

**Novellus Systems Convertible Note (CUSIP 670008AD3) due May 15, 2041 Dilution Schedule
Sensitivity Based on Average Quarterly Stock Price**

Quarterly share dilution under the Treasury stock method is calculated as follows:

$$\text{Share Dilution} = \frac{(\text{Average Quarterly Share Price} \times \text{Underlying Shares}) \text{ minus Notional}}{\text{Average Quarterly Share Price}}$$

<u>Notional</u>	<u>Underlying Shares</u>	<u>Conversion Price</u>
\$700 million	20.28 million	\$34.51

Hypothetical Quarterly Average Stock Price Matrix

<u>Average Quarterly Stock Price (\$)</u>	<u>Approximate Quarterly Dilutive Share Count Impact ('000s shares)</u>
Less than \$34.51	-
\$37.00	1,367
\$40.00	2,786
\$43.00	4,006
\$46.00	5,068
\$49.00	6,000
\$52.00	6,824
\$55.00	7,558
\$58.00	8,216
\$61.00	8,810
\$64.00	9,347
\$67.00	9,837
\$70.00	10,285
\$73.00	10,696
QSep'15 Adjusted Average Share Price	10,792
\$76.00	11,074
\$79.00	11,424
\$82.00	11,748
\$85.00	12,049
\$88.00	12,330
\$91.00	12,592
\$94.00	12,838
\$97.00	13,068
\$100.00	13,285

1. Please refer to the Notes to the Consolidated Financial Statements, Note 14 - Long Term Debt and Other Borrowings on Form 10-K, filed August 13, 2015, for additional information.
2. The conversion price has been adjusted to reflect the impact of the cash dividend payout on the conversion rate. Refer to Form 8-K filed September 13, 2015 for additional information.