



November 30, 2017

## **MKS Instruments Makes a Voluntary \$50 Million Prepayment on its Term Loan**

ANDOVER, Mass., Nov. 30, 2017 (GLOBE NEWSWIRE) -- MKS Instruments, Inc. (NASDAQ:MKSI), a global provider of technologies that enable advanced processes and improve productivity, today made a \$50 million voluntary principal prepayment on its term loan. This prepayment is in addition to voluntary principal prepayments of \$175 million made in the first three quarters of 2017 and reduces the outstanding principal amount of the term loan to \$398 million as of November 30, 2017, down from \$780 million at origination. In addition, the Company obtained another 25 basis point reduction in the interest rate spread based upon the successful achievement of a targeted leverage ratio in accordance with the most recent amendment to the Term Loan. The interest rate is now LIBOR plus 200 basis points down from LIBOR plus 400 basis points at loan origination.

"In a year and a half since loan origination, we have now made seven voluntary prepayments totaling \$375 million and coupled with the scheduled payments and three repricings, we have reduced our annualized non-GAAP interest expense by 65%, demonstrating our continued focus on deleveraging our balance sheet and reducing our cost of capital," said Seth H. Bagshaw, Senior Vice President and Chief Financial Officer.

### **About MKS Instruments**

MKS Instruments, Inc. is a global provider of instruments, subsystems and process control solutions that measure, control, power, monitor, and analyze critical parameters of advanced manufacturing processes to improve process performance and productivity. Our products are derived from our core competencies in pressure measurement and control, flow measurement and control, gas and vapor delivery, gas composition analysis, residual gas analysis, leak detection, control technology, ozone generation and delivery, RF & DC power, reactive gas generation, vacuum technology, lasers, photonics, sub-micron positioning, vibration isolation, and optics. Our primary served markets include semiconductor capital equipment, general industrial, life sciences, and research. Additional information can be found at [www.mksinst.com](http://www.mksinst.com).

### **Use of Non-GAAP Financial Measure**

Non-GAAP interest expense excludes amortization of debt issuance costs. This non-GAAP measure is not in accordance with Accounting Principles Generally Accepted in the United States of America (GAAP). MKS' management believes the presentation of this non-GAAP financial measure is useful to investors for comparing prior periods and analyzing ongoing business trends and financial results. Annualized GAAP interest expense based upon \$780 million principal outstanding and using the LIBOR based interest rate spread in effect on April 29, 2016, was \$44 million and included \$5 million in debt issuance costs. Annualized GAAP interest expense based upon \$398 million in principal currently outstanding and LIBOR plus 200 basis points would be \$17.5 million and includes \$3.5 million in debt issuance costs.

### **SAFE HARBOR FOR FORWARD-LOOKING STATEMENTS**

Statements in this release regarding MKS management's future expectations, beliefs, goals, plans or prospects constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are only predictions based on current assumptions and expectations. Actual events or results may differ materially from those in the forward-looking statements. Among the important factors that could cause actual events to differ materially from those in the forward-looking statements are the conditions affecting the markets in which we operate, including the fluctuations in capital spending in the semiconductor industry, and other advanced manufacturing markets, fluctuations in net sales to our major customers, our ability to successfully integrate Newport Corporation's operations and employees, unexpected risks, costs, charges or expenses resulting from the Newport acquisition or other acquisitions, the terms of the term loan financing, fluctuations in interest rates, MKS' ability to realize anticipated synergies and cost savings from the Newport acquisition, our ability to successfully grow our business, potential fluctuations in quarterly results, the challenges, dependence on new product development, rapid technological and market change, acquisition strategy, manufacturing and sourcing risks, volatility of stock price, international operations, financial risk management, and the other factors described in MKS' Annual Report for the year ended December 31, 2016 on Form 10-K filed with the SEC. MKS is under no obligation to, and expressly disclaims any obligation to, update or alter our forward-looking statements, whether as a result of new information, future events or otherwise after the date of this press release.

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Source: MKS Instruments, Inc.

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