummation of the transactions contemplated by the stock purchase agreement;

identification of required governmental filings and consents;

absence of violations of any law, or necessity of any approval, as a result of the execution and delivery of, or consummation of the transactions contemplated by, the stock purchase agreement;

compliance with applicable laws and permits;

books and records;

delivery and accuracy of financial statements;

absence of undisclosed material liabilities;

litigation matters;

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absence of a Material Adverse Effect and certain other material changes or events since December 31, 2006;

disclosure of certain contracts;

employee matters, employee benefit plans, employment agreements, matters relating to the Employee Retirement Income Security Act of 1974, as amended, and labor relations;

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absence of default under material contracts;

transactions with affiliates;

accounts receivable;

owned and leased property;

environmental matters;

tax matters;

intellectual property matters;

information technology matters;

bank accounts;

inventory;

brokers' and finders' fees;

customer deposits;

insurance policies; and

no representation, warranty, statement or covenant contains an untrue statement of material fact or omits to state a material fact required to be stated in the stock purchase agreement or necessary to make the statements contained in the merger agreement not misleading.

In addition, each Bruker BioSpin Inc. stockholder made representations and warranties to Bruker BioSciences regarding:

authorization, execution, delivery and performance and the enforceability of the stock purchase agreement and related matters;

absence of conflicts with or violations of the stock purchase agreement or any ancillary agreements;

litigation matters;

identification of required filings and consents;

withholding tax;

brokers' and finders' fees; and

beneficial ownership of Bruker BioSpin Inc. common stock.

The representations and warranties regarding Bruker BioSciences made by Bruker BioSciences to the selling stockholders relate to, among other things:

corporate matters, including due organization, good standing, corporate power and qualification;

authorization, execution, delivery and performance and the enforceability of the stock purchase agreement and related matters;

absence of conflicts with, or violations of, organizational documents or other obligations as a result of the consummation of the transactions contemplated by the stock purchase agreement;

brokers' and finders' fees; and

investment and accredited investor representations.

**Covenants**

*Conduct of Bruker BioSpin Inc.'s Business.* During the period between the execution of the stock purchase agreement and the closing, the businesses of Bruker BioSpin Inc. and its subsidiaries must be conducted in the ordinary course of business consistent with past practice. Bruker BioSpin Inc. is obligated to, and the selling stockholders are obligated to cause Bruker BioSpin Inc. to, use commercially reasonable efforts to preserve Bruker BioSpin Inc.'s material properties, assets and business organizations (including those of its subsidiaries). Specifically, Bruker BioSpin Inc. has agreed that, among other things and subject to certain exceptions, neither Bruker BioSpin Inc. nor any of its subsidiaries may, and the selling stockholders have agreed to cause Bruker BioSpin Inc. and its subsidiaries not to, without Bruker BioSciences' written consent:

amend any of its organizational documents;

liquidate, dissolve, recapitalize or otherwise wind up its business;

make any distribution or declare, pay or set aside any dividend (in cash or property);

split, combine, redeem, reclassify, purchase or otherwise acquire any equity interests or shares of capital stock of, or other equity or voting interest in, Bruker BioSpin Inc. or any subsidiary, or make any other changes in the capital structure of Bruker BioSpin Inc. or any of its subsidiaries;

grant any person any right or option to acquire any shares of its capital stock or engage in any discussions or negotiations regarding these matters;

enter into any agreement, understanding or arrangement with respect to the sale, voting, registration or repurchase of its capital stock;

other than in the ordinary course of business, acquire or dispose of any interest in any corporation, partnership or other person or assets comprising a business or any other property or assets;

other than in the ordinary course of business, sell, assign, pledge, dispose of, transfer, lease, license, guarantee or encumber, or authorize the sale, pledge, disposition, transfer, lease, license, guarantee or encumbrance of, any amount of property or assets;

sell, assign, lease, license, transfer or otherwise dispose of, mortgage, pledge or encumber, any real property, or amend, terminate, modify or renew any real property lease;

incur any indebtedness or issue any debt securities or assume, guarantee or endorse the obligations of any other person in excess of \$600,000 in the aggregate;

cancel any third-party indebtedness owed to Bruker BioSpin Inc.;

increase the rate or terms of compensation or benefits of any of its directors, managers, officers, employees, consultants, agents, independent contractors or other individual service providers;

hire any new employees except in the ordinary course of business whose total compensation exceeds \$150,000;

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pay or agree to pay any employee benefit not required or permitted by any existing employee benefit plan;

enter into or amend any employment, bonus, severance or retirement contract, except for agreements for newly hired employees in the ordinary course of business with annual compensation not to exceed \$150,000;

except as required to ensure that any benefit plan is not then out of compliance with applicable law, enter into or adopt any new, or increase benefits under or renew or amend any existing, benefit plan or benefit arrangement or any collective bargaining agreement;

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make any distributions, loans, advances or capital contributions (other than advances for travel and other normal business expenses to officers and employees) except in the ordinary course of business;

commit to make any capital expenditure or fail to make capital expenditures consistent with past practice;

fail to maintain all its assets in good repair and condition, except to the extent of wear or use in the ordinary course of business or damage by fire or other unavoidable casualty;

make, revoke or change any tax election or change any tax accounting method, settle or compromise any tax liability, or waive or consent to the extension of any statute of limitations for the assessment and collection of any tax;

except as may be required as a result of a change in applicable law or GAAP, change any accounting principles or practices;

institute, settle or dismiss any action or claim threatened against, relating to or involving Bruker BioSpin or any of its subsidiaries in connection with any business, asset or property of Bruker BioSpin Inc. or any of its subsidiaries;

other than various intercompany contracts and leases, enter into any large long-term contracts involving the payment or provision of goods or services in excess of \$500,000, except for the acceptance of customer purchase orders in the ordinary course of business with terms up to 24 months and individual amounts up to \$5,000,000;

fail to pay the accounts payable or other liabilities or fail to collect the accounts receivable or other indebtedness owed or take any action not consistent with past practices that is designed to accelerate or has the effect of accelerating the receipt of any amounts of cash earlier than such cash would have been realized consistent with past practices; or

enter into or renew, amend or otherwise modify or extend any contracts related to derivative instruments or hedging.

*Reasonable Best Efforts.* Bruker BioSpin Inc. and its stockholders and Bruker BioSciences have each agreed to cooperate with each other and use reasonable efforts to do or cause to be done all things necessary, proper or advisable to consummate the transactions contemplated by the stock purchase agreement, including to use commercially reasonable efforts to obtain all consents and approvals of governmental authorities and third parties necessary to consummate the merger.

*Voting Agreement.* Bruker BioSpin Inc. stockholders have agreed to vote in their capacity as holders of shares of common stock of Bruker BioSciences in favor of the transactions contemplated by the stock purchase agreement.

*No Solicitation.* Bruker BioSpin Inc. has agreed to, and to cause its subsidiaries to, and Bruker BioSpin Inc.'s stockholders have agreed to, and to cause Bruker BioSpin Inc. and its subsidiaries to, cause each of its officers, managers, employees, subsidiaries, affiliates, agents and other representatives to, as of the execution of the stock purchase agreement, cease any existing discussions or negotiations with respect to any inquiry or proposal regarding the sale, consolidation, merger or other similar transaction regarding Bruker BioSpin Inc. and not to initiate any such discussions or negotiations (other than with Bruker BioSciences or its managers, officers, employees, subsidiaries, agents or other affiliates) concerning any such inquiry or proposal. The selling stockholders and Bruker BioSpin Inc. are obligated to disclose immediately to Bruker BioSciences any such third party inquiries or proposals, including the terms of any such inquiries or proposals.

*Noncompetition and Nonsolicitation.* For a period of five years from the closing date, Bruker BioSpin Inc. stockholders and their affiliates may not directly or indirectly: (1) engage in, hold an

interest in, own, manage, operate, control, direct, be connected with as a stockholder (other than as a holder of less than 1% of a publicly traded security), joint venturer, partner, consultant or employee, or otherwise engage or participate in, provide services to or be connected in any manner with or assist in any way any entity, person or business that engages in a business involving the design, manufacture and distribution of (a) life science, process control and analytical research tools based on nuclear magnetic resonance, electron paramagnetic resonance, research magnetic resonance imaging, superconducting magnets and wires for nuclear magnetic resonance, electron paramagnetic resonance or research magnetic resonance imaging, (b) cryogenic RF coil technologies for nuclear magnetic resonance, electron paramagnetic resonance or research magnetic resonance imaging, or (c) other specialty power supply technologies; or (2) solicit for employment or hire any employee of Bruker BioSpin Inc. or any of its subsidiaries without the prior written consent of Bruker BioSciences, unless the employee has replied or responded to either a general solicitation or advertisement for employment by a Bruker BioSpin stockholder or their affiliates or to a solicitation made twelve months after the employee's employment had been terminated by Bruker BioSpin Inc.

*Access to Information.* Bruker BioSpin Inc. has agreed to allow Bruker BioSciences access to its properties, books, assets, records and personnel.

### **Conditions to the Acquisition**

The respective obligations of each party to effect the transactions contemplated by the stock purchase agreement are subject to the satisfaction, on or prior to the closing, of the following conditions, which may be waived by Bruker BioSciences or the sellers:

the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, shall have expired or been terminated and all necessary consents of any governmental authority required shall have been obtained;

the waiting period instituted by the European Commission and/or the European Union member states' agencies shall have expired or been terminated and all requisite approvals, waiting or suspensory periods (and any extensions thereof), waivers, permits, consents, reviews, sanctions, orders, rulings, decisions, declarations, certificates and exemptions required for the consummation of the acquisition under any corresponding requirements of the EU member states or competition regulatory authorities in other jurisdictions shall have been obtained; and

there shall be no law in effect that restrains, enjoins or otherwise prevents the consummation of the transactions contem