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

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended July 3, 2010

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ______ to ______

Commission file number: 000-30789

Entegris, Inc.
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**41-1941551** (I.R.S. Employer Identification No.)
129 Concord Road, Billerica, Massachusetts (Address of principal executive offices)	**01821** (Zip Code)

(978) 436-6500
(Registrant's telephone number, including area code)

[None]
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☐ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐ (Do not check if a smaller reporting company)	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at July 23, 2010
Common Stock, $0.01 par value per share	**131,893,829 shares**

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ENTEGRIS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In thousands, except share data)	July 3, 2010	December 31, 2009
ASSETS		
Current assets:		
Cash and cash equivalents	$ 75,313	$ 68,700
Trade accounts and notes receivable, net of allowance for doubtful accounts of $1,489 and $1,694	116,742	91,122
Inventories	90,554	83,233
Deferred tax assets, deferred tax charges and refundable income taxes	12,272	11,085
Assets held for sale	5,998	5,998
Other current assets	7,085	7,320
Total current assets	307,964	267,458
Property, plant and equipment, net of accumulated depreciation of $209,575 and $195,605	130,361	135,431
Other assets:		
Investments	7,353	7,002
Other intangible assets, net	70,373	78,470
Deferred tax assets and other noncurrent tax assets	10,120	9,670
Other	5,239	6,641
Total assets	$ 531,410	$ 504,672
LIABILITIES AND EQUITY		
Current liabilities:		
Current maturities of long-term debt	$ 5,886	$ 11,257
Short-term borrowings	—	8,039
Accounts payable	29,008	23,553
Accrued liabilities	45,562	29,832
Deferred tax liabilities and income taxes payable	9,896	1,229
Total current liabilities	90,352	73,910
Long-term debt, less current maturities	20,406	52,492
Pension benefit obligations and other liabilities	22,778	22,055
Deferred tax liabilities and other noncurrent tax liabilities	5,725	6,558
Commitments and contingent liabilities	—	—
Equity:		
Preferred stock, par value $.01; 5,000,000 shares authorized; none issued and outstanding as of July 3, 2010 and December 31, 2009	—	—
Common stock, par value $.01; 400,000,000 shares authorized; issued and outstanding shares: 131,889,125 and 130,043,483	1,319	1,300
Additional paid-in capital	756,700	751,360
Retained deficit	(399,033)	(433,968)
Accumulated other comprehensive income	29,376	27,500
Total Entegris, Inc. shareholders' equity	388,362	346,192
Noncontrolling interest	3,787	3,465
Total equity	392,149	349,657
Total liabilities and equity	$ 531,410	$ 504,672

See the accompanying notes to condensed consolidated financial statements.

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ENTEGRIS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

(In thousands, except per share data)	Three months ended		Six months ended	
	July 3, 2010	June 27, 2009	July 3, 2010	June 27, 2009
Net sales	$167,575	$ 82,576	$328,086	$141,614
Cost of sales	90,448	58,846	177,808	112,866
Gross profit	77,127	23,730	150,278	28,748
Selling, general and administrative expenses	36,592	25,685	72,374	55,406
Engineering, research and development expenses	10,736	7,843	21,556	16,747
Amortization of intangible assets	3,364	4,931	7,636	9,912
Restructuring charges	—	5,452	—	10,086
Operating income (loss)	26,435	(20,181)	48,712	(63,403)
Interest expense, net	1,662	2,577	2,868	4,425
Other expense (income), net	711	1,537	418	(3,686)
Income (loss) before income taxes and equity in affiliates	24,062	(24,295)	45,426	(64,142)
Income tax expense (benefit)	5,393	(2,252)	10,202	(4,850)
Equity in net (earnings) loss of affiliates	(77)	449	(268)	945
Net income (loss)	18,746	(22,492)	35,492	(60,237)
Less net income attributable to noncontrolling interest	361	—	557	—
Net income (loss) attributable to Entegris, Inc.	$ 18,385	$ (22,492)	$ 34,935	$ (60,237)
Amounts attributable to Entegris, Inc.				
Basic net income (loss) per common share:	$ 0.14	$ (0.20)	$ 0.27	$ (0.54)
Diluted net income (loss) per common share:	$ 0.14	$ (0.20)	$ 0.26	$ (0.54)
Weighted shares outstanding:				
Basic	131,568	112,694	131,261	112,521
Diluted	132,870	112,694	132,827	112,521

See the accompanying notes to condensed consolidated financial statements.

ENTEGRIS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EQUITY AND COMPREHENSIVE INCOME (LOSS)
(Unaudited)

(In thousands)	Common shares outstanding	Common stock	Additional paid-in capital	Retained deficit	Accumulated other comprehensive income	Noncontrolling interest	Total	Comprehensive loss
Balance at December 31, 2008	113,102	$1,131	$ 684,974	$ (376,247)	$ 26,312	—	$336,170	
Shares issued under stock plans	603	6	564	—	—	—	570	
Share-based compensation expense	—	—	4,179	—	—	—	4,179	
Tax benefit associated with stock plans	—	—	535	—	—	—	535	
Other, net of tax	—	—	—	—	105	—	105	$ 105
Foreign currency translation	—	—	—	—	(7,552)	—	(7,552)	(7,552)
Net loss	—	—	—	(60,237)	—	—	(60,237)	(60,237)
Total comprehensive loss								$ (67,684)
Balance at June 27, 2009	113,705	$1,137	$ 690,252	$ (436,484)	$ 18,865	—	$273,770	

(In thousands)	Common shares outstanding	Common stock	Additional paid-in capital	Retained deficit	Accumulated other comprehensive income	Noncontrolling interest	Total	Comprehensive income
Balance at December 31, 2009	130,043	$1,300	$ 751,360	$ (433,968)	$ 27,500	$ 3,465	$349,657	
Shares issued under stock plans	1,846	19	1,638	—	—	—	1,657	
Share-based compensation expense	—	—	3,682	—	—	—	3,682	
Tax benefit associated with stock plans			20				20	
Other, net of tax	—	—	—	—	24	—	24	$ 24
Foreign currency translation	—	—	—	—	1,852	(235)	1,617	1,617
Net income	—	—	—	34,935	—	557	35,492	35,492
Total comprehensive income								$ 37,133
Balance at July 3, 2010	131,889	$1,319	$ 756,700	$ (399,033)	$ 29,376	$ 3,787	$392,149	

See the accompanying notes to condensed consolidated financial statements.

ENTEGRIS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(In thousands)	Six months ended July 3, 2010	Six months ended June 27, 2009
Operating activities:		
Net income (loss)	$ 35,492	$ (60,237)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation	13,890	16,173
Amortization	7,636	9,912
Share-based compensation expense	3,682	4,179
Provision for doubtful accounts	(59)	373
Provision for excess and obsolete inventory	(383)	3,406
Provision for deferred income taxes and related valuation allowance	190	(3,432)
Equity in net (earnings) loss of affiliates	(268)	945
Charge for fair value mark-up of acquired inventory sold	—	4,065
Gain on sale of equity investment	(392)	—
Loss on sale and disposal of property and equipment	460	705
Net income attributable to noncontrolling interest	(557)	—
Amortization of bond issuance costs	1,392	790
Excess tax benefits associated with stock plans	(20)	—
Other	191	—
Changes in operating assets and liabilities:		
Trade accounts receivable and notes receivable	(25,974)	9,786
Inventories	(6,594)	11,450
Accounts payable and accrued liabilities	17,644	(4,429)
Other current assets	194	2,050
Income taxes payable	6,448	3,840
Other	2,840	(5,908)
Net cash provided by (used in) operating activities	55,812	(6,332)
Investing activities:		
Acquisition of property and equipment	(7,657)	(10,399)
Proceeds from sale of equity investment	392	—
Proceeds from sale of property and equipment	35	236
Other	3,585	—
Net cash used in investing activities	(3,645)	(10,163)
Financing activities:		
Principal payments on short-term borrowings and long-term debt	(230,143)	(306,951)
Proceeds from short-term borrowings and long-term debt	184,358	296,510
Issuance of common stock	1,657	570
Excess tax benefits associated with stock plans	20	—
Payments for debt issuance costs	(148)	(3,500)
Net cash used in financing activities	(44,256)	(13,371)
Effect of exchange rate changes on cash and cash equivalents	(1,298)	(1,101)
Increase (decrease) in cash and cash equivalents	6,613	(30,967)
Cash and cash equivalents at beginning of period	68,700	115,033
Cash and cash equivalents at end of period	$ 75,313	$ 84,066

See the accompanying notes to condensed consolidated financial statements.

ENTEGRIS, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Entegris is a leading provider of a wide range of products for purifying, protecting and transporting critical materials used in processing and manufacturing in the semiconductor and other high-technology industries. The condensed consolidated financial statements include the accounts of the Company and its majority-owned subsidiaries. Intercompany profits, transactions and balances have been eliminated in consolidation.

The preparation of condensed consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, particularly receivables, inventories, property, plant and equipment, and intangibles, accrued expenses and income taxes and related accounts, and disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

In the opinion of the Company, the accompanying unaudited condensed consolidated financial statements contain all adjustments necessary to present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position as of July 3, 2010 and December 31, 2009, the results of operations for the three months and six months ended July 3, 2010 and June 27, 2009, and equity and comprehensive income (loss), and cash flows for the six months ended July 3, 2010 and June 27, 2009.

The condensed consolidated financial statements and notes are presented as permitted by Form 10-Q and do not contain certain information included in the Company's annual consolidated financial statements and notes. The information included in this Form 10-Q should be read in conjunction with Management's Discussion and Analysis and consolidated financial statements and notes thereto included in the Company's Form 10-K for the year ended December 31, 2009. The results of operations for the six months ended July 3, 2010 are not necessarily indicative of the results to be expected for the full year.

Fair Value of Financial Instruments The carrying value of cash equivalents, accounts receivable, accounts payable and short-term debt approximates fair value due to the short maturity of those instruments. The carrying value of long-term debt approximates fair value due to the short maturity and variable interest rates of virtually all of those instruments.

2. INVENTORIES

Inventories consist of the following:

(In thousands)	July 3, 2010	December 31, 2009
Raw materials	$ 21,367	$ 21,016
Work-in process	14,010	11,136
Finished-goods[(a)]	54,523	50,453
Supplies	654	628
Total inventories	$ 90,554	$ 83,233

(a) Includes consignment inventories held by customers for $5,258 and $4,121 at July 3, 2010 and December 31, 2009, respectively.

3. INTANGIBLE ASSETS

Identifiable intangible assets, net of amortization, of $70.4 million as of July 3, 2010 are being amortized over useful lives ranging from 3 to 15 years and are as follows:

	As of July 3, 2010		
(In thousands)	Gross carrying amount	Accumulated amortization	Net carrying value
Patents	$ 18,743	$ 17,417	$ 1,326
Developed technology	74,988	51,244	23,744
Trademarks and trade names	17,155	8,531	8,624
Customer relationships	56,788	20,493	36,295
Employment and noncompete agreements	1,707	1,658	49
Other	4,262	3,927	335
	$173,643	$ 103,270	$70,373

	As of December 31, 2009		
(In thousands)	Gross carrying amount	Accumulated amortization	Net carrying value
Patents	$ 19,020	$ 16,839	$ 2,181
Developed technology	74,988	47,541	27,447
Trademarks and trade names	17,245	7,950	9,295
Customer relationships	56,862	17,839	39,023
Employment and noncompete agreements	1,707	1,607	100
Other	4,278	3,854	424
	$174,100	$ 95,630	$78,470

Aggregate amortization expense for the three and six months ended July 3, 2010 amounted to $3.4 million and $7.6 million, respectively. Estimated amortization expense for calendar years 2010 to 2014 and thereafter is approximately $13.3 million, $10.1 million, $9.4 million, $8.8 million, $7.7 million, and $28.7 million, respectively.

4. WARRANTY

The Company accrues for warranty costs based on historical trends and the expected material and labor costs to provide warranty services. The majority of products sold are covered by a warranty for periods ranging from 30 days to one year. The following table summarizes the activity related to the product warranty liability during the three-month and six-month periods ended July 3, 2010 and June 27, 2009:

	Three months ended		Six months ended	
(In thousands)	July 3, 2010	June 27, 2009	July 3, 2010	June 27, 2009
Balance at beginning of period	$ 737	$ 820	$ 877	$ 1,112
Accrual for warranties issued during the period	576	484	744	634
Adjustment of unused previously recorded accruals	—	—	(100)	(57)
Settlements during the period	(100)	(109)	(308)	(494)
Balance at end of period	$ 1,213	$ 1,195	$ 1,213	$ 1,195

5. RESTRUCTURING COSTS

For the three months and six months ended July 3, 2010 and June 27, 2009, the accrued liabilities, provisions and payments associated with the employee severance and retention costs of the Company's restructuring activities were as follows:

	Three months ended		Six months ended	
(In thousands)	July 3, 2010	June 27, 2009	July 3, 2010	June 27, 2009
Accrued liabilities at beginning of period	$ 1,323	$ 9,427	$ 2,621	$ 12,696
Provision	(18)	2,681	17	4,973
Payments	(966)	(4,549)	(2,299)	(10,110)
Accrued liabilities at end of period	$ 339	$ 7,559	$ 339	$ 7,559

Global restructuring and cost reduction initiatives

In the third quarter of 2008, in conjunction with the appointment of a new Chief Operating Officer, the Company initiated a global business restructuring of its sales and marketing functions, manufacturing operations, and realignment of its global supply chain and related ancillary operational functions. The Company has incurred employee termination and other costs in connection with this business restructuring and other actions taken in response to the downturn in the semiconductor industry that began during the second half of 2008.

The Company announced in the fourth quarter of 2008 that it would close the larger of its two manufacturing facilities in Chaska, Minnesota and would transfer the related production to other existing facilities. The closure, which affected approximately 200 positions in the Company's worldwide workforce, was completed in 2009. Associated with this closure, the Company recorded charges related to employee severance and retention costs of approximately zero and $0.7 million for the three months and six months ended June 27, 2009, respectively, which were classified as restructuring charges.

In the first quarter of 2009, the Company announced workforce reductions in Asia and Japan, which affected approximately 132 positions. In the second quarter of 2009, the Company announced additional global workforce reductions, affecting approximately 96 positions. In connection with the above actions, the Company recorded charges related to employee severance costs of approximately $2.7 million and $4.0 million for the three months and six months ended June 27, 2009, respectively, which were classified as restructuring charges.

In addition, $0.6 million and $1.4 million in accelerated depreciation expense; $1.9 million and $3.3 million in other costs associated with the transfer of production from the Chaska facility; and $0.3 and $0.7 million related to other workforce reductions were recorded and classified as restructuring charges for the three months and six months ended June 27, 2009, respectively.

The Company's facility in Chaska became available for sale during the fourth quarter ended December 31, 2009 and was classified in assets held for sale at July 3, 2010 and December 31, 2009 at a carrying value of $6.0 million.

6. REVOLVING CREDIT FACILITY

The Company has a revolving credit facility maturing November 1, 2011. On May 19, 2010, the Company amended the underlying revolving credit facility agreement with its lenders. The amendment reduced the revolving credit commitment from $121.7 million to $60.0 million, all of which is available to the Company dependent upon the Company's borrowing base, which is based on the Company's levels of qualifying domestic accounts receivable, inventories and value of its property, plant and equipment.

In addition, the May 19, 2010 amendment to the revolving credit facility agreement provided greater flexibility for certain thresholds related to the Company's capital expenditure and cash management covenants. The amendment did not change the cash flow leverage ratio or fixed charge coverage ratio covenants included in the terms of the revolving credit facility.

As of July 3, 2010, the Company's borrowing base supported $57.8 million of its available revolving commitment amount of $60.0 million. The Company had outstanding borrowings under the revolving credit facility of $20.4 million as of July 3, 2010, with an additional $1.9 million undrawn on outstanding letters of credit.

Through July 3, 2010, the Company was in compliance with all applicable debt covenants included in the terms of the revolving credit facility. Beginning in the second quarter of 2010, the terms of the revolving credit facility require that the Company maintain a cash flow leverage ratio of no more than 3.0 to 1.0 and a fixed charge coverage ratio no lower than 1.5 to 1.0. At July 3, 2010, the Company's cash flow leverage and fixed charge coverage ratios stood at 0.2 to 1.0 and 5.2 to 1.0, respectively. The cash flow leverage ratio measures the sum of short-term borrowings, long-term debt and capital lease obligations divided by the most recent two fiscal quarters' EBITDA (as defined below) multiplied by two. The fixed charge coverage ratio measures the sum of EBITDA and lease expense less the sum of capital expenditures and income tax payments, which figure in turn is divided by the sum of interest expense, lease expense and scheduled principal payments.

EBITDA is calculated by adding consolidated net income attributable to Entegris, Inc., depreciation, amortization, share-based compensation expense, interest expense, income taxes, non-cash gains and losses, extraordinary gains and losses, non-recurring expenses associated with a permitted acquisition, foreign exchange expense and certain expenses related to the revolving credit facility. Non-cash gains and losses include adjustments to the Company's excess and obsolete inventory reserves and allowances for doubtful accounts, and impairment charges of long-lived assets and investments.

In addition to the financial metric covenants required under the revolving credit facility, under the amended terms of the revolving credit facility the Company is restricted from making annual capital expenditures in excess of $30.0 million in both 2010 and 2011. The Company must also maintain a minimum of $10.0 million in domestic cash balances, while holding no more than $75.0 million in international cash balances.

The Company's borrowings under the revolving credit facility are guaranteed by all its subsidiaries that are treated as domestic for tax purposes and secured by a first-priority security interest in all assets owned by the borrowers or such domestic guarantors, except that the collateral shall include only 65% of the voting stock owned by the borrowers or a domestic subsidiary of each subsidiary which is treated as foreign for tax purposes.

The Company expended $0.1 million for debt issuance costs in connection with its amendment of the revolving credit agreement. These costs are included in other assets in the Company's condensed consolidated financial statements and are being amortized over the remaining term of the agreement. Interest expense for the quarter ended July 3, 2010 included a charge of $0.9 million for the accelerated write-off of previously capitalized debt issuance costs associated with the revolving credit facility due to the reduction in the Company's revolving credit commitment from $121.7 million to $60.0 million described above.

7. OTHER INCOME, NET

Other income, net consists of the following:

	Three months ended		Six months ended	
(In thousands)	**July 3, 2010**	**June 27, 2009**	**July 3, 2010**	**June 27, 2009**
(Loss) gain on foreign currency remeasurement	$ (1,314)	$ (1,836)	$ (877)	$ 3,322
Gain on sale of equity investment	392	—	392	—
Other, net	211	299	67	364
Other (expense) income, net	$ (711)	$ (1,537)	$ (418)	$ 3,686

The (loss) gain on foreign currency remeasurement for the three-month and six-month periods ended July 3, 2010 and June 27, 2009 mainly reflects foreign currency transaction effects of the remeasurement of yen-denominated assets and liabilities held by the Company's U.S. entity.

8. INCOME TAXES

The Company recorded income tax expense of $5.4 million and $10.2 million in the three months and six months ended July 3, 2010, respectively, compared to income tax benefits of $2.3 million and $4.9 million in the three months and six months ended June 27, 2009, respectively. The effective tax rate was 22.5% in the 2010 period, compared to 7.6% in the 2009 period.

In 2010, the Company's effective tax rate was lower than U.S. statutory rates mainly due to the $3.9 million decrease in the Company's U.S. deferred tax asset valuation allowance. Management concluded the Company will realize certain deferred tax assets related to current taxes payable and has thus released the allowance for a portion of U.S. deferred tax assets. The effective tax rate also benefitted from the Company's tax holiday in Malaysia whereby, as a result of employment commitments, research and development expenditures and capital investments made by the Company, income from certain manufacturing activities in Malaysia is exempt from income taxes. The effective tax rate was also affected by lower tax rates in certain of the Company's taxable jurisdictions.

In 2009, the Company's effective tax rate was lower than U.S. statutory rates mainly due to the $14.8 million increase in the Company's U.S. deferred tax asset valuation allowance. Management concluded that it is not more likely than not that the Company would realize certain deferred tax assets associated with 2009 domestic operating losses to date, and thus provided an allowance for the portion of deferred tax assets that management concluded will not be utilized. The Company also provided a $0.3 million allowance for a portion of its non-U.S. deferred tax assets.

9. EARNINGS (LOSS) PER COMMON SHARE

The following table presents a reconciliation of the denominators used in the computation of basic and diluted earnings (loss) per common share.

	Three months ended		Six months ended	
(In thousands)	July 3, 2010	June 27, 2009	July 3, 2010	June 27, 2009
Basic - weighted common shares outstanding	131,568	112,694	131,261	112,521
Weighted common shares assumed upon exercise of stock options and vesting of restricted common stock	1,302	—	1,566	—
Diluted - weighted common shares and common shares equivalent outstanding	132,870	112,694	132,827	112,521

The effect of the inclusion of stock options and unvested restricted common stock for the three-month and six-month periods ended June 27, 2009, respectively, would have been anti-dilutive. Approximately 5.6 million and 5.6 million of the Company's stock options were excluded from the calculation of diluted earnings per share for the three and six months ended July 3, 2010, respectively, and 7.1 million and 8.3 million of the Company's stock options and restricted stock were excluded from the calculation of diluted earnings per share for the three and six months ended June 27, 2009, respectively.

10. SEGMENT REPORTING

The Company has three reportable operating segments that provide unique products and services, are separately managed and have separate financial information evaluated regularly by the Company's chief operating decision maker in determining resource allocation and assessing performance. The Company's financial reporting segments are Contamination Control Solutions (CCS), Microenvironments (ME), and Entegris Specialty Materials (ESM).

- *CCS*: provides a wide range of products and subsystems that purify, monitor and deliver critical liquids and gases used in the semiconductor manufacturing process.

- *ME*: provides products that protect wafers, reticles and electronic components at various stages of transport, processing and storage related to semiconductor manufacturing.
- *ESM*: provides specialized graphite components used in semiconductor equipment and offers low-temperature, plasma-enhanced chemical vapor deposition coatings of critical components of semiconductor manufacturing equipment used in various stages of the manufacturing process as well as graphite and silicon graphite for certain critical industrial markets.

Inter-segment sales are not significant. Segment profit is defined as net sales less direct segment operating expenses, excluding certain unallocated expenses, consisting mainly of general and administrative costs for the Company's human resources, finance and information technology functions as well as interest expense, amortization of intangible assets, charges for the fair market value write-up of acquired inventory sold and restructuring charges. Beginning in 2010, the Company includes certain marketing expenses in the determination of segment profit that had previously been included in unallocated corporate expenses. Accordingly, the Company has adjusted the corresponding items of segment information for earlier periods.

Summarized financial information for the Company's reportable segments is shown in the following table:

	Three months ended		Six months ended	
(In thousands)	**July 3, 2010**	**June 27, 2009**	**July 3, 2010**	**June 27, 2009**
Net sales				
CCS	$103,660	$ 47,541	$204,403	$ 81,828
ME	47,388	26,176	89,315	40,858
ESM	16,527	8,859	34,368	18,928
Total net sales	$167,575	$ 82,576	$328,086	$ 141,614

	Three months ended		Six months ended	
(In thousands)	**July 3, 2010**	**June 27, 2009**	**July 3, 2010**	**June 27, 2009**
Segment profit (loss)				
CCS	$ 28,614	$ 2,830	$ 56,848	$ (5,841)
ME	12,165	(273)	21,145	(10,468)
ESM	2,061	(1,047)	4,403	(430)
Total segment profit (loss)	$ 42,840	$ 1,510	$ 82,396	$ (16,739)

The following table reconciles total segment profit (loss) to operating income (loss):

	Three months ended		Six months ended	
(In thousands)	**July 3, 2010**	**June 27, 2009**	**July 3, 2010**	**June 27, 2009**
Total segment profit (loss)	$ 42,840	$ 1,510	$ 82,396	$ (16,739)
Amortization of intangibles	(3,364)	(4,931)	(7,636)	(9,912)
Restructuring charges	—	(5,452)	—	(10,086)
Charge for fair value mark-up of acquired inventory sold	—	—	—	(4,065)
Unallocated general and administrative expenses	(13,041)	(11,308)	(26,048)	(22,601)
Operating income (loss)	$ 26,435	$ (20,181)	$ 48,712	$ (63,403)

The following table presents amortization of intangibles, restructuring charges and charges for fair value mark-up of acquired inventory sold for the Company's reportable segments:

	Three months ended		Six months ended	
(In thousands)	**July 3, 2010**	**June 27, 2009**	**July 3, 2010**	**June 27, 2009**
Amortization of intangibles				
CCS	$ 1,945	$ 3,419	$ 4,759	$ 6,867
ME	99	159	236	330
ESM	1,320	1,353	2,641	2,715
	$ 3,364	$ 4,931	$ 7,636	$ 9,912
Restructuring charges				
CCS	$ —	$ 813	$ —	$ 2,203
ME	—	3,004	—	5,172
ESM	—	(35)	—	177
Corporate	—	1,670	—	2,534
	$ —	$ 5,452	$ —	$ 10,086
Charge for fair value mark-up of acquired inventory sold				
ESM	$ —	$ —	$ —	$ 4,065
	$ —	$ —	$ —	$ 4,065

11. RECENT ACCOUNTING PRONOUNCEMENTS

In June 2009, the Financial Accounting Standards Board (FASB) issued SFAS No. 167, *Amendments to FASB Interpretation No 46(R)* (Accounting Standards Codification (ASC) Topic 810). This guidance amends certain requirements to improve financial reporting by enterprises involved with variable interest entities and to provide more relevant and reliable information to users of financial statements. This guidance was effective for the Company in 2010 and did not have a material effect on the Company's condensed consolidated financial statements.

In October 2009, the FASB issued Accounting Standards Update (ASU) No. 2009-13, *Revenue Recognition* (Accounting Standards Codification (ASC) Topic 605)—*Multiple-Deliverable Revenue Arrangements*, *a consensus of the FASB Emerging Issues Task Force.* This guidance modifies the fair value requirements of ASC subtopic 605-25 *Revenue Recognition-Multiple Element Arrangements* by allowing the use of the "best estimate of selling price" for determining the selling price of a deliverable. A vendor is now required to use its best estimate of the selling price when vendor specific objective evidence or third-party evidence of the selling price cannot be determined. In addition, the residual method of allocating arrangement consideration is no longer permitted. This guidance is effective for the Company in 2011. The Company is currently evaluating the impact of adopting this update, but does not expect the guidance to have a material effect on the Company's condensed consolidated financial statements.

In February 2010, the FASB issued ASU No. 2010-09, *Subsequent Events (ASC Topic 855) – Amendments to Certain Recognition and Disclosure Requirements*, which eliminated the requirement for public companies to disclose the date through which subsequent events have been evaluated. As required, the Company will continue to evaluate subsequent events through the date of the issuance of its condensed consolidated financial statements. However, consistent with the guidance, this date will no longer be disclosed. ASU No. 2010-09 was effective upon issuance for the Company. The adoption of this update did not have a material effect on the Company's condensed consolidated financial statements.

Other Accounting Standards Updates not effective for the Company until after July 3, 2010 are not expected to have a material effect on the Company's condensed consolidated financial statements.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Overview

This overview is not a complete discussion of the Company's financial condition, changes in financial condition and results of operations; it is intended merely to facilitate an understanding of the most salient aspects of its financial condition and operating performance and to provide a context for the detailed discussion and analysis that follows and must be read in its entirety in order to fully understand the Company's financial condition and results of operations.

Entegris, Inc. is a leading provider of products and services that purify, protect and transport the critical materials used in key technology-driven industries. Entegris derives most of its revenue from the sale of products and services to the semiconductor and related industries. The Company's customers consist primarily of semiconductor manufacturers, semiconductor equipment and materials suppliers as well as thin film transistor-liquid crystal display (TFT-LCD) and hard disk manufacturers, which are served through direct sales efforts, as well as sales and distribution relationships, in the United States, Asia, Europe and the Middle East.

The Company offers a diverse product portfolio which includes more than 15,000 standard and customized products that it believes provide the most comprehensive offering of contamination control solutions and microenvironment products and services to the microelectronics industry. Certain of these products are unit-driven and consumable products that rely on the level of semiconductor manufacturing activity to drive growth, while others rely on expansion of manufacturing capacity to drive growth. The Company's unit-driven and consumable products includes membrane-based liquid filters and housings, metal-based gas filters, resin-based gas purifiers, wafer shippers, disk-shipping containers and test assembly and packaging products and consumable graphite and silicon carbide components used in plasma etch, ion implant and chemical vapor deposition processes in semiconductor manufacturing. The Company's capital expense-driven products include components, systems and subsystems that use electro-mechanical, pressure differential and related technologies to permit semiconductor and other electronics manufacturers to monitor and control the flow and condition of process liquids used in these manufacturing processes, and process carriers that protect the integrity of in-process wafers.

The Company's fiscal year is the calendar period ending each December 31. The Company's fiscal quarters consist of 13-week or 14-week periods that end on Saturday. The Company's fiscal quarters in 2010 end April 3, 2010, July 3, 2010, October 2, 2010 and December 31, 2010. Unaudited information for the three months and six months ended July 3, 2010 and June 27, 2009 and the financial position as of July 3, 2010 and December 31, 2009 are included in this Quarterly Report on Form 10-Q.

Forward-Looking Statements

The information in this Management's Discussion and Analysis of Financial Condition and Results of Operations, except for the historical information, contains forward-looking statements. These statements are subject to risks and uncertainties and to the cautionary statement set forth below. These forward-looking statements could differ materially from actual results. The Company assumes no obligation to publicly release the results of any revision or updates to these forward-looking statements to reflect future events or unanticipated occurrences. This discussion and analysis should be read in conjunction with the condensed consolidated financial statements and the related notes thereto, which are included elsewhere in this report.

Key operating factors Key factors, which management believes have the largest impact on the overall results of operations of Entegris, Inc., include:

- ***Level of sales*** Since a significant portion of the Company's product costs (except for raw materials, purchased components and direct labor) are largely fixed in the short to medium term, an increase or decrease in sales affects gross profits and overall profitability significantly. Also, increases or decreases in sales and operating profitability affect certain costs such as incentive compensation and commissions, which are highly variable in nature. The Company's sales are subject to the effects of industry cyclicality, technological change, substantial competition, pricing pressures and foreign currency fluctuation.

- ***Variable margin on sales*** The Company's variable margin on sales is determined by selling prices and the costs of manufacturing and raw materials. This is also affected by a number of factors, which include the Company's sales mix, purchase prices of raw material (especially resin and purchased components), competition, both domestic and international, direct labor costs, and the efficiency of the Company's production operations, among others.
- ***Fixed cost structure*** Increases or decreases in sales have a large impact on profitability. There are a number of large fixed or semi-fixed cost components, which include salaries, indirect labor and benefits, facility costs, lease expense, and depreciation and amortization. It is not possible to vary these costs easily in the short term as volumes fluctuate. Thus changes in sales volumes can affect the usage and productivity of these cost components and can have a large effect on the Company's results of operations.

Overall Summary of Financial Results for the Three Months and Six Months Ended July 3, 2010

The Company's financial results for the quarter ended July 3, 2010 reflected the continuation of the recovery from the global economic recession and, more specifically, the severe downturn in both the capital and unit-driven segments of the semiconductor industry that began during the second half of the year ended December 31, 2008.

The Company's business downturn reached a trough during the first quarter of 2009. Starting in the second quarter of 2009, the Company began to experience a modest upturn in bookings and sales of certain of its unit-driven, consumable products, while recovery of the Company's capital-driven product lines began in the third quarter. From a low point of $59.0 million in the first quarter of 2009, sales of the Company's products and services rose steadily to $82.6 million, $110.7 million and $146.3 million in the second, third and fourth quarters of 2009, respectively, and $160.5 million and $167.6 million in the first and second quarters of 2010.

For the three months ended July 3, 2010, net sales increased by $85.0 million, or 103%, to $167.6 million compared to $82.6 million for the three months ended June 27, 2009. Second-quarter sales growth reflected continued positive trends in the Company's core semiconductor markets. Each of the Company's operating segments experienced significant net sales increases. Net sales for the first six months of 2010 were $328.1 million, up 132% from $141.6 million in the comparable year-ago period, indicative of the same factors noted above. On a sequential basis, second quarter sales rose 4% from $160.5 million in the first quarter of 2010, reflecting modest improvement in sales of both the Company's capital and unit-driven products from first quarter levels.

The sales increases for the three-month and six-month periods ended July 3, 2010 included favorable foreign currency translation effects of $3.8 million and $10.6 million, respectively, related to the year-over-year strengthening of most international currencies versus the U.S. dollar, most notably the Japanese yen, Korean won, Singaporean dollar and Taiwanese dollar. The sales increases for the three-month and six-month periods also included sales of $3.4 million and $5.3 million from the Company's Pureline subsidiary, which was acquired in July 2009. In addition, the first quarter of 2010 included 13 weeks versus 12 weeks in the first quarter of 2009. Excluding these factors, net sales rose approximately 94% and 112% for the three-month and six-month periods in 2010 when compared to the year-ago periods.

The Company reported considerably higher gross profits and improved gross margins for both the three-month and six-month periods compared to a year earlier, mainly reflecting the significant year-over-year sales increase and the associated improvement in factory utilization. The gross margin rate for the second quarter of 2010 was 46.0% versus 28.7% for the second quarter of 2009 and 45.6% for the three months ended April 3, 2010. Gross margin for the first six months of the year was 45.8% compared to 20.3% in the comparable period a year ago.

The Company had higher year-over-year selling, general and administrative (SG&A) and engineering, research and development (ER&D) costs for the three-month and six-month periods ended July 3, 2010 when compared to the year-ago periods, mainly reflecting higher employee-related costs.

As a result of the aforementioned factors, net earnings attributable to the Company were $18.4 million, or $0.14 per diluted share, for the quarter ended July 3, 2010 compared to a net loss of $22.5 million, or $0.20 per diluted share, in the quarter ended June 27, 2009. For the six-month period ended July 3, 2010, net earnings attributable to the Company were $34.9 million, or $0.26 per diluted share, compared to a net loss of $60.2 million, or $0.54 per diluted share, in the year-ago period.

On May 19, 2010, the Company amended its revolving credit facility agreement. The amendment reduced the revolving credit commitment from $121.7 million to $60.0 million. In addition, the amendment provided greater flexibility for certain thresholds related to the Company's capital expenditure and cash management covenants. The amendment did not change the cash flow leverage ratio or fixed charge coverage ratio covenants included in the terms of the revolving credit facility. As of July 3, 2010, the Company had outstanding borrowings under the revolving credit facility of $20.4 million with an additional $1.9 million undrawn on outstanding letters of credit and was in compliance with all applicable debt covenants included in the terms of the revolving credit facility. See note 6 to the Company's condensed consolidated financial statements for additional detail.

During the first six months of 2010, the Company's operating activities provided cash flow of $55.8 million, allowing the Company to reduce its outstanding debt by $45.8 million. Cash and cash equivalents totaled $75.3 million at July 3, 2010 compared with $68.7 million at December 31, 2009. Total short-term and long-term debt stood at $26.3 million at July 3, 2010 compared with $51.2 million and $71.8 million at April 3, 2010 and December 31, 2009, respectively.

Critical Accounting Policies

Management's discussion and analysis of financial condition and results of operations are based upon the Company's consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these consolidated financial statements requires the Company to make estimates, assumptions and judgments that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosure of contingent assets and liabilities. At each balance sheet date, management evaluates its estimates, including, but not limited to, those related to accounts receivable, warranty and sales return obligations, inventories, long-lived assets, income taxes and share-based compensation. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. The critical accounting policies affected most significantly by estimates, assumptions and judgments used in the preparation of the Company's consolidated financial statements are discussed below.

Accounts Receivable-Related Valuation Accounts The Company maintains allowances for doubtful accounts and for sales returns and allowances. Significant management judgments and estimates must be made and used in connection with establishing these valuation accounts. If management made different judgments or utilized different estimates, this could result in material differences in the amount and timing of the Company's results of operations for any period. In addition, actual results could be different from the Company's current estimates, possibly resulting in increased future charges to earnings.

The Company provides an allowance for doubtful accounts for all individual receivables judged to be unlikely for collection. For all other accounts receivable, the Company records an allowance for doubtful accounts based on a combination of factors. Specifically, management considers the age of receivable balances, historical bad debt write-off experience and current economic circumstances when determining its allowance for doubtful accounts. The Company's allowance for doubtful accounts was $1.5 million at July 3, 2010 and $1.7 million at December 31, 2009, respectively.

An allowance for sales returns and allowances is established based on historical and current trends in product returns. At July 3, 2010 and December 31, 2009, the Company's reserve for sales returns and allowances was $0.9 million and $0.9 million, respectively.

Inventory Valuation The Company uses certain estimates and judgments to properly value inventory. In general, the Company's inventories are recorded at the lower of cost or market value. The Company evaluates its ending inventories for obsolescence and excess quantities each quarter. This evaluation includes analyses of inventory levels, historical write-off trends, expected product lives, and sales levels by product. Inventories that are considered obsolete are written off or a full allowance is recorded. In addition, allowances are established for inventory quantities in excess of forecasted demand. Inventory allowances were $7.5 million and $9.1 million at July 3, 2010 and December 31, 2009, respectively.

The Company's inventories include materials and products subject to technological obsolescence, which are sold in highly competitive industries. If future demand or market conditions are less favorable than current conditions or the Company's planned outlook for improved sales levels, additional inventory write-downs or allowances may be required and would be reflected in cost of sales in the period the revision is made.

Impairment of Long-Lived Assets As of July 3, 2010, the Company had $130.4 million of net property, plant and equipment and $70.4 million of net intangible assets. The Company routinely considers whether indicators of impairment of the value of its long-lived assets, particularly its manufacturing equipment, and its intangible assets, are present. A long-lived asset (asset group) shall be tested for recoverability whenever events or changes in circumstances (triggering events) indicate that its carrying amount may not be recoverable. The following are examples of such events or changes in circumstances:

a. A significant decrease in the market price of a long-lived asset (asset group)

b. A significant adverse change in the extent or manner in which a long-lived asset (asset group) is being used or in its physical condition

c. A significant adverse change in legal factors or in the business climate that could affect the value of a long-lived asset (asset group), including an adverse action or assessment by a regulator

d. An accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of a long-lived asset (asset group)

e. A current-period operating or cash flow loss combined with a history of operating or cash flow losses or a projection or forecast that demonstrates continuing losses associated with the use of a long-lived asset (asset group)

f. A current expectation that, more likely than not, a long-lived asset (asset group) will be sold or otherwise disposed of significantly before the end of its previously estimated useful life.

If such indicators are present, it is determined whether the sum of the estimated undiscounted cash flows attributable to the asset group in question is less than its carrying value. If less, an impairment loss is recognized based on the excess of the carrying amount of the asset group over its respective fair value. Fair value is determined by discounting estimated future cash flows, appraisals or other methods deemed appropriate. If the asset groups determined to be impaired are to be held and used, the Company recognizes an impairment charge to the extent the fair value attributable to the asset group is less than the assets' carrying value. The fair value of the assets then becomes the assets' new carrying value, which is depreciated or amortized over the remaining estimated useful life of the assets.

Long-lived assets are grouped with other assets and liabilities at the lowest level (asset groups) for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. The Company has four significant asset groups, identified by assessing the Company's identifiable cash flows and the interdependence of such cash flows: Contamination Control Solutions (CCS), Microenvironments (ME), Poco Graphite (POCO) and Entegris Specialty Coatings (ESC).

As described above, the evaluation of the recoverability of long-lived assets requires the Company to make significant estimates and assumptions. These estimates and assumptions primarily include, but are not limited to, the identification of the asset group at the lowest level of independent cash flows and the primary asset of the group and long-range forecasts of revenue and costs, reflecting management's assessment of general economic and industry conditions, operating income, depreciation and amortization and working capital requirements.

Due to the inherent uncertainty involved in making these estimates, actual results could differ from those estimates. In addition, changes in the underlying assumptions would have a significant impact on the conclusion that an asset group's carrying value is recoverable, or the determination of any impairment charge if it was determined that the asset values were indeed impaired.

The Company was not required to perform impairment testing for any of its asset groups for the second quarter of 2010. The Company will continue to monitor circumstances and events to determine whether asset impairment testing is warranted. It is possible that in the future the Company may no longer be able to conclude that there is no impairment of its long-lived assets, nor can the Company provide assurance that material impairment charges of long-lived assets will not occur in future periods.

Income Taxes In the preparation of the Company's condensed consolidated financial statements, management is required to estimate income taxes in each of the jurisdictions in which the Company operates. This process involves estimating actual current tax expense together with assessing temporary differences resulting from differing treatment of items for tax and accounting purposes. These differences result in deferred tax assets and liabilities, which are included in the Company's consolidated balance sheet.

The Company has significant amounts of deferred tax assets. Management reviews its deferred tax assets for recoverability on a quarterly basis and assesses the need for valuation allowances. Management considers the positive and negative evidence for the potential utilization of its deferred tax assets. When management concludes that it is not more likely than not that the Company will realize certain deferred tax assets in the future, it records a valuation allowance for the portion of deferred tax assets management concluded will not be utilized.

The Company had a U.S. net deferred tax asset position of $55.5 million and $57.2 million at July 3, 2010 and December 31, 2009, respectively, which comprises temporary differences and various credit carryforwards. Management has reviewed its U.S. deferred tax assets and has concluded that it is not more likely than not that the Company will realize certain net deferred tax assets. The negative evidence of a cumulative three-year U.S. operating loss and a finite carryforward period for the Company's U.S. foreign tax credits was sufficiently significant to outweigh all identified positive evidence. However, during the quarter ended July 3, 2010, management concluded the Company will realize certain deferred tax assets related to current taxes payable and has thus released the allowance for a portion of the Company's U.S. deferred tax assets. Accordingly, the Company had maintained valuation allowances of $54.3 million and $57.2 million as of July 3, 2010 and December 31, 2009, respectively, with respect to net U.S. deferred tax assets.

The Company had net non-U.S. deferred tax asset positions before valuation allowance of $14.9 million at both July 3, 2010 and December 31, 2009. At those dates, management determined that based upon the available evidence, a valuation allowance was required against non-U.S. deferred tax assets in certain tax jurisdictions. Accordingly, the Company maintained valuation allowances of $0.4 million at both July 3, 2010 and December 31, 2009 with respect to certain non-U.S. deferred tax assets. For other non-U.S. jurisdictions, principally Japan, management believes that it is more likely than not that the net deferred tax assets will be realized as management expects sufficient future earnings in those jurisdictions.

In addition, the calculation of tax balances involves significant judgment in estimating the impact of uncertainties in the application of complex tax laws. Resolution of these uncertainties in a manner inconsistent with management's expectations could have a material impact on the Company's financial condition and operating results.

Warranty Claims Accrual The Company records a liability for estimated warranty claims. The amount of the accrual is based on historical claims data by product group and other factors. Estimated claims could be materially different from actual results for a variety of reasons, including a change in product failure rates and service delivery costs incurred in correcting a product failure, manufacturing changes that could impact product quality, or as yet unrecognized defects in products sold. At July 3, 2010 and December 31, 2009, the Company's accrual for estimated future warranty costs was $1.2 million and $0.9 million, respectively.

Share-Based Compensation U.S generally accepted accounting principles require the measurement and recognition of compensation expense for all share-based payment awards made to employees and directors based on estimated fair values. The Company must estimate the value of employee stock option and restricted stock awards on the date of grant.

The fair value of restricted stock and restricted stock unit awards is valued based on the Company's stock price on the date of grant. The fair value of stock option awards is estimated on the date of grant using an option-pricing model affected by the Company's stock price as well as assumptions regarding a number of highly complex and subjective variables. These variables include the expected stock price volatility over the term of the awards, risk-free interest rate and dividend yield assumptions, and actual and projected employee stock option exercise behaviors and forfeitures. Because share-based compensation expense recognized in the consolidated statement of operations is based on awards ultimately expected to vest, it is recorded net of estimated forfeitures. Forfeitures are required to be estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. Forfeitures are estimated based on historical experience and current expectations.

If the above factors change, and the Company uses different assumptions in future periods, the share-based compensation expense recorded may differ significantly from what was recorded in the current period.

Three and Six Months Ended July 3, 2010 Compared to Three and Six Months Ended June 27, 2009

The following table compares operating results with year-ago results, as a percentage of sales, for each caption.

	Three Months Ended		Six Months Ended	
	July 3, 2010	June 27, 2009	July 3, 2010	June 27, 2009
Net sales	100.0%	100.0%	100.0%	100.0%
Cost of sales	54.0	71.3	54.2	79.7
Gross profit	46.0	28.7	45.8	20.3
Selling, general and administrative expenses	21.8	31.1	22.1	39.1
Engineering, research and development expenses	6.4	9.5	6.6	11.8
Amortization of intangible assets	2.0	6.0	2.3	7.0
Restructuring charges	—	6.6	—	7.1
Operating income (loss)	15.8	(24.4)	14.8	(44.8)
Interest expense, net	(1.0)	(3.1)	(0.9)	(3.1)
Other (expense) income, net	(0.4)	(1.9)	(0.1)	2.6
Income (loss) before income taxes and other items below	14.4	(29.4)	13.8	(45.3)
Income tax expense (benefit)	3.2	(2.7)	3.1	(3.4)
Equity in net (earnings) loss of affiliates	(0.0)	0.5	(0.1)	0.7
Net income (loss)	11.2	(27.2)	10.8	(42.5)

Net sales The Company's financial results for the quarter ended July 3, 2010 reflected the continuation of the recovery from the global economic recession and, more specifically, the severe downturn in both the capital and unit-driven segments of the semiconductor industry that began during the second half of the year ended December 31, 2008.

The Company's business downturn reached a trough during the first quarter of 2009. Starting in the second quarter of 2009, the Company began to experience a modest upturn in bookings and sales of certain of its unit-driven, consumable products, while recovery of the Company's capital-driven product lines began in the third quarter. From a low point of $59.0 million in the first quarter of 2009, sales of the Company's products and services rose steadily to $82.6 million, $110.7 million and $146.3 million in the second, third and fourth quarters of 2009, respectively, and $160.5 million and $167.6 million in the first and second quarters of 2010.

For the three months ended July 3, 2010, net sales increased by $85.0 million, or 103%, to $167.6 million compared to $82.6 million for the three months ended June 27, 2009. Second-quarter sales growth reflected continued positive trends in the Company's core semiconductor markets. Each of the Company's operating segments experienced significant net sales increases.

The sales increases for the three-month and six-month periods ended July 3, 2010 included a favorable foreign currency translation effects of $3.8 million related to the year-over-year strengthening of most international currencies versus the U.S. dollar, most notably the Japanese yen, Korean won, Singaporean dollar and Taiwanese dollar, offset partly by a weaker Euro. The sales increase for the three-month period also included sales of $3.4 million from the Company's Pureline subsidiary, which was acquired in July 2009. Excluding these factors, net sales rose approximately 94% for the second quarter in 2010 when compared to the year-ago period.

For the quarter ended July 3, 2010, sales of unit-driven products represented 63% and sales of capital-driven products represented 37% of total sales, respectively. For the second quarter of 2009 and the three months ended April 3, 2010 this split was 74%/26% and 63%/37%, respectively. The shift in relative demand for capital-driven products from a year ago reflects the recovery of capital spending after the very low spending by semiconductor customers for capacity-related products in the first half of 2009.

On a geographic basis, second quarter sales to North America were 28%, Asia (excluding Japan) 40%, Europe 14% and Japan 18% of total net sales. This compared to second quarter 2009 sales figures of North America 31%, Asia 35%, Europe 15% and Japan 19% and first quarter 2010 sales figures of 31%, 38%, 14% and 17%, respectively. All regions experienced significant year-over-year sales increases. Asia sales rose by nearly 130%, with a portion of the increase related to favorable foreign currency translation effects. Sales in North America and Japan about doubled, while sales in Europe rose approximately 60% compared to a year ago, even after accounting for unfavorable foreign currency translation effects.

Net sales for the first six months of 2010 were $328.1 million, up 132% from $141.6 million in the comparable year-ago period, indicative of the same factors noted above. Each of the Company's operating segments experienced significant net sales increases. The sales increase for the six-month period ended July 3, 2010 included favorable foreign currency translation effects of $10.6 million related to the year-over-year strengthening of most international currencies versus the U.S. dollar, most notably the Japanese yen, Korean won, Singaporean dollar and Taiwanese dollar. The sales increase for the six-month period also included sales of $5.3 million from the Company's Pureline subsidiary, which was acquired in July 2009. In addition, the first quarter of 2010 included 13 weeks versus 12 weeks in the first quarter of 2009. Excluding these factors, net sales rose approximately 112% for the six-month periods in 2010 when compared to the year-ago period.

On a sequential basis, sales rose 4% from $160.5 million in the first quarter of 2010, with sales of both unit-driven and capital-driven products advancing near that growth rate. Sales results for the Company's segments were varied as described below under the heading "Segment Analysis". Sales were adversely affected by an unfavorable foreign currency translation effect of $2.1 million, primarily related to the weakening of the Euro versus the U.S. dollar. Excluding this factor, net sales rose approximately 6% in the second quarter of 2010 when compared to the first quarter of 2010. When comparing second quarter 2010 results to first quarter 2010 on a geographic basis, total sales to Asia, Europe, and Japan increased 9%, 6%, and 9%, respectively, while sales to North America fell 4%.

The Company believes the sales increases noted above are primarily volume driven. Based on the information available, the Company believes it is improving or maintaining market share for its products and that the effect of selling price erosion has been nominal. Additionally, given that no single customer accounts for more than 10% of the Company's annual revenue, the increase in sales has not been driven by any one particular customer or group of customers, but rather by the recovery of the semiconductor and other high-technology sectors.

Gross profit. The Company's gross profit in the three months ended July 3, 2010 increased by $53.4 million to $77.1 million, up from $23.7 million for the three months ended June 27, 2009. For the first six months of 2010, gross profit was $150.3 million, up from gross profit of $28.7 million recorded in the first six months of 2009.

As a percentage of net sales, the gross margin rate for the second quarter of 2010 was 46.0% versus 28.7% for the second quarter of 2009 and 45.6% for the three months ended April 3, 2010. The Company's gross margin for the first six months of 2010 was 45.8% compared to 20.3% in the comparable period a year ago.

The Company's considerably higher gross profits and improved gross margins for the three-month and six-month periods compared to a year earlier mainly reflect the significant year-over-year sales increase and the associated increased levels of factory utilization. Sales increases, along with slight improvements in sales mix, accounted for approximately 84% and 76% of the gross profit improvement for the second quarter and year-to-date, respectively.

The remaining gross profit improvements reflected improved factory utilization (approximately $5.5 million and $14.5 million, respectively), the reduction in cost of sales period expense recorded in connection with manufacturing production falling below normal capacity (described in further detail below) and the absence of a $4.1 million incremental charge associated with the fair market value write-up of acquired inventory in the first quarter of 2009.

As noted, the Company's gross profit and gross margin rate benefitted from the reduction in cost of sales period expense recorded in connection with manufacturing production falling below normal capacity. During 2009, the

Company experienced lower factory utilization, particularly during the first half of the year due to the sales decrease associated with the severe downturn in the semiconductor industry that began during the second half of 2008. Accordingly, the Company included in cost of sales period expense of $1.9 million and $10.1 million, respectively, in the three-month and six-month periods ended June 27, 2009 in connection with its below-capacity production levels. The comparable 2010 amounts were $0.2 million and $0.7 million.

Selling, general and administrative expenses Selling, general and administrative (SG&A) expenses increased $10.9 million, or 43%, to $36.6 million in the three months ended July 3, 2010, up from $25.7 million in the comparable three-month period a year earlier. Reflecting the increase in net sales, SG&A expenses as a percent of net sales declined to 21.8% from 31.1% a year earlier, reflecting the increase in net sales. On a year-to-year basis, SG&A expenses increased by $17.0 million, or 31% to $72.4 million compared to $55.4 million a year earlier. On a year-to-date basis, SG&A costs, as a percent of net sales, fell to 22.1% from 39.1% a year ago, reflecting the increase in net sales.

The increases in SG&A expenses were due to higher employee costs ($8.9 million and $14.2 million for the three-month and six-month periods, respectively), mainly reflecting the reversal of salary reductions, the absence of employee furloughs in place in 2009, higher sales commissions expense and the accrual of incentive compensation in 2010. In addition, the increases in SG&A costs include foreign currency translation effects of $0.6 million and $1.8 million for the three-month and six-month periods, respectively. The Company expects SG&A expenses to be higher throughout 2010 due to the reversal of temporary cost cuts put in place in 2009.

Engineering, research and development expenses Engineering, research and development (ER&D) expenses related to the support of current product lines and the development of new products and manufacturing technologies were $10.7 million in the three months ended July 3, 2010 compared to the $7.8 million reported in the year-ago period. ER&D expenses increased 29% to $21.6 million in the first six months of 2010 compared to $16.7 million in the year-ago six-month period. Year-to-date ER&D expenses, as a percent of net sales, decreased to 6.6% from 11.8%, mainly reflecting the significant increase in net sales. The increases in ER&D expense were due to higher employee costs ($2.5 million and $3.8 million for the three-month and six-month periods, respectively), mainly reflecting the reversal of salary reductions and the accrual of incentive compensation in 2010.

Amortization of intangible assets Amortization of intangible assets was $3.4 million in the three months ended July 3, 2010 compared to $4.9 million in the year-ago period. Amortization of intangible assets was $7.6 million in the first six months of 2010 compared to $9.9 million in year-ago period. The declines mainly reflect the absence of amortization expense for certain acquired developed technology and tradename assets which became fully amortized in 2009.

Restructuring charges The Company incurred no restructuring charges in the three- month and six-month periods ended July 3, 2010. Restructuring charges of $5.5 million and $10.1 million were incurred in the three-month and six-month periods ended June 27, 2009, respectively, in connection with employee termination and other costs in connection with the business restructuring and actions taken in response to the business downturn. See note 5 to the Company's condensed consolidated financial statements for additional detail.

Interest expense Interest expense was $1.7 million and $2.9 million in the three-month and six-month periods ended July 3, 2010, respectively. Interest expense was $2.6 million and $4.4 million in the three-month and six-month periods ended June 27, 2009, respectively. The variances were due mainly to decreases in the Company's average debt outstanding compared to a year ago, offsetting the higher rates of interest on outstanding debt under the Company's revolving credit facility. Interest expense for the quarter ended July 3, 2010 included a charge of $0.9 million for the accelerated write-off of previously capitalized debt issuance costs associated with the reduction in the Company's revolving credit commitment from $121.7 million to $60.0 million as per an amendment to the Company's revolving credit agreement. See note 6 to the Company's condensed consolidated financial statements for additional detail.

Other income (expense) Other expense was $0.7 million and $0.4 million in the three-month and six-month periods ended July 3, 2010, respectively. Other expense in the three months ended June 27, 2009 was $1.5 million and other income in the six-month period ended June 27, 2009 was $3.7 million. These amounts mainly reflect foreign currency transaction gains and losses related to the remeasurement of yen-denominated assets and liabilities held by the Company's U.S. entity. See note 7 to the Company's condensed consolidated financial statements for additional detail.

Income tax expense (benefit) The Company recorded income tax expense of $5.4 million in the three months ended July 3, 2010 compared to income tax benefit of $2.3 million in the three months ended June 27, 2009. For the first six months of 2010, the Company recorded income tax expense of $10.2 million compared to an income tax benefit of $4.9 million in the comparable period in fiscal 2009. The Company's year-to-date effective tax rate was 22.5% in 2010, compared to 7.6% in 2009.

In 2010, the Company's effective tax rate was lower than U.S. statutory rates mainly due to the $3.9 million decrease in the Company's U.S. deferred tax asset valuation allowance. Management concluded the Company will realize certain deferred tax assets related to current taxes payable and has thus released the allowance for a portion of U.S. deferred tax assets. The effective tax rate also benefitted from the Company's tax holiday in Malaysia whereby, as a result of employment commitments, research and development expenditures and capital investments made by the Company, income from certain manufacturing activities in Malaysia is exempt from income taxes. The effective tax rate is also affected by lower tax rates in certain of the Company's taxable jurisdictions.

In 2009, the Company's effective tax rate was lower than U.S. statutory rates, mainly due to the $14.8 million increase in the Company's U.S. deferred tax asset valuation allowance. Management concluded that it is not more likely than not that the Company will realize certain deferred tax assets associated with 2009 domestic operating losses to date, and thus provided an allowance for the portion of deferred tax assets that management concluded will not be utilized. The Company also provided a $0.3 million allowance for a portion of its non-U.S. deferred tax assets.

Net income (loss) attributable to Entegris, Inc. Net income attributable to the Company was $18.4 million, or $0.14 per diluted share, in the three-month period ended July 3, 2010 compared to a net loss of $22.5 million, or $0.20 per diluted share, in the three-month period ended June 27, 2009. For the six months ended July 3, 2010, net income attributable to the Company was $34.9 million, or $0.26 per diluted share, compared to a net loss of $60.2 million, or $0.54 per diluted share, in the comparable period a year ago. The significant improvement mainly reflects the Company's higher net sales and corresponding increase in gross profit.

Segment Analysis

The Company reports its financial performance based on three reporting segments. The following is a discussion of the results of operations of these three business segments. See Note 10 "Segment Reporting" to the condensed consolidated financial statements for additional information on the Company's three segments.

The following table presents selected net sales and segment profit (loss) data for the Company's three segments for the three months and six months ended July 3, 2010 and June 27, 2009:

	Three months ended		Six months ended	
(In thousands)	**July 3, 2010**	**June 27, 2009**	**July 3, 2010**	**June 27, 2009**
Contamination Control Solutions				
Net sales	$103,660	$47,541	$204,403	$ 81,828
Segment profit (loss)	28,614	2,830	56,848	(5,841)
Micro Environments				
Net sales	$ 47,388	$26,176	$ 89,315	$ 40,858
Segment profit (loss)	12,165	(273)	21,145	(10,468)
Entegris Specialty Materials				
Net sales	$ 16,527	$ 8,859	$ 34,368	$ 18,928
Segment profit (loss)	2,061	(1,047)	4,403	(430)

<u>**Contamination Control Solutions (CCS)**</u>

For the second quarter of 2010, CCS net sales increased 118% to $103.7 million, from $47.5 million in the comparable period last year. There was strong growth for all product lines, reflecting the recovery in the semiconductor industry that began during the second quarter of 2009. CCS reported a segment profit of $28.6

million in the second quarter of 2010 compared to a $2.8 million segment profit in the year-ago period. The sharp increase in sales volume and the resulting improvement in gross profit primarily account for the year-to-year change in the segment's operating results. Slightly offsetting the increase in gross profit, CCS operating expenses increased 57%, mainly due to higher selling and engineering, research and development costs.

Sales for the second quarter of 2010 were up 3% on a sequential basis from the first quarter of 2010, reflecting increased sales of liquid filtration products. A slight improvement in gross profit combined with flat operating expenses to produce a nominally higher segment profit in the second quarter of 2010 compared to the first quarter of 2010.

For the six months ended July 3, 2010, CCS net sales increased 150% to $204.4 million from $81.8 million in the comparable period last year. The change in net sales reflects the underlying economic and semiconductor industry conditions noted above. For the six months ended July 3, 2010, CCS reported a segment profit of $56.8 million compared to segment loss of $5.8 million in the year-ago period, as the increase in gross profit associated with higher sales levels was partly offset by increased operating expenses, mainly reflecting higher selling and engineering, research and development costs.

Microenvironments (ME)

For the second quarter of 2010, ME net sales increased 81% to $47.4 million, from $26.2 million in the comparable period last year. There was strong growth for all product lines, particularly for wafer process products for semiconductor wafers, reflecting the recovery in the semiconductor industry that began during the second quarter of 2009. ME reported a segment profit of $12.2 million in the second quarter of 2010 compared to a $0.3 million segment loss in the year-ago period. The sharp increase in sales volume and the resulting improvement in gross profit primarily account for the year-to-year change in the segment's operating results. Slightly offsetting the increase in gross profit, ME operating expenses increased 54%, mainly due to higher selling and engineering, research and development costs.

Sales for the second quarter of 2010 were up 13% on a sequential basis from the first quarter of 2010, driven by increased demand for wafer process and shipper products for semiconductor wafers. Higher gross profit associated with the improved sales and a slightly favorable sales mix combined with 6% higher operating expenses to produce a 35% improvement in segment profit in the second quarter of 2010 compared to the first quarter of 2010.

For the six months ended July 3, 2010, ME net sales increased 119% to $89.3 million from $40.9 million in the comparable period last year. The change in net sales reflects the improving economic and semiconductor industry conditions noted above. ME reported a segment profit of $21.1 million in the first half of 2010 compared to a segment loss of $10.5 million in the year-ago period, as the increase in gross profit associated with higher sales levels was partly offset by increased operating expenses, mainly reflecting higher selling and engineering, research and development costs.

Entegris Specialty Materials (ESM)

For the second quarter of 2010, ESM net sales increased 87%, to $16.5 million, from $8.9 million in the comparable period last year. The increase was due to the higher sales of ESM's specialty coated products and graphite-based components used both in semiconductor manufacturing and in markets other than the semiconductor industry. ESM reported a segment profit of $2.1 million in the second quarter of 2010 compared to a segment loss of $1.0 million in the second quarter of 2009. The resulting improvement in gross profit associated with the sharp increase in sales was partly offset by an increase in operating expenses, mainly reflecting higher selling and engineering, research and development costs.

Sales for the second quarter of 2010 were down 7% on a sequential basis from the first quarter of 2010. The decline related to lower sales of the segment's graphite-based components. The resulting decrease in gross profit led to a 12% decline in segment profit as operating expense levels were flat.

For the six months ended July 3, 2010, ESM net sales increased 82% to $34.4 million from $18.9 million in the comparable period last year. For the six months ended July 3, 2010, ESM reported a segment profit of $4.4 compared to a segment loss of $0.4 million, as the increase in gross profit associated with higher sales levels was partly offset by increased operating expenses, mainly reflecting higher selling and engineering, research and development costs.

Liquidity and Capital Resources

Operating activities Cash flow provided by operating activities totaled $55.8 million in the six months ended July 3, 2010. Cash generated by the Company's operations, net of various non-cash charges, included depreciation and amortization of $21.5 million and share-based compensation expense of $3.7 million. The net impact of changes in operating assets and liabilities, mainly reflecting increases in accounts receivable and inventory, offset by increases in accounts payables and accrued expenses, was negligible.

Accounts receivable, net of foreign currency translation adjustments, increased by $26.0 million in the first six months of 2010. This increase reflects the continued upturn in sales of the Company's products. The Company's days sales outstanding was 64 days compared to 57 days at the beginning of the year. Inventories at the end of the quarter increased by $6.6 million from December 31, 2009, after taking into account the impact of foreign currency translation adjustments and the provision for excess and obsolete inventory. The decrease was mainly due to the effect of the Company's higher sales and bookings and the corresponding increase in production.

Working capital at July 3, 2010 stood at $217.6 million, up from $193.5 million as of December 31, 2009, and included $75.3 million in cash and cash equivalents compared to cash and cash equivalents of $68.7 million as of December 31, 2009.

Investing activities Cash flow used in investing activities totaled $3.6 million in the six-month period ended July 3, 2010. Acquisition of property and equipment totaled $7.7 million, primarily for additions related to manufacturing equipment and tooling. During the second quarter, the Company received proceeds of $3.6 million from the South Korean government in connection with eminent domain proceedings whereby the Company will relinquish its existing land and building to the government upon completion of a new facility in South Korea, expected to be completed in 2010. The Company received proceeds of $0.4 million from the sale of the Company's interest in a privately-held equity investment. Under the terms of its revolving credit facility, the Company is restricted from making capital expenditures in excess of $30.0 million in both 2010 and 2011. The Company does not anticipate that this limit on capital expenditures will have an adverse effect on the Company's operations.

Financing activities Cash used in financing activities totaled $44.3 million during the six-month period ended July 3, 2010. The Company received proceeds of $230.1 million from its revolving credit facilities during the first six months of 2010 and made debt payments of $184.4 million. The Company received proceeds of $1.7 million in connection with common shares issued under the Company's employee stock purchase and stock option plans.

The Company expended $0.1 million for debt issuance costs in connection with its amendment of its revolving credit agreement. These costs are included in other assets in the Company's condensed consolidated financial statements and are being amortized over the remaining term of the agreement.

The Company has a revolving credit facility maturing November 1, 2011. On May 19, 2010, the Company amended the underlying revolving credit facility agreement with its lenders. The amendment reduced the revolving credit commitment from $121.7 million to $60.0 million, all of which is available to the Company dependent upon the Company's borrowing base, which is determined based on the Company's levels of qualifying domestic accounts receivable, inventories and value of its property, plant and equipment.

As of July 3, 2010, the Company's borrowing base supported $57.8 million of its available revolving commitment amount of $60.0 million. As of that date, the Company had outstanding borrowings under the revolving credit facility of $20.4 million with an additional $1.9 million undrawn on outstanding letters of credit. As of the date of this filing, the Company had repaid all outstanding borrowings under the revolving credit facility.

In addition, the May 19, 2010 amendment to the revolving credit facility agreement provided greater flexibility for certain thresholds related to the Company's capital expenditure and cash management covenants. The amendment did not change the cash flow leverage ratio or fixed charge coverage ratio covenants included in the terms of the revolving credit facility. Through July 3, 2010, the Company was in compliance with all applicable debt covenants included in the terms of the revolving credit facility. Beginning in the second quarter of 2010, the terms of the revolving credit facility require that the Company maintain a cash flow leverage ratio of no more than 3.0 to 1.0 and a fixed charge coverage ratio no lower than 1.5 to 1.0. At July 3, 2010, the Company's cash flow leverage and fixed charge coverage ratios stood at 0.2 to 1.0 and 5.2 to 1.0, respectively. See note 6 to the Company's condensed consolidated financial statements for additional detail.

Notwithstanding the terms under the revolving credit facility described above, the Company also has a line of credit with two banks that provide for borrowings of currencies for the Company's overseas subsidiaries, principally the Japanese yen equivalent to an aggregate of approximately $13.7 million. There was none outstanding on these lines of credit at July 3, 2010.

At July 3, 2010, the Company's shareholders' equity stood at $388.4 million, up 12% from $346.2 million at the beginning of the year. The increase reflected the Company's net earnings of $34.9 million, additional paid-in capital of $3.7 million associated with the Company's share-based compensation expense and $1.7 million received in connection with common shares issued under the Company's stock option and employee stock purchase plans.

As of July 3, 2010, the Company's sources of available funds were its cash and cash equivalents, funds available under its revolving credit facility and international credit facilities and cash flow generated from operations. The Company must maintain a minimum of $10.0 million in cash and cash equivalents in the United States under the terms of the revolving credit facility, while holding no more than $75.0 million in international cash balances.

The Company believes that its cash and cash equivalents, funds available under its revolving credit facility and international credit facilities and cash flow generated from operations will be sufficient to meet its working capital and investment requirements for the next twelve months. If available liquidity is not sufficient to meet the Company's operating and debt service obligations as they come due, management will need to pursue alternative arrangements through additional equity or debt financing in order to meet the Company's cash requirements. However, there can be no assurance that any such financing would be available on commercially acceptable terms.

New Accounting Pronouncements

In June 2009, the Financial Accounting Standards Board (FASB) issued SFAS No. 167, *Amendments to FASB Interpretation No 46(R)* (Accounting Standards Codification (ASC) Topic 810). This guidance amends certain requirements to improve financial reporting by enterprises involved with variable interest entities and to provide more relevant and reliable information to users of financial statements. This guidance was effective for the Company in 2010 and did not have a material effect on the Company's condensed consolidated financial statements.

In October 2009, the FASB issued Accounting Standards Update (ASU) No. 2009-13, *Revenue Recognition* (Accounting Standards Codification (ASC) Topic 605)—*Multiple-Deliverable Revenue Arrangements*, *a consensus of the FASB Emerging Issues Task Force.* This guidance modifies the fair value requirements of ASC subtopic 605-25 *Revenue Recognition-Multiple Element Arrangements* by allowing the use of the "best estimate of selling price" for determining the selling price of a deliverable. A vendor is now required to use its best estimate of the selling price when vendor specific objective evidence or third-party evidence of the selling price cannot be determined. In addition, the residual method of allocating arrangement consideration is no longer permitted. This guidance is effective for the Company in 2011. The Company is currently evaluating the impact of adopting this update, but does not expect the guidance to have a material effect on the Company's condensed consolidated financial statements.

In February 2010, the FASB issued ASU No. 2010-09, *Subsequent Events (ASC Topic 855) – Amendments to Certain Recognition and Disclosure Requirements*, which eliminated the requirement for public companies to disclose the date through which subsequent events have been evaluated. As required, the Company will continue to evaluate subsequent events through the date of the issuance of its condensed consolidated financial statements. However, consistent with the guidance, this date will no longer be disclosed. ASU No. 2010-09 was effective upon issuance for the Company. The adoption of this update did not have a material effect on the Company's condensed consolidated financial statements.

Other Accounting Standards Updates not effective for the Company until after July 3, 2010 are not expected to have a material effect on the Company's condensed consolidated financial statements.

Non-GAAP Information The Company's condensed consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United States (GAAP). Adjusted EBITDA and Adjusted Operating Income together with related measures thereof, and non-GAAP EPS, are considered "Non-GAAP financial measures" under the rules and regulations of the SEC. These financial measures are provided as a complement to financial measures provided in accordance with GAAP. The Company provides non-GAAP financial measures in order to better assess and reflect operating performance. Management believes the non-GAAP measures help indicate the Company's baseline performance before certain gains, losses or other charges that may not be indicative of the Company's business or future outlook. The Company believes these non-GAAP measures will aid investors' overall understanding of the Company's results by providing a higher degree of transparency for certain expenses and providing a level of disclosure that will help investors understand how we plan and measure its business. The presentation of non-GAAP measures is not meant to be considered in isolation, as a substitute for, or superior to, financial measures or information provided in accordance with GAAP. The calculations of Adjusted EBITDA margin, Adjusted Operating Income, and non-GAAP EPS are presented below.

Reconciliation of GAAP to Adjusted Operating Income (Loss) and Adjusted EBITDA

	Three months ended		Six months ended	
(In thousands)	July 3, 2010	June 27, 2009	July 3, 2010	June 27, 2009
Net sales	$167,575	$ 82,576	$328,086	$ 141,614
GAAP - Operating income (loss)	$ 26,435	(20,181)	$ 48,712	$ (63,403)
Restructuring costs	—	5,452	—	10,086
Charge for fair value mark-up of acquired inventory sold	—	—	—	4,065
Amortization of intangible assets	3,364	4,931	7,636	9,912
Adjusted operating income (loss)	29,799	(9,798)	56,348	(39,340)
Depreciation	7,166	7,903	13,890	16,173
Adjusted EBITDA	$ 36,965	$ (1,895)	$ 70,238	$ (23,167)
Adjusted operating margin	17.8%	(11.9)%	17.2%	(27.8)%
Adjusted EBITDA - as a % of net sales	22.1%	(2.3)%	21.4%	(16.4)%

Reconciliation of GAAP Earnings (Loss) per Share to Non-GAAP Earnings (Loss) per Share

	Three months ended		Six months ended	
(In thousands)	July 3, 2010	June 27, 2009	July 3, 2010	June 27, 2009
Net income (loss) attributable to the Company	$ 18,385	$ (22,492)	$ 34,935	$ (60,237)
Adjustments to net income (loss) attributable to the Company:				
Amortization of intangible assets	3,364	4,931	7,636	9,912
Charge for fair value mark-up of acquired inventory sold	—	—	—	4,065
Accelerated write-off of debt-issuance costs	890	—	890	343
Gain on sale of equity investment	(392)	—	(392)	—
Tax effect of adjustments to net income (loss) attributable to the Company	(1,428)	—	(2,995)	—
Non-GAAP net income (loss) attributable to the Company	20,819	(17,561)	$ 40,074	$ (45,917)
Diluted earnings (loss) per common share:	$ 0.14	$ (0.20)	$ 0.26	$ (0.54)
Effect of adjustments to net income (loss) attributable to the Company	0.02	0.04	0.04	0.13
Diluted non-GAAP earnings (loss) per common share:	$ 0.16	$ (0.16)	$ 0.30	$ (0.41)

Cautionary Statements This report contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements reflect the Company’s current views with respect to future events and financial performance. The words “believe,” “expect,” “anticipate,” “intends,” “estimate,” “forecast,” “project,” “should” and similar expressions are intended to identify these “forward-looking statements.” All forecasts and projections in this report are “forward-looking statements,” and are based on management’s current expectations of the Company’s near-term results, based on current information available pertaining to the Company. The risks which could cause actual results to differ from those contained in such “forward looking statements” include, without limit, the risks described in the Company’s Annual Report on Form 10-K for the year ended December 31, 2009 under the headings “Risks Relating to our Business and Industry”, “Risks Related to Our Borrowings”, “Manufacturing Risks”, “International Risks”, and “Risks Related to Owning Our Securities” as well as in the Company’s quarterly reports on Form 10-Q and current reports on Form 8-K as filed with the Securities and Exchange Commission.

Item 3: Quantitative and Qualitative Disclosures About Market Risk

Entegris’ principal financial market risks are sensitivities to interest rates and foreign currency exchange rates. The Company’s interest-bearing cash equivalents, long-term debt and short-term borrowings are subject to interest rate fluctuations. Most of the Company’s long-term debt at July 3, 2010 carries floating rates of interest. The Company’s cash equivalents are instruments with maturities of three months or less. A 100 basis point change in interest rates would potentially increase or decrease annual net income by approximately $0.5 million annually.

The cash flows and results of operations of the Company’s foreign-based operations are subject to fluctuations in foreign exchange rates. The Company occasionally uses derivative financial instruments to manage the foreign currency exchange rate risks associated with its foreign-based operations. At July 3, 2010, the Company had no outstanding forward contracts.

Item 4: Controls and Procedures

(a) Evaluation of disclosure controls and procedures.

The Company’s management, including the Chief Executive Officer and Chief Financial Officer, has conducted an evaluation of the effectiveness of the design and operation of the Company’s disclosure controls and procedures (as defined under Rules 13a-15(e) and 15d-15(e) promulgated under the Securities Exchange Act of 1934 (the “1934 Act”)) as of July 3, 2010. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of that evaluation date, the Company’s disclosure controls and procedures were effective to ensure that information required to be disclosed by the Company in the reports that it files or submits under the 1934 Act is (i) recorded, processed, summarized and reported within the time periods specified in applicable rules and forms of the Securities and Exchange Commission, and (ii) accumulated and communicated to its management, including its Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

(b) Changes in internal control over financial reporting.

There were no changes in the Company’s internal control over financial reporting during the most recently completed fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.

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PART II

OTHER INFORMATION

Item 1. Legal Proceedings

The Company expenses legal costs as incurred. The following discussion provides information regarding certain litigation to which the Company was a party that were pending as of July 3, 2010.

As previously disclosed, on March 3, 2003 the Company's predecessor, Mykrolis Corporation, filed a lawsuit against Pall Corporation in the United States District Court for the District of Massachusetts alleging infringement of two of the Company's U.S. patents by certain fluid separation systems and related assemblies used in photolithography applications manufactured and sold by the defendant. The Company's lawsuit sought a preliminary injunction preventing the defendant from the manufacture, use, sale, offer for sale or importation into the U.S. of any infringing product as well as damages. On April 30, 2004, the Court issued a preliminary injunction against Pall Corporation and ordered Pall to immediately stop making, using, selling, or offering to sell within the U.S., or importing into the U.S., its PhotoKleen EZD-2 Filter Assembly products or "any colorable imitation" of those products. On January 18, 2005, the Court issued an order holding Pall Corporation in contempt of court for the violation of the preliminary injunction and ordering Pall to disgorge all profits earned from the sale of its PhotoKleen EZD-2 Filter Assembly products and colorable imitations thereof from the date the preliminary injunction was issued through January 12, 2005. In addition, Pall was also ordered to reimburse Mykrolis for certain of its attorney's fees associated with the contempt and related proceedings. The Court's order also dissolved the preliminary injunction, effective January 12, 2005, based on certain prior art cited by Pall which it alleged raised questions as to the validity of the patents in suit. On February 17, 2005, the Company filed notice of appeal to the U.S. Circuit Court of Appeals for the Federal Circuit appealing the portion of the Court's order that dissolved the preliminary injunction and Pall filed a notice of appeal to that court with respect to the finding of contempt and the award of attorneys' fees. On June 13, 2007 the Court of Appeals issued an opinion dismissing Pall's appeal for lack of jurisdiction and affirming the District Court's order dissolving the preliminary injunction.

On April 6, 2006 the Company filed a lawsuit against Pall Corporation in the United States District Court for the District of Massachusetts alleging infringement of the Company's newly issued U.S. patent No. 7,021,667 by certain filter assembly products used in photolithography applications that are manufactured and sold by the defendant. The Company's lawsuit seeks a preliminary injunction preventing the defendant from the manufacture, use, sale, offer for sale or importation into the U.S. of the infringing products as well as damages. On October 23, 2006 the Company's motion for preliminary injunction was argued before the court. On March 31, 2008 the court issued an order denying the Company's motion for a preliminary injunction.

On August 23, 2006 the Company filed a lawsuit against Pall Corporation in the United States District Court for the District of Massachusetts alleging infringement of the Company's newly issued U.S. patent No. 7,037,424 by certain fluid separation modules and related separation apparatus, including the product known as the EZD-3 Filter Assembly, used in photolithography applications that are manufactured and sold by the defendant. The Company's lawsuit seeks a preliminary injunction preventing the defendant from the manufacture, use, sale, offer for sale or importation into the U.S. of the infringing products as well as damages. It is believed that the EZD-3 Filter Assembly was introduced into the market by the defendant in response to the action brought by the Company in March of 2003 as described above. On May 5, 2008, the court issued an order consolidating this case with the two cases described in the preceding paragraphs for purposes of discovery; the discovery stage for these cases closed May 28, 2010. The parties are currently preparing briefs for a hearing related to the issue of a "Markman Order". In a Markman Order a U.S. district court hearing a patent infringement case interprets and rules on the scope and meaning of disputed patent claim language with respect to the patents in suit.

As previously disclosed, on December 16, 2005 Pall Corporation filed suit against the Company in U.S. District Court for the Eastern District of New York alleging patent infringement. Specifically, the suit alleges infringement of two of plaintiff's patents by one of the Company's gas filtration products and by the packaging for certain of the Company's liquid filtration products. This lawsuit seeks damages for the alleged infringements. Both products and their predecessor products have been on the market for a number of years. The Company intends to vigorously defend this suit and believes that it will ultimately prevail. This case is currently awaiting a hearing before the court in connection with a "Markman Order" for claim construction of the patents in suit.

On May, 4, 2007 Pall Corporation filed a lawsuit against the Company in the U.S. District Court for the Eastern District of New York alleging patent infringement. Specifically, the suit alleges that certain of the Company's point-of-use filtration products infringe a newly issued Pall patent, as well as three older Pall patents. Pall's action, which relates only to the U.S., asserts that "on information and belief" the Company's Impact 2 and Impact Plus point-of-use photoresist filters infringe a patent issued to Pall on March 27, 2007, as well as three older patents. In the course of discovery, Pall has alleged that additional products infringe its patents. This lawsuit seeks damages for the alleged infringements. The Company intends to vigorously defend this suit and believes that it will ultimately prevail. This case is currently in the discovery stage.

Item 6. Exhibits

10.1	Entegris, Inc. 2010 Stock Plan, as amended
10.2	Third Amendment to the Amended and Restated Credit Agreement, dated as of May 19, 2010, by and among Entegris, Inc. and Poco Graphite, Inc. as Borrowers and Wells Fargo Bank National Association, in its separate capacity as administrative agent for itself and other Banks. [Incorporated by reference to Exhibit 99.1 to Entegris, Inc. Current Report on Form 8-K filed with the Securities and Exchange Commission on May 24, 2010]
31.1	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

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CONFORMED COPY

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

	ENTEGRIS, INC.
Date: July 28, 2010	/s/ Gregory B. Graves
	Gregory B. Graves Executive Vice President and Chief Financial Officer (on behalf of the registrant and as principal financial officer)

Exhibit 10.1

ENTEGRIS, INC.

2010 STOCK PLAN

SECTION 1. PURPOSE

The purpose of the Entegris, Inc. 2010 Stock Plan ("the Plan") is to: (i) assist the Company and its Affiliates in attracting, recruiting and retaining exceptionally qualified individuals to serve as employees, non-employee directors, consultants and/or advisors; (ii) provide incentives to such individuals which align with the interests of the Company's stockholders; and (iii) to promote the success of the Company's business. It is believed that by encouraging these individuals to acquire a proprietary interest in the growth and performance of the Company their efforts will be stimulated to achieve the Company's long-term objectives.

SECTION 2. DEFINED TERMS

Exhibit A, which is incorporated into this Plan by reference, defines certain terms used in the Plan; other terms defined elsewhere in the Plan shall have the meaning provided at the location of definition.

SECTION 3. ADMINISTRATION

3.1. *Administrative Authority*. The Plan shall be administered by the Administrator. The Administrator shall have full power and authority, subject to the provisions of the Plan and to such orders or resolutions not inconsistent with the provisions of the Plan, as may from time to time be adopted by the Board, to:

(i) select the Employees, Directors and Consultants to whom Awards may from time to time be granted hereunder;

(ii) determine the type or types of Awards to be granted to each Participant hereunder;

(iii) determine the number of shares of Stock to be covered by each Award granted hereunder;

(iv) determine the terms and conditions, not inconsistent with the provisions of the Plan, of any Award granted hereunder;

(v) determine whether, to what extent and under what circumstances Awards may be settled in cash, Stock or other property;

(vi) determine whether, to what extent, and under what circumstances cash, Stock, other property and other amounts payable with respect to an Award made under the Plan shall be deferred either automatically or at the election of the Participant;

(vii) determine whether, to what extent, and under what circumstances any Award shall be forfeited, canceled or suspended;

(viii) interpret and administer the Plan and any instrument or agreement entered into under or in connection with the Plan, including any Award Agreement;

(ix) correct any defect, supply any omission or reconcile any inconsistency in the Plan or any Award in the manner and to the extent that the Administrator shall deem desirable to carry it into effect;

(x) establish such rules and regulations and appoint such agents and/or committees of Company employees as it shall deem appropriate for the proper administration of the Plan;

(xi) determine whether any Award, other than an Option or Stock Appreciation Right, will have Dividend Equivalents; and

(xii) make any other determination and take any other action that the Administrator deems necessary or desirable for the administration of the Plan.

3.2. *Administrator Decisions*. Decisions of the Administrator shall be final, conclusive and binding on all persons or entities, including the Company, any Participant, and any Affiliate. A majority of the members of the Administrator may determine its actions.

3.3. *Section 409A of the Code*. Each Award may contain such terms as the Administrator determines, and shall be construed and administered, such that the Award either (i) qualifies for an exemption from the requirements of Section 409A of the Code, or (ii) satisfies such requirements.

SECTION 4. STOCK SUBJECT TO THE PLAN

4.1. *Number of Shares*. (a) Subject to adjustment as provided in Subsection 15.1, a total of 9,750,000 shares of Stock shall be authorized for grant under the Plan *less* one (1) share for every one (1) share that was granted after December 31, 2009 under the Prior Plans or under the Plan prior to the date of adoption by the stockholders of the Company. After the effective date of the Plan (as provided in Section 13), no awards may be granted under any Prior Plans.

(b) If (i) any Stock subject to an Award are forfeited, an Award expires or otherwise terminates without issuance of Stock, or an Award is settled for cash (in whole or in part) or otherwise does not result in the issuance of all or a portion of the Stock subject to such Award (including on payment in Stock on exercise of a Stock Appreciation Right), such Stock shall, to the extent of such forfeiture, expiration, termination, cash settlement or non-issuance, again be available for issuance under the Plan or (ii) after December 31, 2009 any Stock subject to an award under the Prior Plans are forfeited, expire or otherwise terminate without issuance of such Stock, or an award under the Prior Plans is settled for cash (in whole or in part), expire or otherwise terminate without issuance of such Stock, or otherwise does not result in the issuance of all or a portion of the Stock subject to such award (including on payment in Stock on exercise of a stock appreciation right), such Stock shall, to the extent of such forfeiture, expiration, termination, cash settlement or non-issuance, again be available for issuance under the Plan.

(c) The maximum number of shares covered by Incentive Stock Options that may be awarded under the Plan shall be the aggregate of the shares of Stock specified in Paragraph (a) above.

(d) In the event that (i) any Option or other Award granted hereunder is exercised through the tendering of Stock (either actually or by attestation) or by the withholding of Stock by the Company, or (ii) withholding tax liabilities arising from such Option or other Award are satisfied by the tendering of Stock (either actually or by attestation) or by the withholding of Stock by the Company, then the Stock so tendered or withheld shall be available for issuance under the Plan. In the event that after December 31, 2009 (iii) any option or award granted under the Prior Plans is exercised through the tendering of Stock (either actually or by attestation) or by the withholding of Stock by the Company, or (iv) withholding tax liabilities arising from such options or awards are satisfied by the tendering of Stock (either actually or by attestation) or by the withholding of Stock by the Company, then the Stock so tendered or withheld shall be available for Award, grant and issuance under the Plan.

(e) To the extent consistent with the requirements of Section 422 of the Code, Substitute Awards shall not reduce the Stock authorized for grant under the Plan or the applicable Limitations for grant to a Participant under Subsection 11.5, nor shall Stock subject to a Substitute Award again be available for Awards under the Plan to the extent of any forfeiture, expiration or cash settlement as provided in paragraph (b) above. Additionally, in the event that a company acquired by the Company or any Affiliate or with which the Company or any Affiliate combines has shares available under a pre-existing plan approved by stockholders and not adopted in contemplation of such acquisition or combination, the shares available for grant pursuant to the terms of such pre-existing plan (as adjusted, to the extent appropriate, using the exchange ratio or other adjustment or valuation ratio or formula used in such acquisition or combination to determine the consideration payable to the holders of common stock of the entities party to such acquisition or combination) may be used for Awards under the Plan and shall not reduce the Stock authorized for grant under the Plan; *provided* that Awards using such available shares shall not be made after the date awards or grants could have been made under the terms of the pre-existing plan, absent the acquisition or combination, and shall only be made in compliance with the applicable requirements of the NASDAQ or of any established stock exchange on which the Stock may be listed.

(f) Each share of Stock subject to any Award under the Plan shall be counted against the limits set forth in Section 4.1(a) as one share.

4.2. *Character of Stock*. Any Stock issued hereunder may consist, in whole or in part, of authorized and unissued shares, treasury shares or shares purchased in the open market or otherwise.

SECTION 5. ELIGIBILITY AND PARTICIPATION

The Administrator will select Participants from among those key Employees, Directors, and other individuals or entities providing services to the Company or its Affiliates who, in the opinion of the Administrator, are in a position to make a significant contribution to the success of the Company and/or its Affiliates. Eligibility for Incentive Stock Options is further limited to those individuals whose employment status would qualify them for the tax treatment described in Sections 421 and 422 of the Code. Eligibility for Stock Options other than Incentive Stock Options is limited to individuals described in the first sentence of this Section 5 who are providing direct services on the date of grant of the Stock Option to the Company or to a subsidiary of the Company that would be described in the first sentence of Treas. Regs. §1.409A-1(b)(5)(iii)(E).

SECTION 6. STOCK OPTIONS

6.1. *Grant of Options*. Options may be granted hereunder to Participants either alone or in addition to other Awards granted under the Plan. Any Option shall be subject to the terms and conditions of this Article and to such additional terms and conditions, not inconsistent with the provisions of the Plan, as the Administrator shall deem desirable.

6.2. *Award Agreements*. All Options shall be evidenced by a written Award Agreement in such form and containing such terms and conditions as the Administrator shall determine which are not inconsistent with the provisions of the Plan. The terms and conditions of Options need not be the same with respect to each Participant. Granting an Option pursuant to the Plan shall impose no obligation on the recipient to exercise such Option. Any individual who is granted an Option pursuant to this Article may hold more than one Option granted pursuant to the Plan at the same time.

6.3. *Option Price*. Other than in connection with Substitute Awards, the option price per each share of Stock purchasable under any Option granted pursuant to this Article shall not be less than 100% of the Fair Market Value of one share of Stock on the date of grant of such Option; *provided, however*, that in the case of an Incentive Stock Option granted to a Participant who, at the time of the grant, owns stock representing more than 10% of the voting power of all classes of Stock of the Company or any Affiliate, the option price per share Shall be no less than 110% of the Fair Market Value of one Share on the date of grant. Except in connection with a corporate transaction (including, without limitation, any stock dividend, stock split, extraordinary cash dividend, recapitalization, reorganization, merger, consolidation, split-up, spin-off, combination or exchange of shares), the Administrator shall not without the approval of the Company's stockholders (a) lower the option price per share of Stock of an Option after it is granted, (b) cancel an Option when the option price per share of Stock exceeds the Fair Market Value of one share of Stock in exchange for cash or another Award (other than in connection with a Change in Control or a Substitute Award), or (c) take any other action with respect to an Option that would be treated as a repricing under the rules and regulations of the principal U.S. national securities exchange on which the Stock is traded.

6.4. *Option Term*. The term of each Option shall be fixed by the Administrator in its sole discretion; provided that no Option shall be exercisable after the expiration of ten (10) years from the date the Option is granted; *provided, however*, that the term of the Option shall not exceed five (5) years from the date the Option is granted in the case of an Incentive Stock Option granted to a Participant who, at the time of the grant, owns Stock representing more than 10% of the voting power of all classes of Stock of the Company or any Affiliate.

6.5. *Exercise of Options*. (a) Vested Options granted under the Plan shall be exercised by the Participant or by a Permitted Assignee thereof (or by the Participant's executors, administrators, guardian or legal representative, as may be provided in an Award Agreement) as to all or part of the Stock covered thereby, by giving notice of exercise to the Company or its designated agent, specifying the number of shares of Stock to be purchased. The notice of exercise shall be in such form, made in such manner, and in compliance with such other requirements consistent with the provisions of the Plan as the Administrator may, from time to time, prescribe.

(b) Unless otherwise provided in an Award Agreement, full payment of such purchase price shall be made at the time of exercise and shall be made (i) in cash or cash equivalents (including certified check or bank check or wire transfer of immediately available funds), (ii) by tendering previously acquired Stock (either actually or by attestation) valued at their then Fair Market Value, (iii) with the consent of the Administrator, by delivery of other consideration having a Fair Market Value on the exercise date equal to the total purchase price, (iv) with the consent of the Administrator, by withholding Stock otherwise issuable in connection with the exercise of the Option, (v) through any other method specified in an Award Agreement (including same-day sales through a broker), or (vi) any combination of any of the foregoing. The notice of exercise, accompanied by such payment, shall be delivered to the Company at its principal business office or such other office as the Administrator may from time to time direct, and shall be in such form, containing such further provisions consistent with the provisions of the Plan, as the Administrator may, from time to time, prescribe. In no event may any Option granted hereunder be exercised for a fraction of a share of Stock. Except for Substitute Awards, under circumstances contemplated by Subsection 12.2 or as may be set forth in an Award Agreement with respect to: (A) retirement, death or disability of a Participant, or (B) special circumstances determined by the Administrator (such as the achievement of performance objectives), Options granted to employees of the Company or any Affiliate will not be exercisable before the expiration of one year from the date the Option is granted (but may become exercisable pro rata over such time).

(c) Notwithstanding the foregoing, an Award Agreement may provide that if on the last day of the term of an Option the Fair Market Value of one share of Stock exceeds the option price per Share, the Participant has not exercised the Option (or a tandem Stock Appreciation Right, if applicable) and the Option has not expired, the Option shall be deemed to have been exercised by the Participant on such day with payment made by withholding Stock otherwise issuable in connection with the exercise of the Option. In such event, the Company shall deliver to the Participant the number of shares of Stock for which the Option was deemed exercised, less the number of shares of Stock required to be withheld for the payment of the total purchase price and required withholding taxes; *provided, however*, any fractional share of Stock shall be settled in cash.

6.6. *Form of Settlement*. In its sole discretion, the Administrator may provide in the Award Agreement that the Stock to be issued upon an Option's exercise shall be in the form of Restricted Stock or other similar securities.

6.7. *Incentive Stock Options.* The Administrator may grant Incentive Stock Options to any employee of the Company or any Affiliate, subject to the requirements of Section 422 of the Code. The terms and size of any Incentive Stock Option Award shall contain such provisions as may be necessary to meet the requirements of Section 422 of the Code or any successor provision thereto and any rulings or regulations of the U. S. Department of the Treasury promulgated thereunder.

SECTION 7. STOCK APPRECIATION RIGHTS

7.1. *Grant and Exercise*. The Administrator may provide Stock Appreciation Rights: (a) in tandem with all or part of any Option granted under the Plan or at any subsequent time during the term of such Option, (b) in tandem with all or part of any Award (other than an Option) granted under the Plan or at any subsequent time during the term of such Award, or (c) without regard to any Option or other Award; in each case, upon such terms and conditions as the Administrator may establish in its sole discretion.

7.2. *Terms and Conditions*. Stock Appreciation Rights shall be subject to such terms and conditions, not inconsistent with the provisions of the Plan, as shall be determined, from time to time, by the Administrator, including the following:

(a) Upon the exercise of a Stock Appreciation Right, the holder shall have the right to receive the excess of (i) the Fair Market Value of one share of Stock on the date of exercise (or such amount less than such Fair Market Value as the Administrator shall so determine at any time during a specified period before the date of exercise) over (ii) the grant price of the Stock Appreciation Right.

(b) The Administrator shall determine in its sole discretion whether payment of a Stock Appreciation Right shall be made in cash, in whole Stock or other property, or any combination thereof.

(c) The terms and conditions of Stock Appreciation Rights need not be the same with respect to each recipient.

(d) The Administrator may impose such other terms and conditions on the exercise of any Stock Appreciation Right, as it shall deem appropriate. A Stock Appreciation Right shall: (i) have a grant price not less than the Fair Market Value of one share of Stock on the date of grant or, if applicable, on the date of grant of an Option with respect to a Stock Appreciation Right granted in exchange for or in tandem with, but subsequent to, the Option (subject to the requirements of Section 409A of the Code) except in the case of Substitute Awards or in connection with an adjustment provided in Subsection 15.1, (ii) have a term not greater than ten (10) years, and (iii) with respect to an Award to an employee of the Company, not be exercisable before the expiration of one year from the date of grant (but may become exercisable pro rata over such time), except for Substitute Awards, under circumstances contemplated by Subsection 12.2 or as may be set forth in an Award Agreement with respect to (x), retirement, death or disability of a Participant or (y) special circumstances determined by the Administrator, such as the achievement of performance objectives.

(e) An Award Agreement may provide that if on the last day of the term of a Stock Appreciation Right the Fair Market Value of one share of Stock exceeds the grant price per share of the Stock Appreciation Right, the Participant has not exercised the Stock Appreciation Right or the tandem Option (if applicable), and neither the Stock Appreciation Right nor the Option has expired, the Stock Appreciation Right shall be deemed to have been exercised by the Participant on such day. In such event, the Company shall make payment to the Participant in accordance with this Subsection, reduced by the number of shares of Stock (or cash) required for withholding taxes; any fractional Share shall be settled in cash.

(f) Except in connection with a corporate transaction (including, without limitation, any stock dividend, stock split, extraordinary cash dividend, recapitalization, reorganization, merger, consolidation, split-up, spin-off, combination or exchange of shares), without the approval of the Company's stockholders the Administrator shall not (i) reduce the grant price of any Stock Appreciation Right after the date of grant (ii) cancel any Stock Appreciation Right when the grant price per Share exceeds the Fair Market Value of one share of Stock in exchange for cash or another Award (other than in connection with a Substitute Award)), and (iii) take any other action with respect to a Stock Appreciation Right that would be treated as a repricing under the rules and regulations of the principal U.S. national securities exchange on which the Stock is traded.

SECTION 8. RESTRICTED STOCK AND RESTRICTED STOCK UNITS

8.1. *Grants*. Awards of Restricted Stock and of Restricted Stock Units may be issued hereunder to Participants either alone or in addition to other Awards granted under the Plan (a "Restricted Stock Award" or "Restricted Stock Unit Award" respectively), and such Restricted Stock Awards and Restricted Stock Unit Awards shall also be available as a form of payment of Performance Awards and other earned cash-based incentive compensation. The Administrator has absolute discretion to determine whether any consideration (other than services) is to be received by the Company or any Affiliate as a condition precedent to the issuance of Restricted Stock or Restricted Stock Units.

8.2. *Award Agreements*. The terms of any Restricted Stock Award or Restricted Stock Unit Award granted under the Plan shall be set forth in an Award Agreement which shall contain provisions determined by the Administrator and not inconsistent with the Plan. The terms of Restricted Stock Awards and Restricted Stock Unit Awards need not be the same with respect to each Participant.

8.3. *Rights of Holders of Restricted Stock and Restricted Stock Units.* Unless otherwise provided in the Award Agreement, beginning on the date of grant of the Restricted Stock Award and subject to execution of the Award Agreement, the Participant shall become a stockholder of the Company with respect to all Stock subject to the Award Agreement and shall have all of the rights of a stockholder, including the right to vote such Stock and the right to receive distributions made with respect to such Stock. A Participant receiving a Restricted Stock Unit Award shall not possess voting rights with respect to such Award. Except as otherwise provided in an Award Agreement, any Stock or any other property (other than cash) distributed as a dividend or otherwise with respect to any Restricted Stock Award or the number of shares of Stock covered by a Restricted Stock Unit Award as to which the restrictions have not yet lapsed shall be subject to the same restrictions as such Restricted Stock Award or Restricted Stock Unit Award. Notwithstanding the provisions of this Subsection, cash dividends with respect to any Restricted Stock Award and any other property (other than cash) distributed as a dividend or otherwise with respect to any Restricted Stock Award or the number of shares of Stock covered by a Restricted Stock Unit Award that vests based on achievement of performance goals shall be subject to restrictions and risk of forfeiture to the same extent as the Restricted Stock or Restricted Stock Units with respect to which such cash, Stock or other property has been distributed.

8.4. *Minimum Vesting Period.* Restricted Stock Awards and Restricted Stock Unit Awards shall have a Vesting Period of not less than (i) three (3) years from date of grant (but permitting pro rata vesting over such time) if subject only to continued service with the Company or an Affiliate and (ii) one (1) year) from date of grant if subject to the achievement of performance objectives, subject in either case to accelerated vesting in the Administrator's discretion in the event of the death, disability or retirement of the Participant or a Change in Control (as defined in Subsection 12.3). Notwithstanding the foregoing, the restrictions in the preceding sentence shall not be applicable to grants of up to 10% of the number of shares of Stock available for Awards under Subsection 4.1(a) on the effective date of the Plan. Subject to the foregoing minimum Vesting Period requirements, the Administrator may, in its sole discretion and subject to the limitations imposed under Section 162(m) of the Code and the regulations thereunder in the case of a Restricted Stock Award or Restricted Stock Unit Award intended to comply with the performance-based exception under Code Section 162(m), waive the forfeiture period and any other conditions set forth in any Award Agreement under such terms and conditions as the Administrator shall deem appropriate.

8.5 *Issuance of Stock.* Any Restricted Stock granted under the Plan may be evidenced in such manner as the Administrator may deem appropriate, including book-entry registration or issuance of a stock certificate or certificates, which certificate or certificates shall be held by the Company. Such certificate or certificates shall be registered in the name of the Participant and shall bear an appropriate legend referring to the restrictions applicable to such Restricted Stock.

SECTION 9. OTHER STOCK BASED AWARDS

9.1. *Grants*. Other Awards of Stock and other Awards that are valued in whole or in part by reference to, or are otherwise based on, Stock or other property ("Other Share-Based Awards"), including deferred stock units, may be granted hereunder to Participants either alone or in addition to other Awards granted under the Plan. Other Share-Based Awards shall also be available as a form of payment of other Awards granted under the Plan and other earned cash-based compensation.

9.2. *Award Agreements*. The terms of Other Share-Based Awards granted under the Plan shall be set forth in an Award Agreement which shall contain provisions determined by the Administrator and not inconsistent with the Plan. The terms of such Awards need not be the same with respect to each Participant. Notwithstanding the provisions of this Subsection, any property (other than cash) distributed as a dividend or otherwise with respect to the number of shares of Stock covered by an Other Share-Based Award that vests based on achievement of performance goals shall be subject to restrictions and risk of forfeiture to the same extent as the Stock covered by a Other Share-Based Award with respect to which such cash, Stock or other property has been distributed.

9.3. *Minimum Vesting Period.* Other Share-Based Awards shall have a Vesting Period of not less than: (i) three (3) years from date of grant (but permitting pro rata vesting over such time) if subject only to continued service with the Company or an Affiliate and (ii) one (1) year) from date of grant if subject to the achievement of performance objectives, subject in either case to accelerated vesting in the Administrator's discretion in the event of the death, disability or retirement of the Participant or a Change in Control (as defined in Subsection 12.3). Notwithstanding the foregoing, the restrictions in the preceding sentence shall not be applicable to grants of up to 10% of the number of shares of Stock available for Awards under Subsection 4.1(a) on the effective date of the Plan. Subject to the foregoing minimum Vesting Period requirements, the Administrator may, in its sole discretion and subject to the limitations imposed under Section 162(m) of the Code and the regulations thereunder in the case of an Other Share-Based Award intended to comply with the performance-based exception under Code Section 162(m), waive the forfeiture period and any other conditions set forth in any Award Agreement under such terms and conditions as the Administrator shall deem appropriate.

9.4. *Payment*. Except as may be provided in an Award Agreement, Other Share-Based Awards may be paid in cash, Stock, other property, or any combination thereof, in the sole discretion of the Administrator. Other Share-Based Awards may be paid in a lump sum or in installments or, in accordance with procedures established by the Administrator, on a deferred basis subject to the requirements of Section 409A of the Code.

9.5. *Deferral of Director Fees*. Directors shall, if determined by the Board, receive Other Share-Based Awards in the form of deferred stock units in lieu of all or a portion of their annual retainer. In addition Directors may elect to receive Other Share-Based Awards in the form of deferred stock units in lieu of all or a portion of their annual and committee retainers and annual meeting fees, provided that such election is made in accordance with the requirements of Section 409A of the Code. The Administrator shall, in its absolute discretion, establish such rules and procedures as it deems appropriate for such elections and for the payment the deferred stock units.

SECTION 10. PERFORMANCE AWARDS

10.1. *Grants*. Performance Awards in the form of Performance Cash, Performance Stock or Performance Units, as determined by the Administrator in its sole discretion, may be granted hereunder to Participants, for no consideration or for such minimum consideration as may be required by applicable law, either alone or in addition to other Awards granted under the Plan. The performance goals to be achieved for each Performance Period shall be conclusively determined by the Administrator and shall be based upon one or more of the Performance Criteria as the Administrator may determine.

10.2. *Award Agreements.* The terms of any Performance Award granted under the Plan shall be set forth in an Award Agreement which shall contain provisions determined by the Administrator and not inconsistent with the Plan, including whether such Awards shall have Dividend Equivalents (subject to the requirements of Subsection 15.4). The terms of Performance Awards need not be the same with respect to each Participant.

10.3. *Terms and Conditions.* The specific Performance Criteria to be achieved during any Performance Period and the length of the Performance Period shall be determined by the Administrator upon the grant of each Performance Award. The amount of the Award to be distributed shall be conclusively determined by the Administrator. All performance stock awards granted under this Section 10 shall be subject to the minimum vesting provisions applicable to grants subject to the achievement of performance objectives specified in clause (ii) of Subsection 9.3 above.

10.4. *Payment.* Performance Awards will be distributed only after the end of the relevant Performance Period and after the Administrator shall have certified that the Performance Criteria with respect to the Performance Award has been attained during the relevant Performance Period. Performance Awards may be paid in cash, Stock, other property, or any combination thereof, in the sole discretion of the Administrator. Performance Awards may be paid in a lump sum or in installments following the close of the Performance Period or, in accordance with procedures established by the Administrator, on a deferred basis subject to the requirements of Section 409A of the Code.

SECTION 11. CODE SECTION 162(M) PROVISIONS

11.1. *Covered Employees*. Notwithstanding any other provision of the Plan, if the Administrator determines at the time a Performance Award (not otherwise subject to this Section 11), Restricted Stock Award, a Restricted Stock Unit Award or an Other Share-Based Award is granted to a Participant who is, or is likely to be, as of the end of the tax year in which the Company would claim a tax deduction in connection with such Award, a Covered Employee, then the Administrator may provide that this Section 11 is applicable to such Award.

11.2. *Performance Criteria.* If the Administrator determines that a Performance Award, Restricted Stock Award, a Restricted Stock Unit or an Other Share-Based Award is intended to be subject to this Section 11, the lapsing of restrictions thereon and the distribution of cash, Stock or other property pursuant thereto, as applicable, shall be subject to the achievement of one or more objective performance goals established by the Administrator, which shall be based on the attainment of specified levels of one or any combination of the Performance Criteria. Such performance goals also may be based solely by reference to the Company's performance or the performance of a Affiliate, division, business segment or business unit of the Company, or based upon the relative performance of other companies or upon comparisons of any of the indicators of performance relative to other companies. The Administrator may also exclude charges related to an event or occurrence which the Administrator determines should appropriately be excluded, including without limit: (a) restructurings, discontinued operations, extraordinary items, and other unusual or non-recurring charges, (b) an event either not directly related to the operations of the Company or not within the reasonable control of the Company's management, or (c) the cumulative effects of tax or accounting changes in accordance with U.S. generally accepted accounting principles. Such performance goals, and any related exclusions of charges as described in the preceding sentence, shall be set by the Administrator within the time period prescribed by, and shall otherwise comply with the requirements of, Section 162(m) of the Code, and the regulations thereunder. No Award to which this Section 11 applies may be granted after the first meeting of the stockholders of the Company held in 2015 until the listed performance measures set forth in the definition of "Performance Criteria" (as originally approved or as subsequently amended) have been resubmitted to and reapproved by the stockholders of the Company in accordance with the requirements of Section 162(m) of the Code, unless such grant is made contingent upon such approval.

11.3. *Adjustments*. Notwithstanding any provision of the Plan (other than Section 12), with respect to any Performance Award, Restricted Stock Award, Restricted Stock Unit Award or Other Share-Based Award that is subject to this Section 11, the Administrator may adjust downwards, but not upwards, the amount payable pursuant to such Award, and the Administrator may not waive the achievement of the applicable performance goals except in the case of the death or disability of the Participant.

11.4. *Restrictions*. The Administrator shall have the power to impose such other restrictions on Awards subject to this Section 11 as it may deem necessary or appropriate to ensure that such Awards satisfy all requirements for "performance-based compensation" within the meaning of Section 162(m) of the Code. No Award made subject to this Section 11 shall be paid until the Administrator shall have certified that the Performance Criteria with respect to such Award has been attained during the relevant Performance Period.

11.5. *Limitations on Grants to Individual Participants*. Subject to adjustment as provided in Subsection 15.1, the maximum number of shares of Stock for which Stock Options may be granted to any person in any calendar year, the maximum number of shares of Stock subject to Stock Appreciation Rights granted to any person in any calendar year, the maximum number of shares of Stock subject to Performance Awards granted to any person in any calendar year and the aggregate maximum number of shares of Stock subject to other Awards that may be delivered to any person in any calendar year shall each be 1,000,000. For purposes of the preceding sentence, the repricing of a Stock Option or Stock Appreciation Right shall be treated as a new grant to the extent required under Section 162(m) of the Code. Subject to these limitations, each Participant shall be eligible in any year to receive Awards covering up to the full number of shares of Stock then available for Awards under the Plan. No more than $1,000,000 may be paid to any individual with respect to any Performance Award payable in cash. In applying the limitation of the preceding sentence: (A) multiple Performance Awards payable in Cash to the same individual that are determined by reference to performance periods of one year or less ending with or within the same fiscal year of the Company shall be subject in the aggregate to one limit of such amount, and (B) multiple Performance Awards payable in cash to the same individual that are determined by reference to one or more multi-year performance periods ending in the same fiscal year of the Company shall be subject in the aggregate to a separate limit of such amount. If an Award is cancelled, the cancelled Award shall continue to be counted toward the applicable Limitations (or, if denominated in cash, toward the dollar amount in the preceding sentence).

SECTION 12. CHANGE IN CONTROL PROVISIONS

12.1. *Assumption or Substitution.* If the Change in Control is one in which there is an acquiring or surviving entity, the Administrator may provide for the assumption or continuation of some or all outstanding Awards or for the grant of new awards in substitution therefor by the acquiror or survivor or an affiliate of the acquiror or survivor.

Unless otherwise provided in an Award Agreement, and only to the extent consistent with Section 409A of the Code, in the event of a Change in Control of the Company in which the successor company assumes or substitutes for an Option, Stock Appreciation Right, Restricted Stock Award, Restricted Stock Unit Award or Other Share-Based Award (or in which the Company is the ultimate parent corporation and continues the Award), if a Participant's employment with such successor company (or the Company) or a subsidiary thereof is involuntarily terminated without Cause by the successor employer within 24 months following such Change in Control (or such other period set forth in the Award Agreement, including prior thereto if applicable) and under the circumstances specified in the Award Agreement: (i) Options and Stock Appreciation Rights outstanding as of the date of such termination of employment will immediately vest, become fully exercisable, and may thereafter be exercised for 24 months (or the period of time set forth in the Award Agreement), (ii) the restrictions, limitations and other conditions applicable to Restricted Stock and Restricted Stock Units outstanding as of the date of such termination of employment shall lapse and the Restricted Stock and Restricted Stock Units shall become free of all restrictions, limitations and conditions and become fully vested, and (iii) the restrictions, limitations and other conditions applicable to any Other Share-Based Awards or any other Awards shall lapse, and such Other Share-Based Awards or such other Awards shall become free of all restrictions, limitations and conditions and become fully vested and transferable to the full extent of the original grant. For the purposes of this Subsection 12.1, an Option, Stock Appreciation Right, Restricted Stock Award, Restricted Stock Unit Award or Other Share-Based Award shall be considered assumed or substituted for if following the Change in Control the Award confers the right to purchase or receive, for each share of Stock subject to the Option, Stock Appreciation Right, Restricted Stock Award, Restricted Stock Unit Award or Other Share-Based Award immediately prior to the Change in Control, the consideration (whether stock, cash or other securities or property) received in the transaction constituting a Change in Control by holders of Stock for each Share held on the effective date of such transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Stock); *provided, however*, that if such consideration received in the transaction constituting a Change in Control is not solely common stock of the successor company, the Administrator may, with the consent of the successor company, provide that the consideration to be received upon the exercise or vesting of an Option, Stock Appreciation Right, Restricted Stock Award, Restricted Stock Unit Award or Other Share-Based Award, for each Share subject thereto, will be solely common stock of the successor company substantially equal in fair market value to the per Share consideration received by holders of Stock in the transaction constituting a Change in Control. The determination of such substantial equality of value of consideration shall be made by the Administrator in its sole discretion and its determination shall be conclusive and binding.

12.2. *Awards Not Assumed or Substituted.* Unless otherwise provided in an Award Agreement, in the event of a Change in Control of the Company to the extent the successor company does not assume or substitute for an Option, Stock Appreciation Right, Restricted Stock Award, Restricted Stock Unit Award or Other Share-Based Award (or in which the Company is the ultimate parent corporation and does not continue the Award): (i) those Options and Stock Appreciation Rights outstanding as of the date of the Change in Control that are not assumed or substituted for (or continued) shall immediately vest and become fully exercisable, (ii) restrictions, limitations and other conditions applicable to Restricted Stock and Restricted Stock Units that are not assumed or substituted for (or continued) shall lapse and the Restricted Stock and Restricted Stock Units shall become free of all restrictions, limitations and conditions and become fully vested, and (iii) the restrictions, other limitations and other conditions applicable to any Other Share-Based Awards or any other Awards that are not assumed or substituted for (or continued) shall lapse, and such Other Share-Based Awards or such other Awards shall become free of all restrictions, limitations and conditions and become fully vested and transferable to the full extent of the original grant; provided, that to the extent acceleration pursuant to this Section 12.2 of an Award subject to Section 409A would cause the Award to fail to satisfy the requirements of Section 409A, the Award may not be accelerated and the Administrator in lieu thereof shall take such steps as are necessary to ensure that payment of the Award is made in a medium other than Stock and on terms that as nearly as possible, but taking into account adjustments required or permitted by this Section 11 and Section 15.1, replicate the prior terms of the Award.

12.3. *Change in Control.* For purposes of the Plan, unless otherwise provided in an Award Agreement, Change in Control means the occurrence of any one of the following events:

(a) During any twenty-four (24) month period, individuals who, as of the beginning of such period, constitute the Board (the "Incumbent Directors") cease for any reason to constitute at least a majority of the Board, *provided* that any person becoming a director subsequent to the beginning of such period whose election or nomination for election was approved by a vote of at least a majority of the Incumbent Directors then on the Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director, without written objection to such nomination) shall be an Incumbent Director; provided, however, that no individual initially elected or nominated as a director of the Company as a result of an actual or threatened election contest with respect to directors or as a result of any other actual or threatened solicitation of proxies by or on behalf of any person other than the Board shall be deemed to be an Incumbent Director;

(b) Any “person” (as such term is defined in the Exchange Act and as used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act) is or becomes a “beneficial owner” (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 30% or more of the combined voting power of the Company’s then outstanding securities eligible to vote for the election of the Board (the “Company Voting Securities”); *provided, however*, that the event described in this paragraph (b) shall not be deemed to be a Change in Control by virtue of any of the following acquisitions by: (i) the Company or any Affiliate, (ii) any employee benefit plan (or related trust) sponsored or maintained by the Company or any Affiliate, (iii) any underwriter temporarily holding securities pursuant to an offering of such securities, (iv) any person pursuant to a Non-Qualifying Transaction, as defined in paragraph (c) below, or (v) any person of Voting Securities from the Company, if a majority of the Incumbent Board approves in advance the acquisition of beneficial ownership of 30% or more of Company Voting Securities by such person;

(c) The consummation of a merger, consolidation, statutory share exchange or similar form of corporate transaction involving the Company or any of its Affiliates that requires the approval of the Company’s stockholders, whether for such transaction or the issuance of securities in the transaction (a “Business Combination”), unless immediately following such Business Combination: (i) more than 50% of the total voting power of (A) the corporation resulting from such Business Combination (the “Surviving Corporation”), or (B) if applicable, the ultimate parent corporation that directly or indirectly has beneficial ownership of 100% of the voting securities eligible to elect directors of the Surviving Corporation (the “Parent Corporation”), is represented by Company Voting Securities that were outstanding immediately prior to such Business Combination (or, if applicable, is represented by shares into which such Company Voting Securities were converted pursuant to such Business Combination), and such voting power among the holders thereof is in substantially the same proportion as the voting power of such Company Voting Securities among the holders thereof immediately prior to the Business Combination, (ii) no person (other than any employee benefit plan (or related trust) sponsored or maintained by the Surviving Corporation or the Parent Corporation), is or becomes the beneficial owner, directly or indirectly, of 30% or more of the total voting power of the outstanding voting securities eligible to elect directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation) and (iii) at least a majority of the members of the board of directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation) following the consummation of the Business Combination were Incumbent Directors at the time of the Board’s approval of the execution of the initial agreement providing for such Business Combination (any Business Combination which satisfies all of the criteria specified in (i), (ii) and (iii) above shall be deemed to be a “Non-Qualifying Transaction”); or

(d) The stockholders of the Company approve a plan of complete liquidation or dissolution of the Company or the consummation of a sale of all or substantially all of the Company’s assets.

Notwithstanding the foregoing, a Change in Control shall not be deemed to occur solely because any person acquires beneficial ownership of more than 30% of the Company Voting Securities as a result of the acquisition of Company Voting Securities by the Company which reduces the number of Company Voting Securities outstanding; provided, that if after such acquisition by the Company such person becomes the beneficial owner of additional Company Voting Securities that increases the percentage of outstanding Company Voting Securities beneficially owned by such person, a Change in Control of the Company shall then occur.

12.4. *Cash Out, etc. of Awards*. The Administrator, in its discretion, may determine that, upon the occurrence of a Change in Control of the Company, each Option and Stock Appreciation Right outstanding shall terminate within a specified number of days after notice to the Participant, and/or that each Participant shall receive, with respect to each share of Stock subject to such Option or Stock Appreciation Right, an amount equal to the excess of the Fair Market Value of such share of Stock immediately prior to the occurrence of such Change in Control over the exercise price per share of such Option and/or Stock Appreciation Right; such amount to be payable in cash, in one or more kinds of stock or property (including the stock or property, if any, payable in the transaction) or in a combination thereof, as the Administrator, in its discretion, shall determine; *provided*, that the Administrator may not exercise its discretion under this Section 12.4 with respect to an Award or portion thereof providing for "nonqualified deferred compensation" subject to Section 409A in a manner that would constitute an extension or acceleration of, or other change in, payment terms if such change would be inconsistent with the applicable requirements of Section 409A. Award Agreements may provide that in the event of a Change in Control of the Company all Performance Awards shall be considered to be earned and payable (either in full or pro rata based on the portion of the Performance Period completed as of the date of the Change in Control), and any limitations or other restrictions shall lapse and such Performance Awards shall be immediately settled and distributed.

SECTION 13. EFFECTIVE DATE AND TERM OF THE PLAN.

The Plan shall be effective on the date of the approval of the Plan by the holders of the shares entitled to vote at a duly constituted meeting of the stockholders of the Company. The Plan shall be null and void and of no effect if the foregoing condition is not fulfilled and in such event each Award shall, notwithstanding any of the preceding provisions of the Plan, be null and void and of no effect. Awards may be granted under the Plan at any time and from time to time on or prior to the tenth anniversary of the effective date of the Plan, unless sooner terminated by the Board pursuant to Section 14 below, on which date the Plan will expire except as to Awards then outstanding under the Plan. Such outstanding Awards shall remain in effect until they have been exercised or terminated, or have expired.

SECTION 14. AMENDMENT AND TERMINATION OF THE PLAN.

The Board may, from time to time, alter, amend, suspend or terminate the Plan as it shall deem advisable, subject to any requirement for stockholder approval imposed by applicable law, including the rules and regulations of the principal U.S. national securities exchange on which the Shares is traded; *provided* that the Board may not amend the Plan in any manner that would result in noncompliance with Rule 16b-3 of the Exchange Act; and *further provided* that the Board may not, without the approval of the Company's stockholders, to the extent required by such applicable law, amend the Plan to: (a) increase the number of shares of Stock that may be the subject of Awards under the Plan (except for adjustments pursuant to Subsection 15.1); (b) expand the types of awards available under the Plan; (c) materially expand the class of persons eligible to participate in the Plan; (d) amend Subsection 6.3 or Subsection 7.2(f) to eliminate the requirements relating to minimum exercise price, minimum grant price and stockholder approval; (e) increase the maximum permissible term of any Option specified by Subsection 6.4 or the maximum permissible term of a Stock Appreciation Right specified by Subsection 7.2(d); or (f) increase the Limitations. The Board may not, without the approval of the Company's stockholders, cancel an Option or Stock Appreciation Right in exchange for cash when the exercise or grant price per share exceeds the Fair Market Value of one Share or take any action with respect to an Option or Stock Appreciation Right that would be treated as a repricing under the rules and regulations of the principal securities exchange on which the Stock is traded, including a reduction of the exercise price of an Option or the grant price of a Stock Appreciation Right or the exchange of an Option or Stock Appreciation Right for another Award. In addition, no amendments to, or termination of, the Plan shall impair the rights of a Participant in any material and adverse respect under any Award previously granted without such Participant's consent.

SECTION 15. PROVISIONS OF GENERAL APPLICABILITY.

15.1. *Adjustments*. In the event of any merger, reorganization, consolidation, recapitalization, dividend or distribution (whether in cash, shares or other property, other than a regular cash dividend), stock split, reverse stock split, spin-off or similar transaction or other change in corporate structure affecting the Stock or the value thereof, such adjustments and other substitutions shall be made to the Plan and to Awards as the Administrator deems equitable or appropriate taking into consideration the accounting and tax consequences, including such adjustments in the aggregate number, class and kind of securities that may be delivered under the Plan, the Limitations, the maximum number of shares of Stock that may be issued pursuant to Incentive Stock Options, and in the number, class, kind and option or exercise price of securities subject to outstanding Awards granted under the Plan (including, if the Administrator deems appropriate, the substitution of similar options to purchase the shares of, or other awards denominated in the shares of, another company) as the Administrator may determine to be appropriate; *provided*, *however*, that the number of shares of Shares subject to any Award shall always be a whole number.

15.2. *Transferability of Awards*. Except as provided below, no Award and no Stock that have not been issued or as to which any applicable restriction, performance or deferral period has not lapsed, may be sold, assigned, transferred, pledged or otherwise encumbered, other than by will or the laws of descent and distribution, and such Award may be exercised during the life of the Participant only by the Participant or the Participant's guardian or legal representative. To the extent and under such terms and conditions as determined by the Administrator, a Participant may assign or transfer an Award (each transferee thereof, a "Permitted Assignee") to: (i) the Participant's spouse, children or grandchildren (including any adopted and step children or grandchildren), parents, grandparents or siblings; (ii) to a trust for the benefit of one or more of the Participant or the persons referred to in clause (i); (iii) to a partnership, limited liability company or corporation in which the Participant or the persons referred to in clause (i) are the only partners, members or shareholders; or (iv) for charitable donations; provided that such Permitted Assignee shall be bound by and subject to all of the terms and conditions of the Plan and the Award Agreement relating to the transferred Award and shall execute an agreement satisfactory to the Company evidencing such obligations; and *provided further* that such Participant shall remain bound by the terms and conditions of the Plan. The Company shall cooperate with any Permitted Assignee and the Company's transfer agent in effectuating any transfer permitted under this Subsection.

15.3. *Termination of Employment*. The Administrator shall determine and set forth in each Award Agreement whether any Awards granted in such Award Agreement will continue to be exercisable, continue to vest or be earned and the terms of such exercise, vesting or earning, on and after the date that a Participant ceases to be employed by or to provide services to the Company or any Affiliate (including as a Director), whether by reason of death, disability, voluntary or involuntary termination of employment or services, or otherwise. The date of termination of a Participant's employment or services will be determined by the Administrator, which determination will be final.

15.4. *Deferral*; *Dividend Equivalents*. The Administrator shall be authorized to establish procedures, subject to the requirements of Section 409A of the Code, to the extent applicable, pursuant to which the payment of any Award may be deferred. Subject to the provisions of the Plan and any Award Agreement, the recipient of an Award other than an Option or Stock Appreciation Right may, if so determined by the Administrator, be entitled to receive, currently or on a deferred basis, amounts equivalent to any cash, stock or other property dividends that may be declared with respect to the Stock ("Dividend Equivalents") with respect to the number of shares of Stock covered by the Award, *provided* that such Dividend Equivalents shall be subject to the same vesting or performance conditions as the underlying Award. The Administrator may provide that the Dividend Equivalents (if any) shall be deemed to have been reinvested in additional Stock or otherwise reinvested.

15.5. *Award Agreements*. Each Award Agreement shall either be (a) in writing in a form approved by the Administrator and executed by the Company by an officer duly authorized to act on its behalf, or (b) an electronic notice in a form approved by the Administrator and recorded by the Company (or its designee) in an electronic recordkeeping system used for the purpose of tracking one or more types of Awards as the Administrator may provide; in each case and if required by the Administrator, the Award Agreement shall be executed or otherwise electronically accepted by the recipient of the Award in such form and manner as the Administrator may require. The Administrator may authorize any officer of the Company to execute any or all Award Agreements on behalf of the Company. The Award Agreement shall set forth the material terms and conditions of the Award as established by the Administrator consistent with the provisions of the Plan.

15.6. *Tax Withholding*. The Company shall have the right to make all payments or distributions pursuant to the Plan to a Participant (or a Permitted Assignee thereof) (any such person, a "Payee") net of any applicable federal, state and local taxes required to be paid or withheld as a result of: (a) the grant of any Award; (b) the exercise of an Option or Stock Appreciation Right, (c) the delivery of Stock or cash; (d) the lapse of any restrictions in connection with any Award; or (e) any other event occurring pursuant to the Plan. The Company or any Affiliate shall have the right to withhold from wages or other amounts otherwise payable to such Payee such withholding taxes as may be required by law, or to otherwise require the Payee to pay such withholding taxes. If the Payee shall fail to make such tax payments as are required, the Company or its Subsidiaries shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to such Payee or to take such other action as may be necessary to satisfy such withholding obligations. The Administrator shall be authorized to establish procedures for election by Participants to satisfy such obligation for the payment of such taxes by tendering previously acquired Stock (either actually or by attestation, valued at their then Fair Market Value), or by directing the Company to retain Stock (up to the Participant's minimum required tax withholding rate or such other rate that will not cause an adverse accounting consequence or cost) otherwise deliverable in connection with the Award.

15.7. *Right of Discharge Reserved; Claims to Awards*. Nothing in the Plan nor the grant of an Award hereunder shall confer upon any Employee, Director or Consultant the right to continue in the employment or service of the Company or any Affiliate or affect any right that the Company or any Affiliate may have to terminate the employment or service of (or to demote or to exclude from future Awards under the Plan) any such Employee, Director or Consultant at any time for any reason. Except as specifically provided by the Administrator, the Company shall not be liable for the loss of existing or potential profit from an Award granted in the event of termination of an employment or other relationship. No Employee, Director or Consultant shall have any claim to be granted any Award under the Plan, and there is no obligation for uniformity of treatment of Employees, Directors or Consultants under the Plan.

15.8. *Substitute Awards*. Notwithstanding any other provision of the Plan, the terms of Substitute Awards may vary from the terms set forth in the Plan to the extent the Administrator deems appropriate to conform, in whole or in part, to the provisions of the awards in substitution for which they are granted.

15.9. *Cancellation of Award; Forfeiture of Gain*. Notwithstanding anything to the contrary contained herein, an Award Agreement may provide that the Award shall be canceled if the Participant, without the consent of the Company, while employed by or providing services to the Company or any Affiliate or after termination of such employment or service, violates a non-competition, non-solicitation or non-disclosure covenant or agreement or otherwise engages in activity that is in conflict with or adverse to the interest of the Company or any Affiliate (including conduct contributing to any financial restatements or financial irregularities), as determined by the Administrator in its sole discretion. The Administrator may provide in an Award Agreement that if within the time period specified in the Agreement the Participant establishes a relationship with a competitor or engages in an activity referred to in the preceding sentence, the Participant will forfeit any gain realized on the vesting or exercise of the Award and must repay such gain to the Company.

15.10. *Stop Transfer Orders*. All certificates for Stock delivered under the Plan pursuant to any Award shall be subject to such stop-transfer orders and other restrictions as the Administrator may deem advisable under the rules, regulations and other requirements of the Securities and Exchange Commission, any stock exchange upon which the Stock are then listed or traded, and any applicable federal or state securities law, and the Administrator may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

15.11. *Nature of Payments*. All Awards made pursuant to the Plan are in consideration of services performed or to be performed for the Company or any Affiliate, division or business unit of the Company. Any income or gain realized pursuant to Awards under the Plan constitutes a special incentive payment to the Participant and shall not be taken into account, to the extent permissible under applicable law, as compensation for purposes of any of the employee benefit plans of the Company or any Affiliate except as may be determined by the Administrator or by the Board.

15.12. *Other Plans*. Nothing contained in the Plan shall prevent the Board from adopting other or additional compensation arrangements, subject to stockholder approval if such approval is required; and such arrangements may be either generally applicable or applicable only in specific cases.

15.13. *Severability*. The provisions of the Plan shall be deemed severable. If any provision of the Plan shall be held unlawful or otherwise invalid or unenforceable in whole or in part by a court of competent jurisdiction or by reason of change to an applicable statute, such provision shall (a) be deemed limited to the extent that such court of competent jurisdiction deems it lawful, valid and/or enforceable and as so limited shall remain in full force and effect, and (b) not affect any other provision of the Plan or part thereof, each of which shall remain in full force and effect. If the making of any payment or the provision of any other benefit required under the Plan shall be held unlawful or otherwise invalid or unenforceable by a court of competent jurisdiction, such unlawfulness, invalidity or unenforceability shall not prevent any other payment or benefit from being made or provided under the Plan, and if the making of any payment in full or the provision of any other benefit required under the Plan in full would be unlawful or otherwise invalid or unenforceable, then such unlawfulness, invalidity or unenforceability shall not prevent such payment or benefit from being made or provided in part, to the extent that it would not be unlawful, invalid or unenforceable, and the maximum payment or benefit that would not be unlawful, invalid or unenforceable shall be made or provided under the Plan.

15.14. *Construction*. As used in the Plan, the words “include” and “including,” and variations thereof, shall not be deemed to be terms of limitation, but rather shall be deemed to be followed by the words “without limitation.”

15.15. *Unfunded Status of the Plan.* The Plan is intended to constitute an “unfunded” plan for incentive compensation. With respect to any payments not yet made to a Participant by the Company, nothing contained herein shall give any such Participant any rights that are greater than those of a general creditor of the Company. In its sole discretion, the Administrator may authorize the creation of trusts or other arrangements to meet the obligations created under the Plan to deliver the Stock or payments in lieu of or with respect to Awards hereunder; *provided*, *however*, that the existence of such trusts or other arrangements is consistent with the unfunded status of the Plan.

15.16. *Governing Law*. The Plan and all determinations made and actions taken thereunder, to the extent not otherwise governed by the Code or the laws of the United States, shall be governed by the laws of the State of Delaware, without reference to principles of conflict of laws, and construed accordingly.

15.17. *Foreign Employees and Consultants*. Awards may be granted to Participants who are foreign nationals or employed or providing services outside the United States, or both, on such terms and conditions different from those applicable to Awards to Employees or Consultants providing services in the United States as may, in the judgment of the Administrator, be necessary or desirable in order to recognize differences in local law or tax policy. The Administrator also may impose conditions on the exercise or vesting of Awards in order to minimize the Company’s obligation with respect to tax equalization for Employees or Consultants on assignments outside their home country.

15.18. *Compliance with Section 409A of the Code.* This Plan is intended to comply and shall be administered in a manner that is intended to comply with Section 409A of the Code and shall be construed and interpreted in accordance with such intent. To the extent that an Award or the payment, settlement or deferral thereof is subject to Section 409A of the Code, the Award shall be granted, paid, settled or deferred in a manner that will comply with Section 409A of the Code, including regulations or other guidance issued with respect thereto, except as otherwise determined by the Administrator. Any provision of this Plan that would cause the grant of an Award or the payment, settlement or deferral thereof to fail to satisfy Section 409A of the Code shall be amended to comply with Section 409A of the Code on a timely basis, which may be made on a retroactive basis, in accordance with regulations and other guidance issued under Section 409A of the Code.

15.19. *Limitation of Liability*. Notwithstanding anything to the contrary in the Plan, neither the Company, nor any Affiliate, nor the Administrator, nor any person acting on behalf of the Company, any Affiliate, or the Administrator, will be liable to any Participant or to the estate or beneficiary of any Participant or to any other holder of an Award by reason of any acceleration of income, or any additional tax (including any interest and penalties), asserted by reason of the failure of an Award to satisfy the requirements of Section 422 or Section 409A or by reason of Section 4999 of the Code, or otherwise asserted with respect to the Award; provided, that nothing in this Section 15.19 will limit the ability of the Administrator or the Company, in its discretion, to provide by separate express written agreement with a Participant for a gross-up payment or other payment in connection with any such acceleration of income or additional tax.

15.20. *No Registration Rights; No Right to Settle in Cash*. The Company has no obligation to register with any governmental body or organization (including, without limitation, the U.S. Securities and Exchange Commission ("SEC")) any of (a) the offer or issuance of any Award, (b) any Stock issuable upon the exercise of any Award, or (c) the sale of any Stock issued upon exercise of any Award, regardless of whether the Company in fact undertakes to register any of the foregoing. In particular, in the event that any of (x) any offer or issuance of any Award, (y) any Stock issuable upon exercise of any Award, or (z) the sale of any Stock issued upon exercise of any Award are not registered with any governmental body or organization (including, without limitation, the SEC), the Company will not under any circumstance be required to settle its obligations, if any, under this Plan in cash.

15.21. *Legal Conditions on Delivery of Stock.* The Company will not be obligated to deliver any shares of Stock pursuant to the Plan or remove any restriction from shares of Stock previously delivered under the Plan until: (i) the Company is satisfied that all legal matters in connection with the issuance and delivery of such shares have been addressed and resolved; (ii) if the outstanding Stock is at the time of delivery listed on any stock exchange or national market system, the shares to be delivered have been listed or authorized to be listed on such exchange or system upon official notice of issuance; and (iii) all conditions of the Award have been satisfied or waived. If the sale of Stock has not been registered under the Securities Act of 1933, as amended, the Company may require, as a condition to exercise of the Award, such representations or agreements as counsel for the Company may consider appropriate to avoid violation of the Securities Act of 1933, as amended, any regulation promulgated thereunder or of any applicable state or foreign securities laws. The Company may require that certificates evidencing Stock issued under the Plan bear an appropriate legend reflecting any restriction on transfer applicable to such Stock, and the Company may hold the certificates pending lapse of the applicable restrictions.

15.22. *Waiver of Jury Trial*. By accepting an Award under the Plan, each Participant waives any right to a trial by jury in any action, proceeding or counterclaim concerning any rights under the Plan and any Award, or under any amendment, waiver, consent, instrument, document or other agreement delivered or which in the future may be delivered in connection therewith, and agrees that any such action, proceedings or counterclaim shall be tried before a court and not before a jury. By accepting an Award under the Plan, each Participant certifies that no officer, representative, or attorney of the Company has represented, expressly or otherwise, that the Company would not, in the event of any action, proceeding or counterclaim, seek to enforce the foregoing waiver.

15.23. *Establishment of Sub-Plans*. The Board may from time to time establish one or more sub-plans under the Plan for purposes of satisfying applicable federal or state securities or tax laws. The Board will establish such sub-plans by adopting supplements to the Plan setting forth (i) such limitations on the Administrator's discretion under the Plan as the Board deems necessary or desirable and (ii) such additional terms and conditions not otherwise inconsistent with the Plan as the Board deems necessary or desirable. All supplements adopted by the Board will be deemed to be part of the Plan, but each supplement will apply only to Participants within the affected jurisdiction and the Company will not be required to provide copies of any supplement to Participants in any jurisdiction that is not affected.

15.24. *Captions*. The captions in the Plan are for convenience of reference only, and are not intended to narrow, limit or affect the substance or interpretation of the provisions contained herein.

EXHIBIT A
Definition of Terms

As used in the Plan, the following terms shall have the meanings set forth in this Exhibit A. Terms defined in the text of the Plan shall have the meaning ascribed to the term at the location of its definition. Any definition of a performance measure used in connection with Awards described by Sections 10 or 11 shall have the meaning commonly ascribed to such term by generally acceptable accounting principles as practiced in the United States:

A.1. "*Administrator*" The Committee or if there be no Committee, the Board.

A.2. "*Affiliate*" shall mean any corporation or other entity owning, directly or indirectly, 50% or more of the outstanding Stock of the Company, or in which the Company or any such corporation or other entity owns, directly or indirectly, 50% of the outstanding capital stock (determined by aggregate voting rights) or other voting interests.

A.3. "*Award*" shall mean any or a combination of the following: Stock Option, Stock Appreciation Right, Restricted Stock Award, Restricted Stock Unit Award, Deferred Stock, Other Share-Based Award, Performance Award Unrestricted Stock, Securities (other than Stock Options) that are convertible into or exchangeable for Stock on such terms and conditions as the Administrator determines or any other right, interest or option relating to Stock or other property (including cash) granted pursuant to the provisions of the Plan.

A.4. "*Award Agreement*" shall mean any agreement, contract or other instrument or document evidencing any Award hereunder, whether in writing or through an electronic medium.

A.5. "*Board*" shall mean the board of directors of the Company.

A.6. "Cause" shall mean, unless otherwise provided in an Award Agreement, (A) gross dereliction in the performance of the Participant's duties to the Company or any of its Affiliates if the Participant fails to cure such dereliction, if curable, within thirty (30) days after receipt from the Company of written notice specifying such dereliction; (B) fraud, embezzlement or theft with respect to the Company or any of its Affiliates; (C) material breach of a fiduciary duty owed by the Participant to the Company or any of its Affiliates; or (D) conviction of, or plea of *nolo contendere* to, a felony or other crime involving moral turpitude.

A.7. "*Code*" shall mean the Internal Revenue Code of 1986, as from time to time amended and in effect, or any successor statute as from time to time in effect.

A.8. "*Company*" shall mean Entegris, Inc., a Delaware corporation.

A.9. "*Committee*" shall mean the Management Development & Compensation Committee of the Board or a successor to such committee established by the Board to assist it in the oversight and determination of the Company's compensation practices, policies and programs. The Committee shall consist of no fewer than two Directors, each of whom is (i) a "Non-Employee Director" within the meaning of Rule 16b-3 of the Exchange Act, (ii) an "outside director" within the meaning of Section 162(m) of the Code, and (iii) an "independent director" for purpose of the rules of the principal U.S. national securities exchange on which the Stock is traded, to the extent required by such rules.

A.10. "*Consultant*" shall mean any consultant or advisor who is a natural person and who provides services to the Company or any Affiliate, so long as such person (i) renders bona fide services that are not in connection with the offer and sale of the Company's securities in a capital-raising transaction and (ii) does not directly or indirectly promote or maintain a market for the Company's securities.

A.11. "*Covered Employee*" shall mean an employee of the Company or its Affiliates (including an employee who is also a member of the Board) who is a "covered employee" within the meaning of Section 162(m) of the Code.

A.12. "*Director*" shall mean a non-employee member of the Board.

A.13. "*Dividend Equivalents*" shall have the meaning set forth in Subsection 15.4.

A.14. "*Employee*" shall mean any employee of the Company or any Affiliate and any prospective employee conditioned upon, and effective not earlier than, such person becoming an employee of the Company or any Affiliate.

A.15. "*Exchange Act*" shall mean the Securities Exchange Act of 1934, as amended.

A.16. "*Fair Market Value*" shall mean, with respect to Stock as of any date, (i) the closing sale price of the Stock reported as having occurred on the NASDAQ or other principal U.S. national securities exchange on which the Stock is listed and traded on such date, or, if there is no such sale on that date, then on the last preceding date on which such a sale was reported; (ii) if the Stock is not listed on any U.S. national securities exchange but are quoted in an inter-dealer quotation system on a last sale basis, the final ask price of the Stock reported on the inter-dealer quotation system for such date, or, if there is no such sale on such date, then on the last preceding date on which a sale was reported; or (iii) if the Stock is neither listed on a U.S. national securities exchange nor quoted on an inter-dealer quotation system on a last sale basis, the amount determined by the Administrator to be the fair market value of the Stock as determined by the Administrator in its sole discretion, consistent with the requirements of Sections 422 and 409A of the Code, to the extent applicable. The Fair Market Value of any property other than Stock shall mean the market value of such property determined by such methods or procedures as shall be established from time to time by the Administrator.

A.17. "*Incentive Stock Option*" shall mean an Option which when granted is intended to qualify as an incentive stock option for purposes of Section 422 of the Code.

A.18. "*Limitations*" shall have the meaning set forth in Subsection 11.5.

A.19. "*Option*" shall mean any right granted to a Participant under the Plan allowing such Participant to purchase Stock at such price or prices and during such period or periods as the Administrator shall determine.

A.20. "*Other Stock-Based Award*" shall have the meaning set forth in Subsection 9.1.

A.21. "*Participant*" shall mean an Employee, Director or Consultant who is selected by the Administrator to receive an Award under the Plan.

A.22. "*Payee*" shall have the meaning set forth in Subsection 15.6.

A.23. "*Performance Award*" shall mean any Award of Performance Cash, Performance Stock or Performance Units granted pursuant to Section 10 which are subject to Performance Criteria. The Administrator in its discretion may grant Performance Awards that are intended to qualify for the performance-based compensation exception under Section 162(m) of the Code and Performance Awards that are not intended so to qualify.

A.24. *"Performance Cash"* shall mean any cash incentives granted pursuant to Section 9 payable to the Participant upon the achievement of such performance goals as the Administrator shall establish.

A.25. *"Performance Criteria":* shall mean specified criteria, other than the mere continuation of employment or the mere passage of time, the satisfaction of which is a condition for the pay-out of an Award. For purposes of Performance Share Awards that are intended to qualify for the performance-based compensation exception under Section 162(m), a Performance Criterion will mean an objectively determinable measure of performance relating to any or any combination of the following (measured either absolutely or by reference to an index or indices and determined either on a consolidated basis or, as the context permits, on a divisional, subsidiary, line of business, project or geographical basis or in combinations thereof):

Net income or improvement in net income;

Adjusted net income or improvement in adjusted net income;

Earnings per share or improvement in earnings per share;

Net sales growth or improvement in net sales growth;

Cash flow;

Gross margin;

Operating margin;

Earnings before interest and taxes, EBITDA;

Stock price

Return on assets or net assets;

Operating income or improvement in operating income;

Return on capital employed;

Return on assets or net assets,

Return on invested capital

Return on equity and return on adjusted equity;

Reductions in certain asset or cost categories; and

Comparisons with other peer companies or industry groups or classifications with regard to one or more of the foregoing criteria.

A Performance Criterion and any targets with respect thereto determined by the Administrator need not be based upon an increase, a positive or improved result or avoidance of loss. To the extent consistent with the requirements for satisfying the performance-based compensation exception under Section 162(m), the Administrator may provide in the case of any Award intended to qualify for such exception that one or more of the Performance Criteria applicable to such Award will be adjusted in an objectively determinable manner to reflect events (for example, but without limitation, acquisitions or dispositions) occurring during the performance period that affect the applicable Performance Criterion or Criteria.".

A.26. "*Performance Period*" shall mean the period established by the Administrator during which any performance goals specified by the Administrator with respect to a Performance Award are to be measured.

A.27. "*Performance Share*" shall mean any grant pursuant to Section 10 of a unit valued by reference to a designated number of shares of Stock, which value will be paid to the Participant upon achievement of such performance goals as the Administrator shall establish.

A.28. "*Performance Unit*" shall mean any grant pursuant to Section 10 of a unit valued by reference to a designated amount of cash or property other than Stock, which value will be paid to the Participant upon achievement of such performance goals during the Performance Period as the Administrator shall establish.

A.29. "*Permitted Assignee*" shall have the meaning set forth in Subsection 15.2.

A.30. *"Plan":* The Entegris, Inc. 2010 Stock Plan, as from time to time amended and in effect.

A.31. "*Prior Plans*" shall mean, collectively, the Company's 2001 Equity Incentive Plan, the Company's Outside Directors' Option Plan, the Company's 2001 Non-Employee Directors' Stock Option Plan and the Company's 2003 Employment Inducement and Acquisition Stock Option Plan.

A.32. "*Restricted Stock*" shall mean any share of Stock issued with the restriction that the holder may not sell, transfer, pledge or assign such Stock and with such other restrictions as the Administrator, in its sole discretion, may impose, which restrictions may lapse separately or in combination at such time or times, in installments or otherwise, as the Administrator may deem appropriate.

A.33. "*Restricted Stock Award*" shall have the meaning set forth in Subsection 8.1.

A.34. *"Restricted Stock Unit"* means an Award that is valued by reference to a share of Stock, which value may be paid to the Participant by delivery of cash, Stock or such other property as the Administrator shall determine, which restrictions may lapse separately or in combination at such time or times, in installments or otherwise, as the Administrator may deem appropriate.

A.35. *"Restricted Stock Unit Award"* shall have the meaning set forth in Subsection 8.1

A.36. "*Stock*" shall mean the shares of the Company's Common Stock, $0.01 par value per share.

A.37. "*Stock Appreciation Right*" shall mean the right granted to a Participant pursuant to Section 7.

A.38. *Substitute Awards*" shall mean Awards granted or Stock issued by the Company in assumption of, or in substitution or exchange for, awards previously granted, or the right or obligation to make future awards, in each case by a company acquired by the Company or any Affiliate or with which the Company or any Affiliate combines.

A.39. *“Unrestricted Stock”:* An Award of Stock not subject to any restrictions under the Plan.

A.40. “*Vesting Period*” shall mean the period of time specified by the Administrator during which vesting restrictions for an Award are applicable.

Exhibit 31.1

CERTIFICATIONS

I, Gideon Argov, certify that:

1. I have reviewed this Report on Form 10-Q of Entegris, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects, the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 28, 2010

/s/ Gideon Argov
Gideon Argov
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATIONS

I, Gregory B. Graves, certify that:

1. I have reviewed this Report on Form 10-Q of Entegris, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects, the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 28, 2010

/s/ Gregory B. Graves
Gregory B. Graves
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q (the “Report”) of Entegris, Inc, a Delaware corporation (the “Company”), for the period ended July 3, 2010 as filed with the Securities and Exchange Commission on the date hereof, Gideon Argov, President and Chief Executive Officer of the Company and Gregory B. Graves, Chief Financial Officer of the Company, each hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: July 28, 2010

/s/ Gideon Argov
Gideon Argov
Chief Executive Officer

/s/ Gregory B. Graves
Gregory B. Graves
Chief Financial Officer