

THOMSON REUTERS STREETEVENETS

# EDITED TRANSCRIPT

ENTG - Entegris Inc 2016 Analyst Meeting

EVENT DATE/TIME: JULY 12, 2016 / 6:30PM GMT



JULY 12, 2016 / 6:30PM, ENTG - Entegris Inc 2016 Analyst Meeting

## CORPORATE PARTICIPANTS

**Steve Cantor** *Entegris Inc. - VP, Corporate Relations*

**Bertrand Loy** *Entegris Inc. - President, CEO*

**Greg Graves** *Entegris Inc. - EVP, CFO*

**Jim O'Neill** *Entegris Inc. - CTO*

**Todd Edlund** *Entegris Inc. - COO*

## CONFERENCE CALL PARTICIPANTS

**Christopher Kapsch** *BB&T Capital Markets - Analyst*

## PRESENTATION

**Steve Cantor** - *Entegris Inc. - VP, Corporate Relations*

My name is Steve Cantor, I'm the Vice President of Corporate Relations, and it's my pleasure today to welcome you to Entegris' 2016 Analyst Meeting. This is our 50th year as a company, so we're very excited to be here this year and feel that we have a lot of great things happening with our company that we're going to be telling you about in a moment.

Our agenda today is as follows; today our agenda - so we will start with Bertrand Loy, who is our President and CEO, who will describe how we are leveraging our unique business model and market position as a leading specialty materials company to drive shareholder value. We'll then have Jim O'Neill, our Chief Technology Officer, provide some more details about how we are using our broad technology portfolio to enable us to address new market opportunities for growth. And then Greg Graves will talk about our financial strategies and our priorities for capital deployment.

I'd like to also introduce a couple other members of the Entegris Management Team today; Sue Lee, who is our Chief General Counsel; Todd Edlund is our Chief Operating Officer, and Wenge Yang is our Vice President of Marketing.

A few housekeeping items before we begin, the meeting today is scheduled to end promptly at 1:00 pm local time, and we ask that you hold your questions until all of the presentations are complete which should run a little less than an hour, so we should have plenty of time for Q&A.

You will notice in front of you there are some surveys and we appreciate if you could provide some feedback since that really helps us continue to improve the effectiveness of these meetings. The meeting today is being webcast live. It's also going to be available on demand for replay. It's accessible on our website, and if you would like an electronic or soft copy of the slide material, please see me and we'll be happy to get that to you.

Before turning it over to Bertrand, I just want to remind everyone that we will be making forward-looking statements today and we encourage you to read our filings with the SEC carefully to understand all the risks and uncertainties related to those statements.

And with that, I'll turn it over to Bertrand.

---

**Bertrand Loy** - *Entegris Inc. - President, CEO*

Thank you, Steve. Good morning, everyone, and thank you for attending our 2016 Analyst Day. This is certainly a very special day, a very special year for us as it marks the 50th anniversary of the creation of the Company.

A year for us to celebrate, certainly celebrate a number of past accomplishments, but also a year to reflect; reflect on those past successes and how we can actually capitalize on them, raise the bar, and build additional momentum to create new value for our customers, our shareholders, and our employees.



## JULY 12, 2016 / 6:30PM, ENTG - Entegris Inc 2016 Analyst Meeting

If I had to conceptualize the value creation model of Entegris, it would look a little bit like this; we have a clear mission, we focus, we innovate, and in the end, we deliver. So our mission is really to create unique value for our customers by developing mission critical solutions for their manufacturing processes. We focus on some of the most difficult manufacturing environments in the world, and primarily, we focus on the electronics industry, broadly defined.

We innovate. We collaborate very closely with our customers and a result of that is we've been able to build a very exciting portfolio of opportunities, which we believe will put us in a position to outpace the industry and outgrow our competitors. So the result of all of this is really a unique business model that delivers stable, recurring revenue, strong cash flows, and exciting earnings leverage.

The Company was created 50 years ago with the founding of Flouroware. The Company went public in 2000, and today through organic growth, through a series of acquisitions, Entegris has emerged as one of the largest global high-performance specialty chemical companies serving the electronics industry.

Our success really rests on a number of different things. First, our unique customer engagement model, also the unique ability to successfully integrate acquired businesses, and then finally a very strong set of corporate values centered around teamwork, innovation, strong execution and a commitment to excellence.

Jim, Greg and I will be touching on all of those attributes and we will be telling you why we believe our competitive position is strong and our future is bright.

Acquisition has certainly been a very important element and will continue to be a very important element of our growth strategy. The most recent transaction of scale was the acquisition of ATMI in early 2014. This transaction was transformational for Entegris and certainly has been a great success for the Company. ATMI helped us broaden the technology portfolio of Entegris, but ATMI was also a very nice addition to our global capabilities in the sense of tech centers, lab capabilities, talent, but also our manufacturing footprint, so all of which are very important attributes for our customers and we will be explaining to you why that is.

So we have executed the integration of ATMI in a very efficient way and that allowed us to create value not only for our customers, but also in a meaningful way value for our shareholders. And you can see that on the simplified P&L. You can see that with the acquisition of ATMI, we've been able to increase our level of R&D funding which means increase our level of commitment to the technology roadmap of our customers and we've been able to do that while significantly improving the margin profile of the business.

And Greg will certainly actually share more details around our past performance, but also our future financial objectives going forward.

So we have a very broad technology platform. We have a very strong brand. Our solutions are really pervasive across the ecosystem and through really close collaboration, close partnership with our customers we've been able, through many years, to come up with market-leading platforms. Think about our Spectra FOUP, think about our Torrento Filters or our SDS gas delivery systems, our NOWPak packaging and delivery solution. The list is very long and I will not even attempt to mention them all.

As a matter of fact, we make and we commercialize over 15,000 SKUs. So if you want to simplify the picture, I would propose that we regroup all of those product platforms into three major categories. The first one would be the advanced chemicals and materials, representing about 40% of our revenues. This would be our cleaning solutions, our deposition materials, specialty coatings, specialty gases, graphite, liquid carbide. The next group will be filtration and purification solutions, so that would represent about 30% of our revenue. And in this group, you will find all of the separation technology that we have for dry and wet processes. Finally, materials handling products which would be our molded and electronic chemicals platforms to transport safely critical substrate as well as offering a comprehensive series of solutions for fluid management; control, monitor, dispensing, critical process chemistries.

At the bottom of the page I've also listed a number of companies that we view as being our peers or our competitors in the respective category. So our served available market amounts to approximately \$3 billion and the major market today remains the semiconductor industry where the



## JULY 12, 2016 / 6:30PM, ENTG - Entegris Inc 2016 Analyst Meeting

process requirements are certainly the most stringent, and as a result where we can get the most value for the yield enhancing and contamination control solutions that we develop.

Having said that, we are spending a lot of time looking at ways to expand our served available market, starting within the semiconductor industry itself, our traditional market segment has been the fab customers, but recently we've been increasing our focus to include more work and more closer collaboration with the equipment makers developing value-added components, developing new materials that can help them improve their true performance.

We have also, more recently, started to work very closely with the specialty materials company, helping them increase the degree of purity and stability of the chemistries that they are producing.

Beyond semi, we are constantly looking for disruptive trends that could allow us to find an entry point. So we're looking for applications that would require pure, more performing materials. So we're looking for processes that would be more susceptible to complex contamination challenges.

I would tell you that I am actually very pleased with the recent progress that we have accomplished. And looking at the opportunity by plan that we have, I have a high degree of confidence that we will be in a position to continue to expand our served available market in many different ways.

So there are a few other financial attributes that make the Entegris business model unique and I wanted to share some of them with you. First, 80% of what we do is recurring in nature. Think about the filters, think about the chemistries that our customers are consuming every day in their production cycles. Our solutions are really part and parcel, part of the production recipes of our customers. Our solutions are very sticky and once we are designed in, we can enjoy many years of steady revenues and cash flows.

The second aspect of our financial profile is that we have a very well-balanced customer base. And there are many different ways you can look at this. The first one is that our top 10 customers amount to about a little over 40% of our topline. And all of those customers buy hundreds of different SKUs every month.

Another way to look at that is that in all of the industries that we serve, whether that's in semiconductor, display, life sciences, we serve all of the participants in those ecosystems. We sell our solutions to the end users. We sell our solutions to their material suppliers. We sell our solutions to the equipment makers. So the result, all of that is really a very balanced customer and product portfolio which translates into a very stable business model delivering very appealing cash flow and bottom line margins.

One of the things that I'm probably the most proud of is our demonstrated ability to outpace the market and as you can see this remains an important objective of Entegris going forward as we expect to outpace the industry by 100 to 200 basis points. So if I want to go into the details of this growth formula, we start with the foundational layer here. Many of the applications that we serve are really closely correlated to GDP and the baseline assumption for GDP is about 2%.

The next layer up is really an attempt to quantify the impact of the internet-of-things trend as the world continues to add sensors all around us, continues to build more effective, faster networks, fire up more powerful server farms and continue to build up storage capacity to store millions of terabytes of data, as well as a number of new applications that I'm sure will be developed to leverage this new infrastructure.

So the sum of all of this is the belief that we have that this could add up to wafer starts, it's going to also increase the spending in new capacity and that should translate to an additional 1% of growth.

The final layer is probably the one thing that is most within our control and it has to do with the very rich and exciting opportunity pipeline that we have and I will let Jim O'Neill, our CTO, unveil a little bit more details around that in a minute. But the sum of all of those components again is an objective of 400% to 500% growth over the next three to five years.

So why do we have such a conviction in our ability to grow? Well, simply stated, I think that I really do believe that we have a well-rounded value proposition to offer to our customers. And that value proposition rests on three pillars.



## JULY 12, 2016 / 6:30PM, ENTG - Entegris Inc 2016 Analyst Meeting

The first one is the unique technology portfolio which allows us to get invited to collaborate on solving some of the most complex process challenges that our customers are facing. The second one, it is very comprehensive series of global capabilities to make it easy for our customers and very effective for our customers to collaborate with us in all of the major markets. Essentially, we want to be viewed as an extension of their engineering arms.

Finally, the last piece of the puzzle here is a relentless dedication to operational excellence, because in the end, it really does not matter if you have a differentiated technology, unless you can make it in high volume, in a repeatable and stable way with very strict exacting specs.

I believe that we've been working on this model for many years now. I think that we've been perfecting this model for many years and we've got a lot of really positive feedback from our customers and this is really what is putting us in this situation to have the opportunity by plan that we have. So let me talk a little bit about each of those pillars.

The first one really is around what it takes to be viewed as a reliable and credible partner. And it comes down to really having the means to deliver on the commitments that you are making to your customers. So we realized that requirement a few years back and as you can see we have been steadily increasing the level of R&D spend. As a side note, I will tell you that 10% of revenue is probably the upper limit at which you should expect us to operate in the years to come.

But we have also invested in systems and internal processes to better manage the R&D dollars, in order to foster greater internal alignment early on in the development cycles and also to compress the development time. So the result of all of this is I think a very exciting pipeline and to make my comment clear here, I would point to the technology and breakthrough slice of the pie here which represents a little over 25% of our R&D spend today as compared to probably less than 10% a few years ago. But more importantly, this part of the portfolio has the potential to add \$75 million of incremental revenue by 2018.

So with the disappearance of a joint, of a shared industry technology or not, with the emergence of a number of very large industry leaders, with growing aspirations in Asia, it was important for us to be viewed as a capable supplier not only in the US, but in all of the major global markets.

So to answer that need, we have made a number of different investments. We have invested into a network of tech centers staffed with some of the best minds in their respective fields in the US, but also in Korea and in Taiwan. We've been adding new local manufacturing capabilities to shorten the lead times of a number of critical product lines.

And then finally, we have also added a number of new manufacturing capacity for a number of very successful product lines. Examples of that would be the new UPE membrane manufacturing capacity that we added. It would be the new fleet of cylinders that we are invested in for a number of specialty gases. It would be the two new blow molders that we have added in the US or in Taiwan.

The point I'm trying to make here is that over the last two years, we have made a number of very critical investments that are all in the final stages of completion, and I think that we are ideally positioned now to grow our topline very nicely and very steadily.

The last pillar is really the desire to be viewed as the best manufacturer for the types of products that we make. And this is of course a never-ending journey, but I am very, very proud of how far the team has come. We've invested in statistical process control capabilities. We have invested in cleaner manufacturing processes. We have invested in more automation. We have upgraded our quality and manufacturing engineering teams and the results speak for themselves.

Back in 2006, we were running our manufacturing processes at about 3.5 sigma. Today, we are approaching 5.5 sigma. And remember that this is 5.5 sigma in a context of making 15,000 SKUs across a number of different manufacturing sites in the world, so very proud of the accomplishment, but again as I said, this is a never-ending journey and we won't stop here.

So this is my final slide, and for those of you who have been following Entegris for long enough, you probably would remember and recognize the little diagram on the left part of the slide. This is our customer engagement model. This is the concept that we launched about 10 years ago. But



## JULY 12, 2016 / 6:30PM, ENTG - Entegris Inc 2016 Analyst Meeting

this is a lot more than a concept. This has been really a guiding principle, this has been a compass for our global teams starting with the leadership team here in this room.

And this model has really driven a number of very consequential decisions and I mentioned many of them. It really has redefined how we've been spending our investments in terms of labs and manufacturing capabilities. It has defined the new shape of the R&D portfolio that we wanted to see. It has impacted the type of skillsets and the mix and the location of the talent around the world. It has really forced us to rethink a number of internal processes. And I would argue in the end it has really transformed the mindset of the Company.

So the bottom line is this is really what the Entegris brand stands for. This is really about the value proposition that we are offering to our customers as a solution provider to some of their most complex challenges. The result of that is a more balanced portfolio, a more exciting portfolio and I will let Jim actually share the details of that portfolio with you and you will understand why we have the conviction that we can continue to increase our share, continue to expand our SAM and ultimately continue to outpace the industry.

Thank you.

---

### **Greg Graves** - Entegris Inc. - EVP, CFO

As Jim comes up, I'm Greg Graves, for those of you who haven't met me, the CFO of Entegris, there's really three or four takeaways from Bertrand's presentation. First thing, being around 50 years in this industry, that's a long time. Our first customers were Fairchild. We were founded a couple of years before a company called Intel.

The second point I want to make is what we're doing is important. We're helping customers improve yield. We talk about improving yield, but that's really a code for helping them make more money, so that makes us important to them.

The third thing is we're investing in the business both our R&D pipeline as well as our infrastructure. From an R&D perspective, we're investing more as a percentage of revenue than we ever have, the advent of the ATMI transaction and the value we created there, we're still achieving EBITDA -- we've ever achieved.

Infrastructure, building it out in places like Korea and Taiwan, investing in membrane capacity, so what it does is it positions us to grow that topline 5% or so in a 2% GDP environment. So those are all good things.

I'm going to turn it over to Jim who is going to take a few minutes and talk specifically about some of the things that will drive our growth over the next several years.

---

### **Jim O'Neill** - Entegris Inc. - CTO

Great. Thank you very much and thanks for the opportunity to be here today. What I'd like to address is how we leverage the breadth of our technology portfolio to drive specific key opportunities for growth for the Company.

So as I visit customers around the world and really try to understand the technical challenges that they face and then I go back and I look at the breadth of the Entegris product portfolio and the depth of the technical capabilities that we've installed in our labs around the world, I remained really excited about the unique position that Entegris is in today to provide comprehensive integrated solutions to some of their really most challenging problems. Our performance enabling materials combined with our yield enabling materials handling capabilities really lays the foundation for the pillars of growth that Bertrand just described, gives us the ability to tap into new markets, to address new applications and ultimately to outpace our competition.



## JULY 12, 2016 / 6:30PM, ENTG - Entegris Inc 2016 Analyst Meeting

Now, it's been no surprise that over the last several technology generations, advanced materials have become increasingly important in semiconductor processing. Not only are the number of materials used in advanced device builds increasing, you'll find a greater portion of the periodic table in each successive generation of technologies, but these materials are contributing increasingly to the overall performance of the devices themselves.

Scaling or miniaturization is no longer sufficient to enable -- to keep pace with the performance requirements required by the industry. So we've needed to implement new materials. We need things like new metallurgies to improve the reliability or resistivity of very fine wiring levels. We need new channel materials that allow for faster electron transport and enable faster switching transistors. We need new gate materials which allow for transistors that switch at lower powers and allow your cellphone battery to operate for longer periods of time.

So clearly, new materials are central to the advancement of the semiconductor industry and they are in fact a key enabler behind the continuation of Moore's Law. At advanced technology nodes, our customers are facing significantly increased challenges. Their processes are becoming more complex, individual unit processes are less mature, making yield learning much, much more difficult, their development cycles are significantly compressed. And all of this means that our customers are really having a problem trying to achieve yield in the time that they have available to them.

So it's not just about having the materials. It's being able to make the materials in a pure manner and being able to ensure the purity of those materials as they progress through a very long and complex supply chain. Lower defectivity means higher yields, it also means faster development cycles. So the requirements for purity and defect control are ever increasing.

And so just as an example, today, our customers will begin to specify materials with purity levels in the parts per quadrillion level. This is almost unimaginable, but just an example of scale, that's one part in 10 to the 15 or it's like finding a single minnow in a volume of water the size of San Francisco Bay, those are the magnitude of the contamination challenges that we're faced with today.

So these enormous customer challenges that the folks that we're trying to serve are facing plays right into Entegris' strengths, strengths in filtration and purification for liquids and gases and the ability to handle these materials in a clean and reproducible manner. These are all things that Entegris' technology really is predicated upon.

And it's the breadth of the Entegris portfolio that it distinguishes us, again, from the performance enhancing materials to the yield enabling materials handling systems, the breadth of this portfolio is truly unique to the industry. But what's more important is it's enabling to our customers. It really allows us to put together comprehensive integrated solutions that address what's really important to them, that is performance of their devices, yield as their process and ultimate cost of their manufacturing light and the manufacturing system.

So the Entegris capabilities that we have span all of the modules that you would find in a semiconductor fab, from litho and implant to etch and deposition and wet clean, and Entegris is also critical to the clean operation of the fab itself with wafer handling and reticle handling and FOUPs and pods with bulk chemical distribution capabilities as well as environmental contaminant control for the fab atmosphere itself.

Taken together, these capabilities can be combined to provide comprehensive solutions for our customers, the materials combined with the materials handling to provide a cost effective combination of both. In fact, our customers care a lot less about the number of products that we can come to them with than they care about how we put these products together in a manner that enables their performance yield and cost goals that they're really trying to achieve.

So like any company, Entegris has competitors and each of our competitors plays in one or two types of product classes, but none of our competitors compete across the board with Entegris. So the breadth of our portfolio is truly unmatched and it allows us to compete broadly, not just in the semiconductor industry, but in other adjacent markets where our expertise and our materials play quite well.

The materials supply chain is a long and convoluted process. It spans many months and several continents from the point where materials are manufactured, to how they're packaged, transported, stored, ultimately delivered to a fab, implemented on a tool and dispensed on a wafer. And yet Entegris has a product portfolio which addresses -- which ensures purity of this long and convoluted supply chain from the point where the materials are manufactured to the point where they're ultimately used.



## JULY 12, 2016 / 6:30PM, ENTG - Entegris Inc 2016 Analyst Meeting

We work upstream with chemical manufacturers including ourselves. We work downstream with ultimately our end users and customers to provide and to ensure a clean, defect free material stream. Protecting purity and enabling contamination is particularly important in areas like photolithography where the materials are extremely expensive and extremely valuable and the cost of yield loss is high. And I'll talk more specifically about that in the coming slides.

So I'd like to give you a little bit of color around the types of opportunities that we're pursuing, and I've selected a handful of projects here which demonstrates, which show how we leverage the breadth of Entegris' portfolio, and they're also selected because these projects are ones that should enable us to tackle key opportunities to provide avenues for growth.

I should emphasize that these are simply representative projects from among the more than 272 projects that we have going at this time. But this sampling emphasizes capabilities from lithography to implants, to etch, to deposition and to CMP or chemical mechanical polishing.

Some of these projects are about expanding the markets, our presence in the markets that we already serve. Others are about addressing new applications, but in aggregate, I think these kind of projects should represent roughly \$70 million in growth over our planning horizon.

So let's talk about the first project. This is one which addresses yield challenges in photolithography. As I mentioned before yield challenges and advanced technology nodes are increasing. More stringent contamination control requirements are in place and this is particularly true in photolithography where the finest pattern features are defined.

Additionally, photolithography uses the most expensive materials in the fab. Photo resist particularly for EUV can run upwards of \$10,000 a gallon for the photo resist material. So the cost of yield loss in this module is very high. So protecting these materials throughout the supply chain is key and it plays into Entegris' strengths in infiltration. Our solution in this particular case is a new class or a new generation of UPE filters intended to address these types of photo chemicals. There's also an additional demand for other products that we provide such as fluid container solutions that maintain the integrity of the clean material once it's produced.

So again, we have the ability in the photolithography sector to protect these most expensive materials used in the fab, from the point where they're produced all the way until they're used on the wafer. This particular opportunity will open new markets with materials manufacturers who have historically been okay with using less capable solutions, but which are increasingly -- they're increasingly challenged with and it also allows for market share gain by allowing us to address key challenges at leading edge nodes.

The second example I want to talk about relates to ion implant. Now the implant sector in a factory is a key market for Entegris both for leading edge and legacy node technologies. Now every fab strives for operational efficiency and tool uptime is a key to achieving that efficiency.

If you go into a fab, one of the landmark tools that you'll see in that fab are the suite of ion implant tools. These are large tools that use an enormous amount of power, consume a lot of very hazardous gases and yet the uptime of these tools is typically controlled by a key component which is the ion source, the point where ions are generated for the ion implantation process.

The source operates in a highly reactive, highly corrosive environment involving flooring that attacks tungsten components in the system. It gets very technical very quickly. But Entegris has come along with a solution to this which is a suite of tailored gas mixtures which liberate less flooring and enabled the source life to be extended by 30% to 40%. This is a significant improvement and provides for increased uptime, better fab efficiency and significantly improved cost point for operating the sector.

Now, much of our business in this market comes from Asia, so we have enabled gas mixture filling capabilities in our manufacturing facility in Jang An, Korea which should significantly shorten the supply loop to our Asia-based customers.

Overall, there's a sense -- there's a strong feeling that the demand for the types of ion implant gases and mixtures that Entegris provides will grow strongly over the next several years.



## JULY 12, 2016 / 6:30PM, ENTG - Entegris Inc 2016 Analyst Meeting

The next example that I want to talk about relates to reactive ion etch or pattern reactive ion etching environments. Patterning and etching of device layers is among the most challenging steps in the manufacturing process. It typically involves very complex stacks of films. You're trying to etch patterns which could be very small holes through very, very tall stacks and this requires very aggressive halogen containing chemistries in order to achieve the etch profiles that are needed for these types of devices to work.

These chemistries are very tough on the etch components that are exposed in the etching equipment. Traditional plasma spray coatings that are used to protect these components no longer work, and are no longer able to withstand attack from these very aggressive halogen containing chemistries, so you get yield loss due to particles from films that begin to flake and fall off from these coatings.

So Entegris' solution is a new class of PVD coatings which are more resistant to attack in these reactive ion etch environments and we're working very closely with the equipment supplier community and have generated significant interest because of the results that we've been able to demonstrate in terms of lifetime of these films, stability of the etch process and consistent operation of the equipment.

The fourth example relates to polishing, what we call chemical mechanical polishing. The CMP sector is among the most complex sectors in the fab. This is a very highly engineered module involving numerous process steps and complex chemical formulations all of which determine the outcome of the polish process. And most people think -- when most people think about a polishing process and the consumables that are used in it, they think about the polishing slurry and the polishing pad.

But I would argue that there's a third critical component and that is the pad conditioner. The purpose of the pad conditioner is to restore the surface of the pad after each wafer is polished so that you can ensure that wafer-to-wafer process is stable and consistent. So Entegris' solution is a new class - a new set of pad conditioners leveraging our experience in silicon carbide and CVD, diamond-like films to produce technology which has been demonstrated to extend both conditioner life and pad life by a factor of two.

This represents a meaningful cost savings for end customers and it replaces competitive offerings that use - that typically use industrial diamond grid which can become dislodged and result in significant scratching on the wafer surface. This application represents a new market for Entegris and it allows us to attack a leading edge problem with a truly differentiated type of solution.

The third example of the - sorry. The fifth example that I want to talk about relates to the deposition, film deposition area. And, you know, as - if you've been following the industry, you recognize that advanced device architectures have become to venture into the vertical dimension and this drives, you know, whether you're talking about the transition to thin sets or gate all around nanowires if you're talking about 3D nanostructures, these architectures result in a demand on film deposition which becomes increasingly difficult.

So if you're trying to deposit this red film here on a planar surface, it's relatively straightforward. Over this fence here it gets a little bit more difficult and if you're trying to wrap it around the fence rail itself, it becomes quite challenging. So in order to achieve the performance requirements for these types of films you need excellent conformality and these conformality really only comes from a class of precursors known as chemical vapor deposition precursor, CVD or ALD type precursors.

Increasingly, these precursors come in solid forms and this again drives a need for a whole new class of precursor delivery systems as well. So Entegris' solution to this problem is a new suite or a new portfolio of deposition precursors which have been developed in conjunction with our end users, be they equipment manufacturers or the device manufacturers and this comes along with our MEGAVAP solid delivery systems to ensure the stability and the reproducibility and the efficient utilization of these precursors throughout the life of the process.

CVD and ALD precursors represent a significant area of growth for the film deposition market and we think that solid precursors will at least keep pace if not outpace the overall trend for CVD films overall. So this is really just a sampling of five representative projects out of the much larger portfolio that I hope gives you a little bit of a flavor of the technical depth that Entegris has and the breadth of capability that we're able to bring to our customer to tackle some of the industry's most challenging problems and we believe will be - will lay a very strong foundation for growth for the Company going forward. Thank you.



## JULY 12, 2016 / 6:30PM, ENTG - Entegris Inc 2016 Analyst Meeting

### **Greg Graves** - Entegris Inc. - EVP, CFO

I didn't get a chance when I introduced Jim to allude to his background but he's been with the Company about three or four years.

His background process, he's been a process guy at IBM for the bulk of his career. He's frankly forgotten more about the semi manufacturing process than most people know. The things that are important though that he talked about as it relates to an investor perspective, materials are becoming more critical in the semi-manufacturing process.

The role that materials play is going to become greater and greater. Much of what we do in keeping that environment pure is increasingly important whether it's getting the chemistry of the customer in a clean fashion, whether it's filtering, it's in the fab environment or even some of the cleaning chemistries that we make.

I think the third point I want to bring out is he talked to you really about why do we win? If you look at sort of who we compete with - if you look at sort who we compete with, we compete with someone different in almost all of the verticals that we participate in. So in terms of that applications expertise across the fab environment, we're really second to none at that.

And then ultimately that is what drives - is going to drive our growth, and Jim talked about five growth initiatives to make up \$70 million in revenue by year three of our strategic plan. That amounts to about a third of our growth. That's something different than what we talked about in the past, where we've got a concentrated number of initiatives, that are going to drive a meaningful portion of our growth.

So with that, we're going to switch over and talk a little bit about the finances. So first of all, looking at our scorecard, we did a fair amount of work last year and we said, "What drives shareholder value?" And we came to really three conclusions, it's about growth, it's about consistency - excuse me. It's about growth, consistency, and profitability.

So our scorecard really focuses around those several items, it's about growing in excess of the market, achieving the target model which for us is about achieving consistent performance and it's about growing our earnings per share. Oops.

I'm going to just give you - if you look at 2015, we viewed to be a very good year for us and I'll provide the supporting detail for that. In 2016 is setting up to be a good year as well. So first of all, that growth in excess of the market. The chart on the left is our - is absolute revenue overtime, obviously the ATMI acquisition played a big role in driving the revenue growth in 2014 and 2015.

On the right-hand side of the slide though is our growth currency adjusted basis relative to the market. 2015, we grew about 3.4% versus 2.3% for our market. Recall, our market is 80% tied to wafer starts, 20% tied to capital. So in 2015 we outperformed the market. As we move in to 2016 we think we're setting up again for another year of outperformance relative to the market.

Secondly, we executed well versus our target model. For the full year of 2015 we achieve that model, we missed it in Q4, we talked about that on our earnings call, the business, we slowed the business down more quickly than we initially had anticipated and that showed up in our margins.

I want to point out a couple of things on this slide, first of all across the top the different revenue levels and the operating margins. If you put 5% growth on top of what we achieved last year in terms of revenue, you need to start to think about the right-hand column of this model which takes you to operating margins in the 20% range and EPS run rate that approaches a dollar.

The other thing I want to point out is as you move across from 250 to 300-plus, about 40% flow through. So every incremental dollar of revenue will drop \$0.40 through to the operating line.

And finally, just the consistency point, consistent execution. If you look at the bottom chart which essentially shows how have we executed versus that target model, the blue bar is what was our operating margin, the gray bar is what was the expectation from the target model. And you can see with the exception of two quarters in the last 17, we've achieved our target performance.



## JULY 12, 2016 / 6:30PM, ENTG - Entegris Inc 2016 Analyst Meeting

The last point to make on this slide relates to - you look at the last three quarters, we missed the model one and we were tight in Q3 and in Q1. As we put the I2M Center, the ramp of the I2M Center behind us and we bring our membrane capacity up, that's going to take about \$2 million to \$3 million in cost out of our cost of sales. So we should be more comfortable as it related to that target model as we move in to Q2 and Q3. And in fact, we talked about higher margins in Q2 versus Q1 and higher yet in Q3.

This slide - another one of the objectives is reducing the leverage. We went into the - when we did the ATMI transaction in 2014, we were at about two times on the net leverage. We execute - we exited 2015 at 1.4 times. We've reduced the debt, we've paid down about \$150 million in debt through the end of 2015, we expect to pay down at least \$50 million in 2016.

Another relevant point here through is that there is a deleveraging story at Entegris. If you think about for every half a turn we take that net leverage down, that should be essentially a dollar a share in shareholder value. I mean if you think we're running at EBITDA levels in the high 200s, a turn of leverage would be \$280 million because 100 - we have 100 - we have a 140,000 share - 140 million shares outstanding.

So for each half a turn of leverage, that's a dollar in value if you assume that we can maintain a constant EBITDA multiple of nine to ten times. And I think people forget that it's all about growth, growth, growth, with the cash flow we're generating, the deleveraging is also going to create value overtime.

The last thing on the report card that we talked about was that growth in earnings per share, you look at 2014, 2015 both very nice years in terms of earnings per share growth, 19% in 2014, 23% in 2015. We're not going to see those type of numbers in 2016 but we would expect to see a continuing trend in terms of earnings per share growth in 2016.

Talking a little bit about cash generation, we talked - Bertrand talked a little bit about that EBITDA margin being up 21% to 22%, that's in line with kind of, you know, best in class specialty chemical companies. When we benchmark that EBITDA margin versus our peers, that is a very respectable margin.

And like I said, as you move further out on that target model and you're moving 40% of each dollar of revenue through, we should be able to see a continued improving trend on that margin.

We also - the chart on the right shows the cash flow generation of the business. If you take the story we've told today, kind of 5% top line growth with the target model that we've got in place where we drop, you know, \$0.40 of every dollar of revenue through to the bottom line, over the next three years, we should generate operating cash flow of somewhere close to \$550 million and free cash flow of somewhere in the \$300 million range, so significant opportunity to delever over the next several years.

We talk about that free cash flow which is essentially the capital that we have to allocate and the question is, what is the capital allocation strategy and what are you going to do with that cash? That really hasn't changed over the past year. We are focused, we talked about this time last year about increasing our domestic liquidity, we exited the last quarter with \$128 million in the US. We want - part of the reason we're building that liquidity is we think we've earned the right to be an industry consolidator, so there is a focus on what we call well-targeted M&A. There's nothing in the pipeline today but clearly M&A and growth through M&A will be part of our strategy.

We have a share repurchase plan in place, it's opportunistic in terms of the price targets but we are going to be - you know, we will continue to buy shares, you know, on weakness in the stock price. And then obviously ongoing debt repayment sitting with - you know, still is about \$600 million in debt, we will continue to pay that debt down.

So in summary, when you think about the Entegris story, I mean we're an absolutely mission critical supplier within the semiconductor space. We see that every time there is a natural disaster somewhere in the world. We saw it Q1 when we, spike in demand for our FOUPs when there was an earthquake in Taiwan.

People absolutely need what we do and we do it very well. We're essentially a materials related supplier into the semi and other microelectronics type industries. We think about materials, its advanced chemistries, it's materials handling and its infiltration.



JULY 12, 2016 / 6:30PM, ENTG - Entegris Inc 2016 Analyst Meeting

We think that combination of products in the market that we're serving is going to give us the opportunity to grow at above market growth rate and with that, you know, stable - relatively stable compared to other companies in the space because so much of the business is recurring revenue will generate strong cash flow, with the earnings leverage, we should be able to grow their earnings per share in the - you know, with top line growth of 5%, the flow through that we have, I mean that kind of math equates into earnings per share growth in the low double digits.

So with that, we'll open it up for questions.

## QUESTIONS AND ANSWERS

**Steve Cantor** - *Entegris Inc. - VP, Corporate Relations*

So I'd like to ask Todd and Wenge to come up to the front as well and we'll take your questions and then we'll try to remember to repeat the question so that the people on the webcast can hear the questions.

So with that, we'll open it up for Q&A. Yes, Patrick?

**Unidentified Audience Member**

Thank you. In terms of the opportunity you highlighted a lot of stuff particularly in the leading edge opportunity, thank you.

In your presentations, you highlight a lot of the opportunities particular at the leading edge where purity and contamination control that continue to gain - continue to gain greater relevance. How do you see some of the opportunities for Entegris at say the more mature technology nodes where their opportunities also growing in areas like IoT and some of the other marketplaces that are growing, say automotive, how do you see those mature technology nodes benefiting in the Company?

**Bertrand Loy** - *Entegris Inc. - President, CEO*

Well it's a great question and we actually as you know serve all of those legacy fabs today. They are, you know, consuming a lot of our filters, our chemistries every day. And from a commercial standpoint, we have increased our focus on those legacy fabs because of, you know, all of the surge in activity that we've seen and that we expect to continue to see.

So all of those fabs are facing similar types of challenges. They are very focused on reducing their cost and as you heard from Jim, we have a number of solutions that would help them actually lower their cost of ownership whether that's helping them improve their uptime, you know, whether that's actually helping them pick up a few extra points of yield as they start, you know, evaluating more advanced filtration and purification solutions.

So again, we are actually reengaging with all of those customers, all of those fabs. And as we do that we uncovering a number of new areas of opportunities for us as well.

**Steve Cantor** - *Entegris Inc. - VP, Corporate Relations*

Next question?

**Todd Edlund** - *Entegris Inc. - COO*

I would just add to that, Patrick. The trailing edge for us - I mean in the whole IoT which has driven a lot of the trailing edge has been much stabler than you know, five years ago if you'd have said our 200 millimeter business in 2016 is going to be what it is, I'd have said no way, it has been much



## JULY 12, 2016 / 6:30PM, ENTG - Entegris Inc 2016 Analyst Meeting

firmer than we would have expected. The other thing as I would say is we generate our cash - at one level we generate our cash at the trailing edge because we're not making significant in ER&D and so those are very profitable products for us.

---

### Unidentified Audience Member

Sort of following up on that question, on the leading edge, is this sort of just the GDP growth driven portion of the business or is this the, you know, growth initiatives that's really driving that? We're talking about 3D nan, 10 nanometer, five, seven and going forward.

---

### Bertrand Loy - Entegris Inc. - President, CEO

So I will ask Jim maybe to add. But it's really the, you know, the investments in all of those new customer engagements that Jim actually was characterizing.

So it's really the ability now to offer those comprehensive solutions that cut across our product lines and product capabilities. You know, all of those contamination challenges are becoming increasingly complex and they are dealt with in the fab environment but also, you know, working with the equipment makers, helping them adopt cleaner, more performing materials and components and increasingly lower in the supply chain with the chemical manufacturers, and helping them again improve the manufacturing processes and then preserve that degree of purity and the integrity of those chemistries throughout this very complex supply chain.

So that's at high level that's the concept, that's the business model and that's the value proposition that we are providing at the leading edge. Todd, I don't know if you want to add anything to it?

---

### Todd Edlund - Entegris Inc. - COO

Well just a little bit. And if you look at some of the structures that Jim showed, some of the advanced structures and some of the work in deposition to get films down inside very fine features, that's pretty much the leading edge activity that's happening both in memory and logic.

Some of the other things that you saw were about uptime for tools and extending ion source life. That really applies across a wide swath of fab. So we can do that both in a new fab and very in a retrofit or going back in existing fabs and improving yield and reducing cost and that's the main focus actually, some of those mixes of gases that Jim was talking about. So it's really a combination of both.

So usually we find something at the leading edge that works really well and then our customers actually want to extend that back into some of their trailing edge fabs and obviously then we see opportunities, hey, we can make this more efficient, we can increase uptime, increase pad life in a legacy fab as well.

I'm just going to add one thing on the IoT part of it. One of our fastest growing regions right now has been China and a lot of that has been for like legacy nodes, sometimes very advanced fab but what we would call legacy nodes and some of those applications. So part of that growth in 200 millimeter has come from really regional growth that we've enjoyed as well.

---

### Christopher Kapsch - BB&T Capital Markets - Analyst

Christopher Kapsch at BB&T Capital Markets. Just a question about the competitive landscape, there's been a lot going on with numerous competitors that you highlighted in this presentation.

And just wondering if - so obviously Dow DuPont merging and Versum becoming an independent company, Paul being acquired, even your Japanese competitors suddenly have a much stronger yen to contend with post-Brexit. So just curious, you know, if - with all this going on, have you - has there been any change in the competitive behavior that you've noticed? And then I have a follow-up to that.



JULY 12, 2016 / 6:30PM, ENTG - Entegris Inc 2016 Analyst Meeting

**Bertrand Loy** - *Entegris Inc. - President, CEO*

I can start. But I would say we have not. I mean I think that all of those companies have remained very focused on what they do and we have as well.

So I think that again, we are not counting on a weakness of a competitor to win. I think that we have a number of technologies that are compelling enough for us again to continue to grow our share and expand our SAM.

**Christopher Kapsch** - *BB&T Capital Markets - Analyst*

And then just as a - as a follow-up, if you look at some of the secular changes that have taken place with the industry and as you've emphasized the - especially for advanced generations, the proliferation of materials that are used with, I don't know, a third or 40% of the periodic table which the parts per, what was it, quadrillion, PPQ?

I don't think I've heard PPQ before. Just - but - and then juxtaposed against the maturity of the industry, the question is, is in - does this make a case that for a mission critical supplier like Entegris that you usually get paid more for your value? In the past, there was always this pricing pressure but that was because, a function of the growth of the industry, right, but now with the growth be more mature and for that - for innovation to happen for them to - for the chip makers to rely on a supplier like Entegris, is there not an entitlement to greater value from a pricing and value standpoint?

**Greg Graves** - *Entegris Inc. - EVP, CFO*

That's a great question and kind of core engines that I look at in terms of how we drive the Company for the long term.

You know, we as a legacy supplier to the industry and to supply really every customer in the industry, we have responsibility to help our customers stay efficient, find ways to reduce cost, improve efficiency. So that's always a headwind for us in that sense but we do it - we embrace - makes us a close partner to them and that gets us in the door to talk about the new applications.

New applications especially at leading edge are almost always solved with the new products. And so we have mid 20% of our revenues comes from new products and those are products that are solving leading edge applications and we try to always improve - you know, improve our margins with those, quite a bit higher than legacy products. So we get - having that pipeline of products we continue and having those JEAs with the customers.

You earn the credibility to do that though by being a good and reliable supplier and help them with efficiency on their - we really have to do both to be successful. But the new products are really the engine where we get that entitlement back. We helped you, we solved your problem, we improved your yields, we increased your throughput and we can command the pricing for the new products to make that happen. But we can't rest on it is kind of my point.

**Unidentified Audience Member**

Yes, I have a quick question. This is for Jim. You talked about five initiatives of the growth things that you're - that you expect over the next two years or so.

I just want to find out which one is near - a low hanging fruit or near-term opportunity that you can go and go after. And out of those five opportunities, which one is probably the biggest of the opportunities? Any more color on that that will be great.



## JULY 12, 2016 / 6:30PM, ENTG - Entegris Inc 2016 Analyst Meeting

**Jim O'Neill** - Entegris Inc. - CTO

Yes. So if I look at our gas mixtures, this is a capability that we've got that is - you know, is pretty much readymade for both legacy and leading edge applications. That's something that we can do today and we're working to continue to penetrate the market and applications base with that.

**Greg Graves** - Entegris Inc. - EVP, CFO

I'll add to that. I think when you talk about the lithography filtration application, that's really our largest.

It's our bread and butter business as well and so when we made the large investments and that Greg talked about with the I2M Center, that's online now. We got 80% or more of our demand for photo-litho filters coming from with membrane from that facility. So we've alleviated a constraint on our ability to serve that market and so we see a lot of growth opportunity.

As you heard about the needs of the fab being pushed down to the material suppliers, including all the resist suppliers, you know, we have to go solve the problems with them just like we did in the fab and we have increased capacity now to make that happen. So we're realizing revenue today from that initiative and growth.

**Unidentified Audience Member**

I have two related questions. The first is, it seems like you're comparing yourself financially to specialty materials companies but you're not a - you know, solely a specialty materials company.

Is there a reason? Are you driving - trying - aside from the - obviously like you made large acquisition there, is this something you're continuing to push as a growth area for the Company and that's why you're using that as your peer group? And then the second in a related sense, of your growth initiatives you already mentioned the specialty materials for lithography as a - or the gap in - as your number one opportunity and then the gas mixture were your new opportunity, your short term horizon opportunity.

Are those growth areas overall mapping more to the specialty materials and the filters for the (inaudible).

**Bertrand Loy** - Entegris Inc. - President, CEO

Well I'll take the first part, you want to take the second part? The first part I would say that, again, specialty chemical companies can - you know, can span a very broad range of definitions.

And it's true if you think about materials and chemistry specifically, it only represents about 40% of our top line. But I would actually run into that definition of specialty chemical, the filtration and purification product offering that we have.

So again, I think, you know, the way we're trying to position ourselves is and differentiate ourselves is that we are not a tool maker, we're not an equipment company. Our business is not really driven by the semiconductor CAPEX, but it's really driven by the throughput and the output of the fabs and the end users that really constitute the vast majority of our customer-base. Do you want to take the second part?

**Jim O'Neill** - Entegris Inc. - CTO

I think relative to, you know, first of all comparing to equipment companies, equipment companies are our customers and we work with really all of them.

You don't find many equipment companies work with other equipment companies. So when we work - I mean, when working with them, we're working on solving materials problems, materials handling problems or actually materials that they're using to achieve their process to get a cleaner

## JULY 12, 2016 / 6:30PM, ENTG - Entegris Inc 2016 Analyst Meeting

deposition process. We work with them at the very earliest stages of their tool design to help them enable a material that's going to get the process done.

The connection between the cleaning chemicals especially infiltration and resistant filtration is very, very intimate today. I mean there's many factors that affect how these materials perform on the wafer and we learn with the customers in a lot of cases how this is happening and we can alter, you know, the filter and we do this in many, many ways to solve a specific problem or change a performance attribute and that's very true with the chemistries as well.

One of our largest investments is in the dynamics around the - how the materials interface with the wafer. So there's a lot - there's lots to do between materials handling to make the - make things effective not only within our own materials but with our customers' materials as well and that's the reality that we face today.

The other part of course is materials handling. So when we talk about it - we really think of it as a specialty materials company as opposed to just a specialty chemicals company because we make materials that aren't just what you would think aqueous chemistries or gaseous chemistries. They actually stay on the wafer but we also handle those wafers, we handle all those critical materials all through the fab.

So we don't make equipment, we do make some of the materials and then we make a lot of the things that handle those materials and are consumed during the process in the fab, that's the other thing that makes us unique from capital equipment companies in the semi space.

---

### Unidentified Audience Member

Thank you. Just a quick question about some of the capacity that we've added. I think the I2M Center which in my opinion took a little bit longer than I assumed it would to double capacity if you will.

But that should be done now and we should be benefiting from that not only on a top line perspective but maybe a little bit more in the margin perspective, if you could share if that's accurate or not. And then I know we've added a bunch of capacity in Minnesota as well and maybe you could give us an update on where we stand there and when those - you know, I understand there's a difference between adding capacity and qualifying capacity and maybe you can let us know where we sit on those two big facilities?

---

### Jim O'Neill - Entegris Inc. - CTO

Yes. I alluded a little bit to the I2M facility in my presentation, but I think specifically when we did our Q1 release we talked about the fact that, you know, that capacity constraint was going to be gone, the drag on the margin was going to be gone.

And we talked about a year ago, you know, going places in Asia and customers being frantic because they couldn't get that product. So in addition to the market being decent, I mean there are some Entegris specific things like the I2M Center that are, you know, creating some tailwinds for us right now. I'll let Todd comment on the Chaska.

---

### Todd Edlund - Entegris Inc. - COO

So Christian, first of all on the I2M Center, so it did take longer than I certainly wanted it to take and really I would say because we were not only ramping a lot of legacy membranes, we're also inventing new membranes for today's challenges.

So we've taken, you know, four sizes down, we've done additional cleaning steps, we learned a lot of things, continuing to support the industry while we had to ramp this complete move and certainly got a new appreciation for how complicated it is to bring up a membrane facility.

I'm extremely happy that it's up and running today and producing revenue for us in a significant way. So that's going really well. We've added capacity. The other is that I think about that I felt constraints from our customers is, one is our chemical containers.



## JULY 12, 2016 / 6:30PM, ENTG - Entegris Inc 2016 Analyst Meeting

So we added - we doubled our capacity for drums in Minnesota a couple of years ago and have basically filled that up and we had a - we have our new factory in Taiwan as well and we are just now doubling the capacity of that facility because of the pressure from - of demand from chemical customers in Taiwan, Korea, China, et cetera. So that's just coming online in doing the V&Q process right now.

The areas for gas is for canisters, for containers, for the SDS gases, as well as for deposition materials, that's one of our facets growing businesses and we've been constrained in terms of really a part of a differentiation, a big part of it is our containers and how they actually deliver these materials to the fab in a very safe and pure way.

And we made some investments, really a year ago we started a more significant investment that's largely, you know, been accomplished now to put those canister fleets in place so that we can handle the growth there. Part of these growth in these mixtures for gases is coming from outside of semi, it's coming in some other related industries as well and so we need to get ready to serve it.

So I think those three areas of membranes, gases and containers, unit driven parts of the business have been asking the most from our customers for additional capacity and we're seeing the impact to that very positively, now it's happening.

---

**Steve Cantor** - *Entegris Inc. - VP, Corporate Relations*

Any other questions? Follow-up?

---

**Christopher Kapsch** - *BB&T Capital Markets - Analyst*

Yes, Christopher Kapsch at BB&T again. I think based on your model Greg you, absent an acquisition to be, you know, roughly debt free in a few years I'm sure.

You don't want to be there. Your comments of your - you said that acquisitions are part of the, you know, the core competence and part of the future of the Company, I think Greg, you said, you know, you've earned the - that Entegris has earned the right to be an industry consolidator. I guess, if you could just talk about what the process that you guys have in place to evaluate acquisitions and what's the most important as you look forward for finding a target that would complement your portfolio and help you augment your strategy to grow as you laid it out? Thanks.

---

**Bertrand Loy** - *Entegris Inc. - President, CEO*

Right. So this is a question that could certainly be answered in what we deserve actually a lot more time.

But simply I would say, so yes. You know, M&A will continue to be an important part of our growth strategy. We are certainly constantly looking for potential M&A targets and we have a, you know, pipeline of potential M&A candidates. We are constantly looking for high quality companies that can help us add value to our existing customers or could actually be helping us get access to new markets as well.

So it's a combination of both, and if I was in a position to share what is on our M&A pipeline, something I cannot do, you would actually see examples of those two types of companies. As Greg said, we have, you know, nothing really active at this point in time and we're going to be in no rush. I think that the ATMI acquisition was a big success partially because we took the time to be very selective, and partially we took the time also to do a very thorough due diligence and a very thorough integration planning and integration execution. And I would expect for us to apply this same rules and the same principles going forward.

---

**Steve Cantor** - *Entegris Inc. - VP, Corporate Relations*

Any more questions?



JULY 12, 2016 / 6:30PM, ENTG - Entegris Inc 2016 Analyst Meeting

---

**Unidentified Audience Member**

You mentioned in your presentation that you are working with copper and I was wondering if you could maybe talk about some of your work in alternative materials to replace copper in the future? I've heard that cobalt or lithium.

---

**Jim O'Neill - Entegris Inc. - CTO**

Yes. Not to dive too deeply in the weeds really quickly. Copper has been a - very successful and will continue to be a material in high demand for both leading edge and legacy node applications.

You know, our position with our partnership with [Enthon] in terms of copper plating has been quite successful. As you go down to the smallest technology nodes based on the way in which copper is utilized that uses a barrier material to prevent the copper from bleeding into the rest of the device, the - that barrier material limits the ultimate resistivity and therefore the speed at which you can switch a device.

So there is an effort within the industry to identify alternative metallurgies, cobalt is one, we participate there extensively and have released products into the industry on that. We are also working with partners and advanced customers to identify other candidates that serve their needs.

And, you know, those candidates are, you know, out and under investigation within the industry and university settings as well so things like cobalt, ruthenium, molybdenum, and things like that have all been published and there are things that in order to be implemented will require significant development but, you know, there is a technological need to identify alternatives for the smallest features.

But I think right now, you know, it will not displace the big position we have in copper but it will become increasingly important for the smallest features on the device.

---

**Steve Cantor - Entegris Inc. - VP, Corporate Relations**

Great. Before I turn it over to Bertrand for some last comments, I want to let the people in the room here today know that we have a hospitality suite, actually one floor below this one where we have some product and I'll be there after the meeting if you want to stop by.

We are also having a reception this evening from 5:00 to 8:00 and if you'd like to attend that that would be also at the hospitality suite. So if you'd like to attend that please see me. And with that, I'll turn it over to Bertrand.

---

**Bertrand Loy - Entegris Inc. - President, CEO**

Well thank you all again for joining us today. Again, a very special day. I hope you can join us for this 50th anniversary celebration in the evening.

And I would invite each and every one of you who want to understand more about the technology that we develop and the Company that we are, to visit one of our sites whether that's in Massachusetts or in, you know, any other part of the world. So again, thank you for your attention and have a great day.

---



## JULY 12, 2016 / 6:30PM, ENTG - Entegris Inc 2016 Analyst Meeting

**DISCLAIMER**

Thomson Reuters reserves the right to make changes to documents, content, or other information on this web site without obligation to notify any person of such changes.

In the conference calls upon which Event Transcripts are based, companies may make projections or other forward-looking statements regarding a variety of items. Such forward-looking statements are based upon current expectations and involve risks and uncertainties. Actual results may differ materially from those stated in any forward-looking statement based on a number of important factors and risks, which are more specifically identified in the companies' most recent SEC filings. Although the companies may indicate and believe that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate or incorrect and, therefore, there can be no assurance that the results contemplated in the forward-looking statements will be realized.

THE INFORMATION CONTAINED IN EVENT TRANSCRIPTS IS A TEXTUAL REPRESENTATION OF THE APPLICABLE COMPANY'S CONFERENCE CALL AND WHILE EFFORTS ARE MADE TO PROVIDE AN ACCURATE TRANSCRIPTION, THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORTING OF THE SUBSTANCE OF THE CONFERENCE CALLS. IN NO WAY DOES THOMSON REUTERS OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED ON THIS WEB SITE OR IN ANY EVENT TRANSCRIPT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S CONFERENCE CALL ITSELF AND THE APPLICABLE COMPANY'S SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.

©2016, Thomson Reuters. All Rights Reserved.