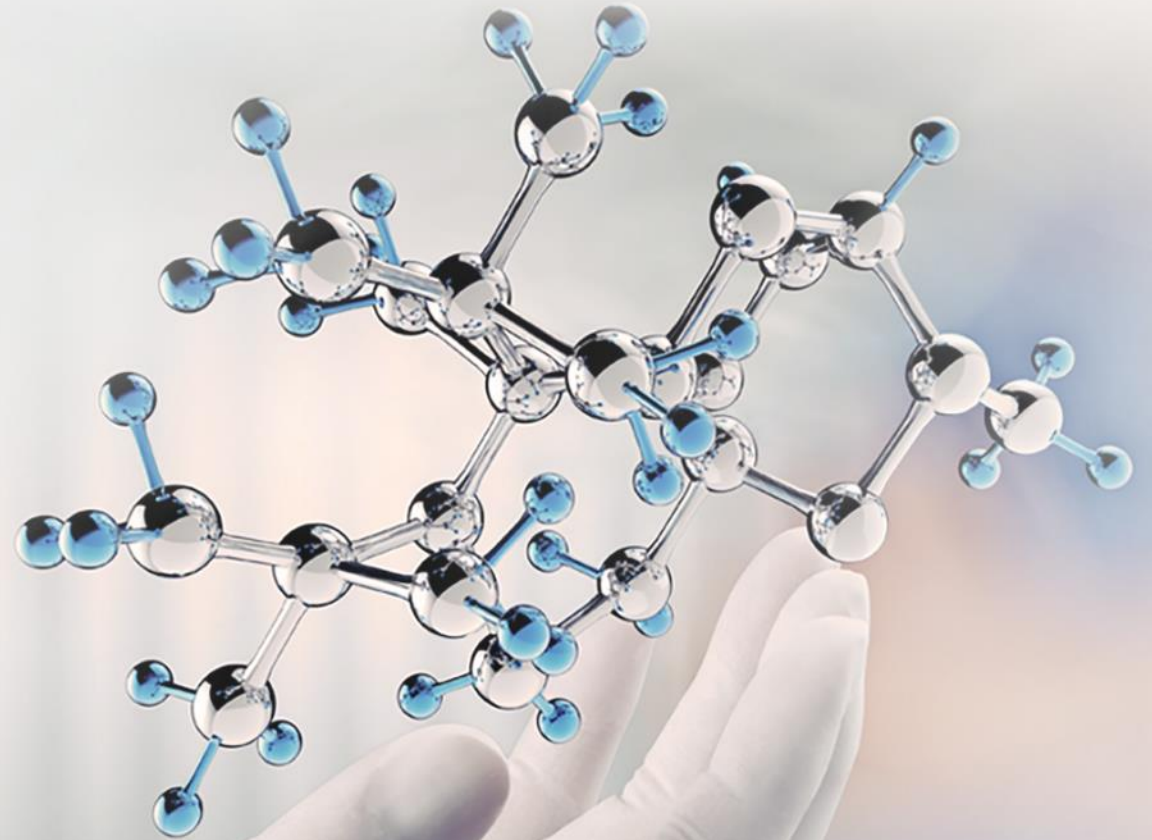


**FEBRUARY 6, 2018**

# Earnings Summary Fourth Quarter and Fiscal Year 2017



## SAFE HARBOR

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This document contains, and management may make, forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The words “believe,” “expect,” “anticipate,” “intends,” “estimate,” “forecast,” “project,” “should,” “may,” “will,” “would” or the negative thereof and similar expressions are intended to identify such forward-looking statements. These forward-looking statements include statements related to future period guidance; future sales, net income, net income per diluted share, non-GAAP EPS, non-GAAP net income, expenses and other financial metrics; our performance relative to our markets; market and technology trends, including the duration and drivers of any growth trends; the development of new products and the success of their introductions; Company's capital allocation strategy, which may be modified at any time for any reason, including share repurchases, dividends, debt repayments and potential acquisitions; the effect of the Tax Cuts and Jobs Act on our capital allocation strategy; the impact of the acquisitions we have made and commercial partnerships we have established; our ability to execute on our strategies; and other matters. These statements involve risks and uncertainties, and actual results may differ. These risks and uncertainties include, but are not limited to, weakening of global and/or regional economic conditions, generally or specifically in the semiconductor industry, which could decrease the demand for our products and solutions; our ability to meet rapid demand shifts; our ability to continue technological innovation and introduce new products to meet our customers' rapidly changing requirements; our concentrated customer base; our ability to identify, effect and integrate acquisitions, joint ventures or other transactions; our ability to protect and enforce intellectual property rights; operational, political and legal risks of our international operations; our dependence on sole source and limited source suppliers; the increasing complexity of certain manufacturing processes; raw material shortages and price increases; changes in government regulations of the countries in which we operate; fluctuation of currency exchange rates; fluctuations in the market price of Entegris' stock; the level of, and obligations associated with, our indebtedness; and other risk factors and additional information described in our filings with the Securities and Exchange Commission, including under the heading “Risks Factors” in Item 1A of our Annual Report on Form 10-K for the fiscal year ended December 31, 2016, filed on February 17, 2017, and in our other periodic filings. The Company assumes no obligation to update any forward-looking statements or information, which speak as of their respective dates.

This presentation contains references to “Adjusted EBITDA,” “Adjusted EBITDA Margin,” “Adjusted Operating Income,” “Adjusted Operating Income Margin” and “Non-GAAP Earnings per Share” that are not presented in accordance GAAP. The non-GAAP financial measures should not be considered in isolation or as a substitute for GAAP financial measures but should instead be read in conjunction with the GAAP financial measures. Further information with respect to and reconciliations of such measures to the most directly comparable GAAP financial measure can be found attached to this presentation.

## 4Q17 HIGHLIGHTS

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- 4Q17 sales grew 14% from a year ago and 1% sequentially, reflecting growth across the portfolio and the fifth consecutive record quarter:
  - Specialty Chemicals and Engineered Materials sales grew 13% from a year ago, achieving its 4<sup>th</sup> consecutive quarter of record sales and reflecting strength in advanced deposition, specialty materials, and specialty gases
  - Microcontamination Control sales grew 17% from a year ago, reflecting strength in liquid filtration and purification, as well as gas filtration solutions
  - Advanced Materials Handling sales grew 11% from a year ago, reflecting growth in fluid handling and wafer shipper solutions
- 4Q17 GAAP Loss Per Share was \$0.20 reflecting the one-time effects of tax reform; non-GAAP EPS of \$0.42 grew 75% from the prior year;
- Generated record quarterly adjusted EBITDA of \$97 million, or approx. 28% of revenue, and free cash flow of \$60 million;
- In November, the Company raised \$550 million of senior notes at 4.625% interest; the Company used the proceeds to retire its existing \$360 million/6% senior notes;
- Subsequent to the quarter, in January the Company acquired Particle Sizing Systems, LLC, a provider of particle sizing instrumentation for liquid applications in both semiconductor and life science industries, for \$37 million in cash; The acquisition is expected to be accretive to 2018 earnings.

## FY2017 HIGHLIGHTS

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- Fiscal 2017 sales grew 14% from a year ago, reflecting record performances for all three divisions:
  - Specialty Chemicals and Engineered Materials sales grew 13%
  - Microcontamination Control sales grew 20%
  - Advanced Materials Handling sales grew 10%
- Exceeded our financial commitment for 2017 to grow our bottom-line at twice the rate of our top line on a Non-GAAP basis;
- Achieved GAAP net income of \$85.1 million, or GAAP EPS of \$0.59, which included amortization of \$44.0 million, asset impairment charges of \$13.2 million, \$2.7 million of severance expenses, \$20.7 million related to the refinancing of senior notes, and \$66.7 million related to the effects of the Tax Cuts and Jobs Act;
- Non-GAAP net income of \$206.3 million, or \$1.44 per share, grew 53% from the prior year;
- Increased EBITDA by 35% to \$357.1 million, or 27% of revenue, and recorded free cash flow of \$200.0 million;
- Expanded our capital allocation strategy to include a quarterly dividend and ongoing share repurchases; Paid down \$100 million of our term loan and ended the year with a net leverage ratio of .1x.

## SUMMARY – CONSOLIDATED STATEMENT OF OPERATIONS (GAAP)

| <i>\$ in millions, except per share data</i> | <b>4Q17</b> | <b>4Q17 Guidance</b> | <b>3Q17</b> | <b>4Q16</b> | <b>4Q17 over<br/>4Q16</b> | <b>4Q17 over<br/>3Q17</b> |
|--|-------------|----------------------|-------------|-------------|---------------------------|---------------------------|
| Net Revenue                                  | \$350.6     | \$335 to \$345       | \$345.6     | \$308.5     | 13.6%                     | 1.4%                      |
| Gross Margin                                 | 46.7%       |                      | 45.0%       | 42.7%       |                           |                           |
| Operating Expenses                           | \$92.5      | \$90 to \$92         | \$94.8      | \$86.9      | 6.4%                      | (2.4%)                    |
| Operating Income                             | \$71.2      |                      | \$60.7      | \$44.9      | 58.6%                     | 17.3%                     |
| Operating Margin                             | 20.3%       |                      | 17.6%       | 14.6%       |                           |                           |
| Tax Rate                                     | 167.6%      |                      | 18.4%       | 24.6%       |                           |                           |
| Net (Loss) Income                            | (\$28.3)    | \$43 to \$50         | \$40.9      | \$26.1      | (208.4%)                  | (169.2%)                  |
| (Loss) earnings per diluted share            | (\$0.20)    | \$0.30 to \$0.35     | \$0.28      | \$0.18      | (211.1%)                  | (171.4%)                  |

## SUMMARY – CONSOLIDATED STATEMENT OF OPERATIONS (NON-GAAP)<sup>1</sup>

| <i>\$ in millions, except per share data</i> | <b>Q417</b> | <b>4Q17 Guidance</b> | <b>3Q17</b> | <b>4Q16</b> | <b>4Q17 over<br/>4Q16</b> | <b>4Q17 over<br/>3Q17</b> |
|--|-------------|----------------------|-------------|-------------|---------------------------|---------------------------|
| Net Revenue                                  | \$350.6     | \$335 to \$345       | \$345.6     | \$308.5     | 13.6%                     | 1.4%                      |
| Adjusted Gross Margin <sup>2</sup>           | 46.7%       |                      | 46.2%       | 42.7%       |                           |                           |
| Non-GAAP Operating Expenses <sup>3</sup>     | \$81.5      | \$79 to \$81         | \$78.4      | \$76.0      | 3.2%                      | 0%                        |
| Adjusted Operating Income                    | \$82.2      |                      | \$81.1      | \$55.8      | 46.1%                     | 0.5%                      |
| Adjusted Operating Margin                    | 23.4%       |                      | 23.5%       | 18.1%       |                           |                           |
| Non-GAAP Tax Rate <sup>4</sup>               | 18.9%       |                      | 22.3%       | 24.7%       |                           |                           |
| Non-GAAP Net Income <sup>5</sup>             | \$59.7      | \$50 to \$57         | \$57.0      | \$34.3      | 74.1%                     | 4.7%                      |
| Non-GAAP EPS                                 | \$0.42      | \$0.35 to \$0.40     | \$0.40      | \$0.24      | 75.0%                     | 5.0%                      |

1. See GAAP to Non-GAAP reconciliation tables in the appendix of this presentation.

2. Adjusted gross margin excludes certain impairment of equipment and severance charges.

3. Non-GAAP Operating Expenses exclude amortization expense, severance charges and impairment of equipment and intangibles.

4. Non-GAAP Tax Rate reflects the tax effect of non-GAAP adjustments and discrete tax items to GAAP taxes.

5. Non-GAAP Net Income excludes amortization expense, severance charges, loss on debt extinguishment and impairment of assets.

## SUMMARY – CONSOLIDATED STATEMENT OF OPERATIONS (GAAP)

| <i>\$ in millions, except per share data</i> | Fiscal Year Ended<br>December 31,<br>2017 | Fiscal Year Ended<br>December 31,<br>2016 | Year-over-Year |
|--|---|---|----------------|
| Net Revenue                                  | \$1,342.5                                 | \$1,175.3                                 | 14.2%          |
| Gross Margin                                 | 45.4%                                     | 43.3%                                     |                |
| Operating Expenses                           | \$367.2                                   | \$353.2                                   | 4.0%           |
| Operating Income                             | \$241.8                                   | \$155.5                                   | 55.5%          |
| Operating Margin                             | 18.0%                                     | 13.2 %                                    |                |
| Tax Rate                                     | 54.0%                                     | 19.0%                                     |                |
| Net Income                                   | \$85.1                                    | \$97.1                                    | (12.4%)        |
| EPS  | \$0.59                                    | \$0.68                                    | (13.2%)        |

## SUMMARY – CONSOLIDATED STATEMENT OF OPERATIONS (NON-GAAP)<sup>1</sup> – YEAR TO DATE

| <i>\$ in millions, except per share data</i> | <b>Fiscal Year Ended<br/>December 31, 2017</b> | <b>Fiscal Year Ended<br/>December 31, 2016</b> | <b>Year-over-Year</b> |
|--|--|--|-----------------------|
| Net Revenue                                  | \$1,342.5                                      | \$1,175.3                                      | 14.2%                 |
| Adjusted Gross Margin <sup>2</sup>           | 45.8%  | 43.8%  |                       |
| Non-GAAP Operating Expenses <sup>3</sup>     | \$316.1  | \$306.9  | 3.0%                  |
| Adjusted Operating Income                    | \$298.9  | \$208.0  | 43.7%                 |
| Adjusted Operating Margin                    | 22.3%  | 17.7%  |                       |
| Non-GAAP Tax Rate <sup>4</sup>               | 22.2%  | 22.9%  |                       |
| Non-GAAP Net Income <sup>5</sup>             | \$206.3  | \$132.8  | 55.3%                 |
| Non-GAAP EPS                                 | \$1.44   | \$0.94   | 53.2%                 |

1. See GAAP to Non-GAAP reconciliation tables in the appendix of this presentation.

2. Adjusted gross margin excludes certain impairment of equipment and severance charges.

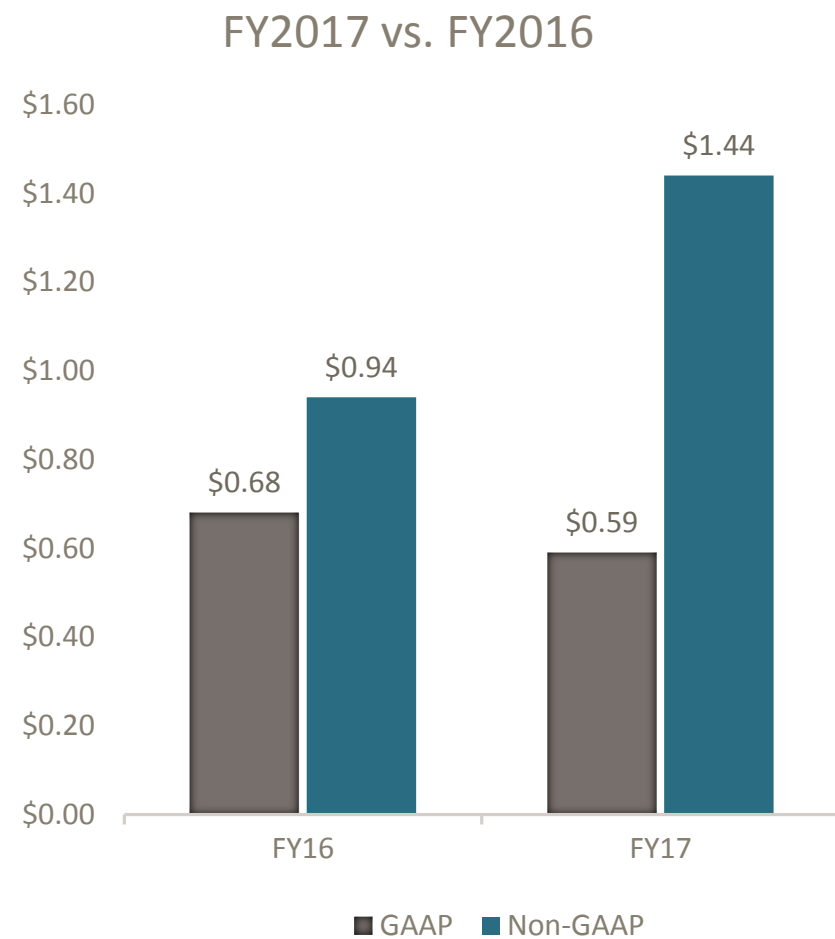
3. Non-GAAP Operating Expenses exclude amortization expense, severance charges and impairment of equipment and intangibles.

4. Non-GAAP Tax Rate reflects the tax effect of non-GAAP adjustments and discrete tax items to GAAP taxes.

5. Non-GAAP Net Income excludes amortization expense, severance charges, loss on debt extinguishment and impairment of assets.



## EARNINGS (LOSS) PER SHARE<sup>1</sup>

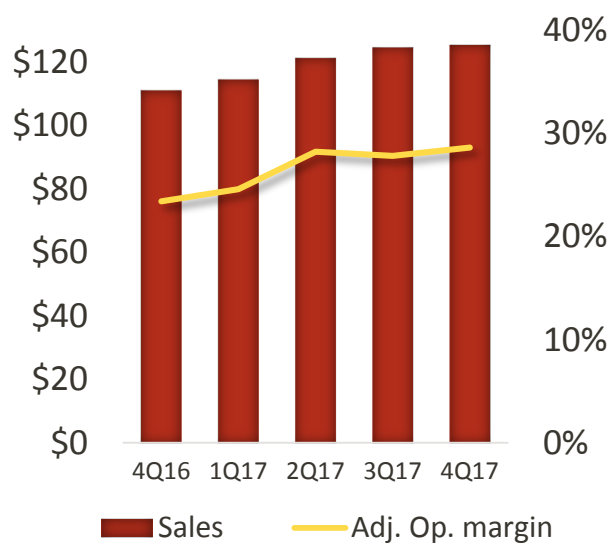


1. Represents diluted earnings (loss) per share. See Reconciliation of GAAP Net Income to Non-GAAP Earnings per Share in the appendix of this presentation.

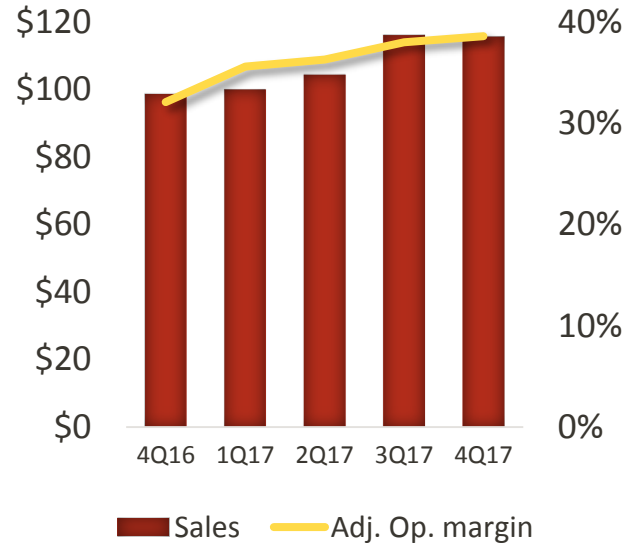
# RESULTS BY SEGMENT<sup>1</sup>

## Specialty Chemicals and Engineered Materials Segment<sup>2</sup>

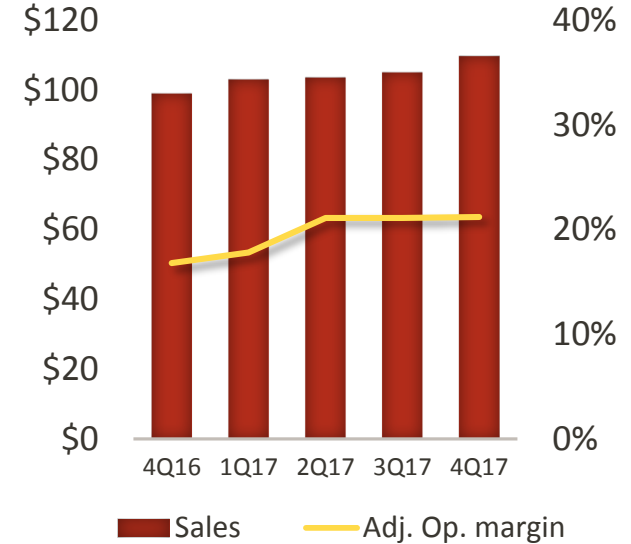
\$ in millions



## Microcontamination Control Segment<sup>3</sup>



## Advanced Materials Handling Segment<sup>4</sup>



1. Adjusted segment operating margin excludes amortization of intangibles and unallocated expenses.

2. Segment profit for SCEM for 3Q17 includes a charge for severance of \$14K.

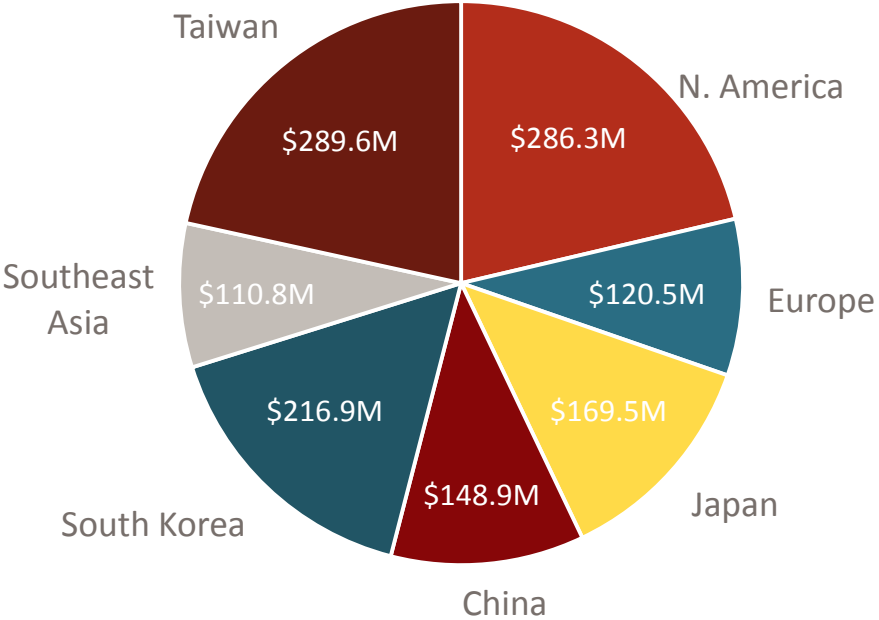
3. Segment profit for MC for Q317 includes a charge for severance of \$196K. Segment profit for MC for 2Q17 includes charges for impairment of equipment and severance of \$884K and \$559K, respectively.

4. Segment profit for AMH for 2Q17 includes charges for impairment of equipment of \$2,286K. Segment profit for AMH for 3Q17 includes charges for impairment of equipment and severance totaling \$5,221K.

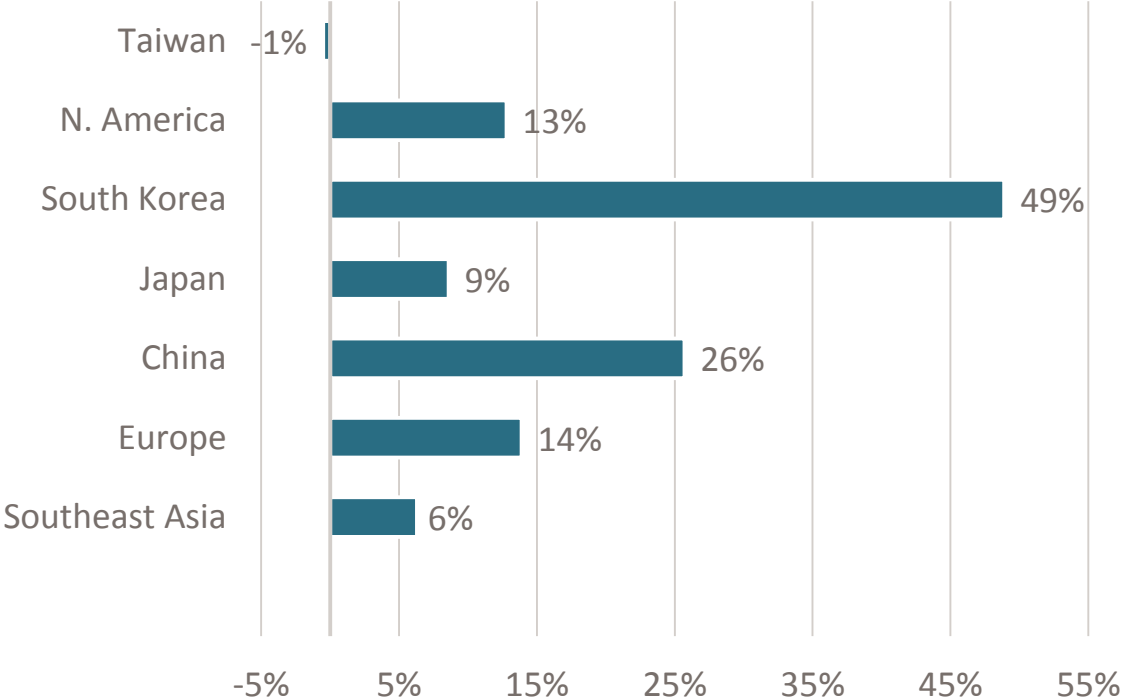
# REVENUE BY GEOGRAPHY: STRONG GROWTH IN SOUTH KOREA AND CHINA

### FY2017 Revenue by Geography

Revenue = \$1,342.5 million



### FY2017 vs. FY2016 Growth Rate

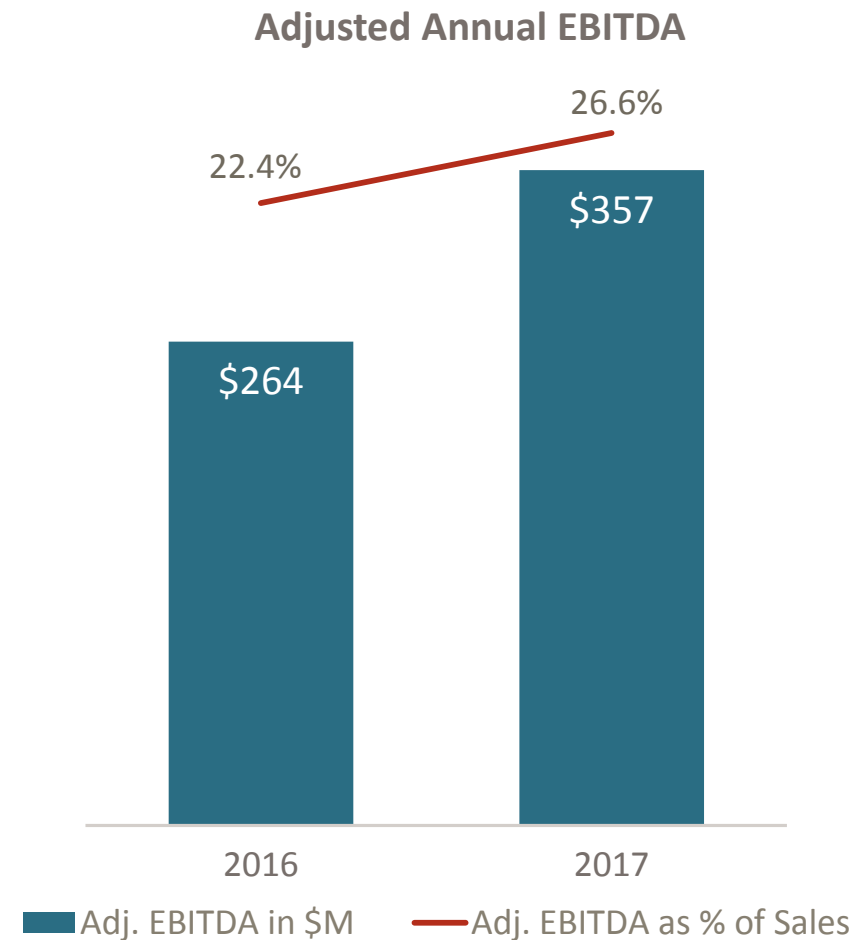
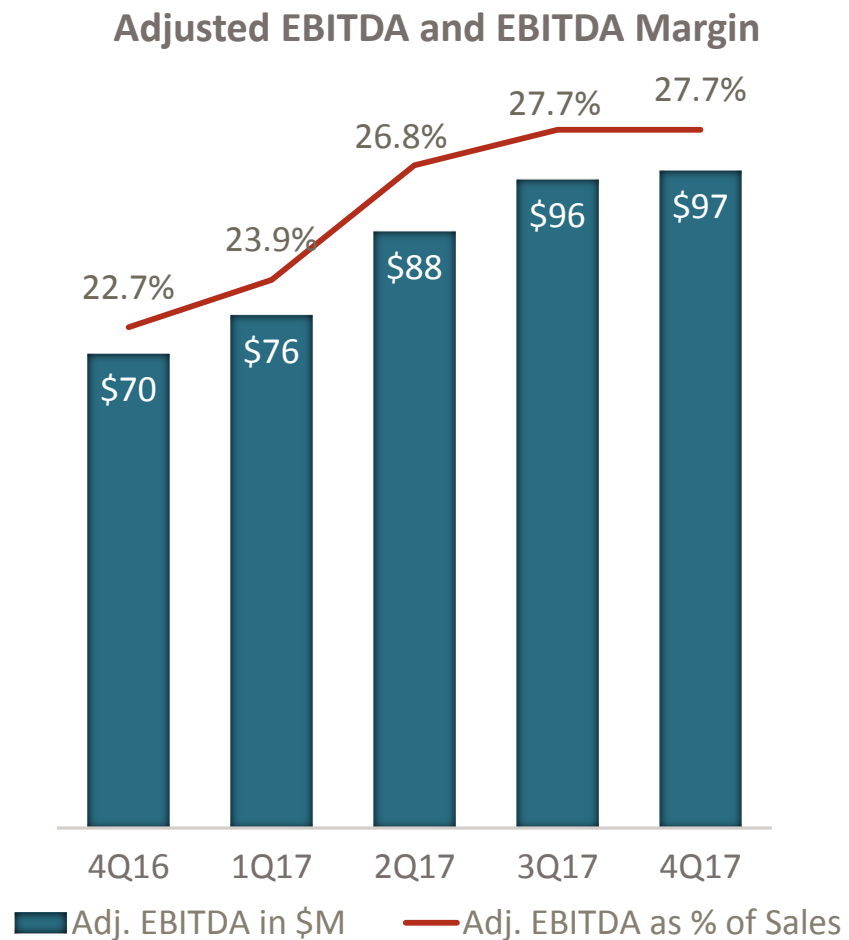


## SUMMARY – BALANCE SHEET ITEMS

| <i>\$ in millions</i>                        | 4Q17      |         | 3Q17      |         | 4Q16      |         |
|--|-----------|---------|-----------|---------|-----------|---------|
|  | \$ Amount | % Total | \$ Amount | % Total | \$ Amount | % Total |
| Cash & Cash Equivalents                      | \$625.4   | 31.6%   | \$435.2   | 24.8%   | \$406.4   | 23.9%   |
| Accounts Receivable, net                     | \$183.4   | 9.3%    | \$183.4   | 10.4%   | \$165.7   | 9.7%    |
| Inventories                                  | \$198.1   | 10.0%   | \$193.3   | 11.0%   | \$183.5   | 10.8%   |
| Net PP&E                                     | \$359.5   | 18.2%   | \$346.7   | 19.7%   | \$321.6   | 18.9%   |
| Total Assets                                 | \$1,976.2 |         | \$1,757.7 |         | \$1,699.5 |         |
| Current Liabilities <sup>1</sup>             | \$291.0   | 14.7%   | \$269.9   | 15.4%   | \$261.6   | 15.4%   |
| Long-term debt, excluding current maturities | \$574.4   | 29.1%   | \$411.5   | 23.4%   | \$484.7   | 28.5%   |
| Total Liabilities                            | \$983.2   | 49.8%   | \$739.4   | 42.1%   | \$800.3   | 47.1%   |
| Total Shareholders' Equity                   | \$993.0   | 50.2%   | \$1,018.4 | 57.9%   | \$899.2   | 52.9%   |
|  |           |         |           |         |           |         |
| AR – DSOs                                    | 47.7      |         | 48.4      |         | 49.0      |         |
| Inventory Turns                              | 3.8       |         | 3.9       |         | 3.8       |         |

1. Current Liabilities in 4Q17, 3Q17 and 4Q16 includes \$100 million of current maturities of long term debt, respectively.

# ADJUSTED EBITDA MARGIN<sup>1</sup>



1. See Reconciliation of GAAP Income to Adjusted Operating Income and Adjusted EBITDA in the appendix of this presentation.

## CASH FLOWS

| <i>\$ in millions</i>                     | <b>4Q17</b> | <b>3Q17</b> | <b>4Q16</b> |
|---|-------------|-------------|-------------|
| Beginning Cash Balance                    | \$435.2     | \$405.6     | \$411.8     |
| Cash from operating activities            | \$85.7      | \$89.0      | \$57.1      |
| Capital expenditures                      | (\$25.7)    | (\$25.4)    | (\$20.0)    |
| Proceeds from long-term debt              | 550.0       | -           | -           |
| Payments on long-term debt                | (\$385.0)   | (\$25.0)    | (\$25.0)    |
| Payments for debt extinguishment costs    | (\$16.2)    | -           | -           |
| Repurchase and retirement of common stock | (\$10.0)    | (\$10.0)    | (\$4.0)     |
| Dividend payments                         | (\$9.9)     | -           | -           |
| Other investing activities                | \$0.1       | \$0.9       | \$0.1       |
| Other financing activities                | (\$5.5)     | \$0.5       | \$0.8       |
| Effect of exchange rates                  | \$6.7       | (\$0.4)     | (\$14.3)    |
| Ending Cash Balance                       | \$625.4     | \$435.2     | \$406.4     |
| Free Cash Flow <sup>1</sup>               | \$60.1      | \$63.6      | \$37.1      |
| Adjusted EBITDA                           | \$97.2      | \$95.9      | \$70.1      |

1. Free cash flow equals cash from operations less capital expenditures.

## OUTLOOK

### GAAP

| <i>\$ in millions, except per share data</i> | <b>1Q18 Guidance</b> | <b>4Q17 Actual</b> | <b>1Q17 Actual</b> |
|--|----------------------|--------------------|--------------------|
| Net Revenue                                  | \$355 to \$365       | \$350.6            | \$317.4            |
| Operating Expenses                           | \$94 to \$96         | \$92.5             | \$88.7             |
| Net Income (Loss)                            | \$49 to \$56         | (\$28.3)           | \$32.5             |
| Earnings (Loss) Per Diluted Share            | \$0.34 to \$0.39     | (\$0.20)           | \$0.23             |

### Non-GAAP

| <i>\$ in millions, except per share data</i> | <b>1Q18 Guidance</b> | <b>4Q17 Actual</b> | <b>1Q17 Actual</b> |
|--|----------------------|--------------------|--------------------|
| Net Revenue                                  | \$355 to \$365       | \$350.6            | \$317.4            |
| Non-GAAP Operating Expenses <sup>1</sup>     | \$83 to \$85         | \$81.5             | \$77.7             |
| Non-GAAP Net Income                          | \$56 to \$63         | \$59.7             | \$40.8             |
| Non-GAAP EPS                                 | \$0.39 to \$0.44     | \$0.42             | \$0.28             |

1. Non-GAAP operating expenses exclude amortization. In 1Q18, amortization is estimated to be approximately \$11 million, or \$0.05 per share.





## NON-GAAP RECONCILIATION TABLE

### RECONCILIATION OF GAAP GROSS PROFIT TO ADJUSTED GROSS PROFIT

| <i>\$ in thousands</i>                          | Three months ended   |                      |                       | Twelve months ended  |                      |
|---|----------------------|----------------------|-----------------------|----------------------|----------------------|
|   | December 31,<br>2017 | December 31,<br>2016 | September 30,<br>2017 | December 31,<br>2017 | December 31,<br>2016 |
| Net Sales                                       | \$350,562            | \$308,502            | \$345,591             | \$1,342,532          | \$1,175,270          |
| Gross profit-GAAP                               | \$163,679            | \$131,800            | \$155,407             | \$608,985            | \$508,691            |
| Adjustments to gross profit:                    |                      |                      |                       |                      |                      |
| Severance related to organizational realignment | -                    | -                    | 740                   | 740                  | 431                  |
| Impairment of equipment                         | -                    | -                    | 3,364                 | 5,330                | 5,826                |
| Adjusted gross profit                           | \$163,679            | \$131,800            | \$159,511             | \$615,055            | \$514,948            |
| Gross margin - as a % of net sales              | 46.7%                | 42.7%                | 45.0%                 | 45.4%                | 43.3%                |
| Adjusted gross margin - as a % of net sales     | 46.7%                | 42.7%                | 46.2%                 | 45.8%                | 43.8%                |

# NON-GAAP RECONCILIATION TABLE

## RECONCILIATION OF GAAP SEGMENT PROFIT TO ADJUSTED OPERATING INCOME

| <i>\$ in thousands</i>                       | Three months ended |                   |                    | Twelve months ended |                   |
|--|--------------------|-------------------|--------------------|---------------------|-------------------|
|  | December 31, 2017  | December 31, 2016 | September 30, 2017 | December 31, 2017   | December 31, 2016 |
| Segment profit-GAAP                          |                    |                   |                    |                     |                   |
| Specialty Chemicals and Engineered Materials | \$35,898           | \$25,919          | \$34,647           | \$132,859           | \$96,060          |
| Microcontamination Control                   | 44,666             | 31,719            | 43,984             | 160,715             | 110,042           |
| Advanced Materials Handling                  | 23,240             | 16,644            | 16,882             | 77,971              | 73,452            |
| Total segment profit                         | 103,804            | 74,282            | 95,513             | 371,545             | 279,554           |
| Amortization of intangible assets            | 11,020             | 10,938            | 11,051             | 44,023              | 44,263            |
| Unallocated expenses                         | 21,632             | 18,439            | 23,807             | 85,705              | 79,755            |
| Total operating income                       | \$71,152           | \$44,905          | \$60,655           | \$241,817           | \$155,536         |

|   | Three months ended |                   |                    | Twelve months ended |                   |
|---|--------------------|-------------------|--------------------|---------------------|-------------------|
|   | December 31, 2017  | December 31, 2016 | September 30, 2017 | December 31, 2017   | December 31, 2016 |
| Adjusted segment profit                                   |                    |                   |                    |                     |                   |
| Specialty Chemicals and Engineered Materials <sup>1</sup> | \$35,898           | \$25,919          | \$34,661           | \$132,873           | \$96,759          |
| Microcontamination Control <sup>2</sup>                   | 44,666             | 31,719            | 44,180             | 162,354             | 110,779           |
| Advanced Materials Handling <sup>3</sup>                  | 23,240             | 16,644            | 22,103             | 85,478              | 80,247            |
| Total segment profit                                      | 103,804            | 74,282            | 100,944            | 380,705             | 287,785           |
| Amortization of intangible assets <sup>4</sup>            | -                  | -                 | -                  | -                   | -                 |
| Unallocated expenses <sup>5</sup>                         | 21,632             | 18,439            | 19,867             | 81,765              | 79,755            |
| Total adjusted operating income                           | \$82,172           | \$55,843          | \$81,077           | \$298,940           | \$208,030         |

1. Adjusted segment profit for SCEM for the three months ended September 30, 2017 and the twelve months ended December 31, 2017 excludes charges for severance related to organizational realignment of \$14K. Adjusted segment profit for Specialty Chemicals and Engineered Materials for the twelve months ended December 31, 2016 excludes charges for severance related to organizational realignment of \$699K.

2. Adjusted segment profit for MC excludes charges for impairment of equipment and severance related to organizational realignment of \$196K for the three months ended September 30, 2017. Adjusted segment profit for MC excludes impairment of equipment and charges for severance related to organizational realignment of \$1,639K and \$737K for the twelve months ended December 31, 2017 and 2016, respectively.

3. Adjusted segment profit for AMH excludes charges for impairment of equipment and severance related to organizational realignment of \$5,221K for the three months ended September 30, 2017. Adjusted segment profit for AMH excludes charges for impairment of equipment and severance related to organizational realignment of \$7,507 and \$6,795 for the twelve months ended December 31, 2017 and 2016, respectively.

4. Adjusted amortization of intangible assets excludes amortization expense of \$11,020K, \$10,938K, and \$11,051K for the three months ended December 31, 2017, December 31, 2016 and September 30, 2017, respectively, and \$44,023K and \$44,263K for the twelve months ended December 31, 2017 and 2016, respectively.

5. Adjusted unallocated expenses excludes charges for impairment of intangibles and severance related to organizational realignment of \$3,940K for the three months ended September 30, 2017 and the twelve months ended December 31, 2017.

## NON-GAAP RECONCILIATION TABLE

### RECONCILIATION OF GAAP TO ADJUSTED OPERATING INCOME AND ADJUSTED EBITDA

| <i>\$ in thousands</i>                               | Three months ended |                   |                    | Twelve months ended |                   |
|--|--------------------|-------------------|--------------------|---------------------|-------------------|
|  | December 31, 2017  | December 31, 2016 | September 30, 2017 | December 31, 2017   | December 31, 2016 |
| Net sales  | \$350,562          | \$308,502         | \$345,591          | \$1,342,532         | \$1,175,270       |
| Net (loss) income                                    | (\$28,341)         | \$26,098          | \$40,902           | \$85,066            | \$97,147          |
| Adjustments to net (loss) income:                    |                    |                   |                    |                     |                   |
| Income tax expense                                   | 70,264             | 8,521             | 9,248              | 99,665              | 22,852            |
| Interest expense, net                                | 7,533              | 8,983             | 7,599              | 31,628              | 36,528            |
| Other expense (income), net                          | 21,696             | 1,303             | 2,906              | 25,458              | (991)             |
| GAAP - Operating income                              | 71,152             | 44,905            | 60,655             | 241,817             | 155,536           |
| Severance  | -                  | -                 | 2,141              | 2,700               | 2,405             |
| Impairment of equipment and intangibles <sup>1</sup> | -                  | -                 | 7,230              | 10,400              | 5,826             |
| Amortization of intangible assets                    | 11,020             | 10,938            | 11,051             | 44,023              | 44,263            |
| Adjusted operating income                            | 82,172             | 55,843            | 81,077             | 298,940             | 208,030           |
| Depreciation   | 15,035             | 14,303            | 14,785             | 58,208              | 55,623            |
| Adjusted EBITDA                                      | \$97,207           | \$70,146          | \$95,862           | \$357,148           | \$263,653         |
| Adjusted operating margin                            | 23.4%              | 18.1%             | 23.5%              | 22.3%               | 17.7%             |
| Adjusted EBITDA - as a % of net sales                | 27.7%              | 22.7%             | 27.7%              | 26.6%               | 22.4%             |

1. Includes product line impairment charges of \$3,364K classified as cost of sales for the three months ended September 30, 2017. Includes product line impairment charges of \$5,330K and \$5,826K classified as cost of sales for the twelve months ended December 31, 2017 and 2016, respectively.

Includes intangible impairment charge of \$3,866K classified as selling general and administrative expense for both the three months ended September 30, 2017 and twelve months ended December 31, 2017.

Includes product line impairment charge of \$320K classified as selling general and administrative expense for the twelve months ended December 31, 2017.

Includes product line impairment charge of \$884K classified as engineering, research and development expense for the twelve months ended December 31, 2017.

## NON-GAAP RECONCILIATION TABLE

### RECONCILIATION OF GAAP TO NON-GAAP (LOSS) EARNINGS PER SHARE

*\$ in thousands, except per share data*

|  | Three months ended   |                      |                       | Twelve months ended  |                      |
|--|----------------------|----------------------|-----------------------|----------------------|----------------------|
|  | December 31,<br>2017 | December 31,<br>2016 | September 30,<br>2017 | December 31,<br>2017 | December 31,<br>2016 |
| GAAP net (loss) income                                     | (\$28,341)           | \$26,098             | \$40,902              | \$85,066             | \$97,147             |
| Adjustments to net (loss) income:                          |                      |                      |                       |                      |                      |
| Severance  | -                    | -                    | 2,141                 | 2,700                | 2,405                |
| Impairment of equipment and intangibles <sup>1</sup>       | -                    | -                    | 10,030                | 13,200               | 5,826                |
| Loss on debt extinguishment                                | 20,687               | -                    | -                     | 20,687               | -                    |
| Gain on sale of equity investment                          | -                    | -                    | -                     | -                    | (156)                |
| Amortization of intangible assets                          | 11,020               | 10,938               | 11,051                | 44,023               | 44,263               |
| Tax effect of adjustments to net income and discrete items | (10,385)             | (2,742)              | (7,135)               | (26,046)             | (16,637)             |
| Tax effect of Tax Cuts and Jobs Act                        | 66,713               | -                    | -                     | 66,713               | -                    |
| Non-GAAP net income  | \$59,694             | \$34,294             | \$56,989              | \$206,343            | \$132,848            |
| Diluted (loss) earnings per common share                   | (\$0.20)             | \$0.18               | \$0.28                | \$0.59               | \$0.68               |
| Effect of adjustments to net (loss) income                 | \$0.61               | \$0.06               | \$0.11                | \$0.85               | \$0.25               |
| Diluted non-GAAP earnings per common share                 | \$0.42               | \$0.24               | \$0.40                | \$1.44               | \$0.94               |

1. Includes product line impairment charges of \$3,364K classified as cost of sales for the three months ended September 30, 2017. Includes product line impairment charges of \$5,330K and \$5,826K classified as cost of sales for the twelve months ended December 31, 2017 and 2016, respectively.

Includes intangible impairment charge of \$3,866K classified as selling general and administrative expense for both the three months ended September 30, 2017 and the twelve months ended December 31, 2017.

Includes product line impairment charge of \$320K classified as selling general and administrative expense for the twelve months ended December 31, 2017.

Includes product line impairment charge of \$884K classified as engineering, research and development expense for the twelve months ended December 31, 2017.

Includes product line impairment charge of \$2,800K classified as other expense for both the three months ended September 30, 2017 and the twelve months ended December 31, 2017.

## GAAP SEGMENT TREND DATA

*\$ in thousands*

|                              | Q115              | Q215              | Q315              | Q415              | Q116              | Q216              | Q316              | Q416              | Q117              | Q217              | Q317              | Q417              |
|------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Sales</b>                 |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| SCEM                         | \$ 99,897         | \$ 110,569        | \$ 105,285        | \$ 103,127        | \$ 101,107        | \$ 111,782        | \$ 104,494        | \$ 110,945        | \$ 114,435        | \$ 121,174        | \$ 124,522        | \$ 125,339        |
| MC                           | 75,947            | 79,293            | 78,485            | 82,092            | 77,619            | 91,584            | 94,738            | 98,717            | 100,055           | 104,407           | 116,113           | 115,650           |
| AMH                          | 87,529            | 90,847            | 86,483            | 81,567            | 88,298            | 99,686            | 97,460            | 98,840            | 102,887           | 103,421           | 104,956           | 109,573           |
| Total Sales                  | <u>\$ 263,373</u> | <u>\$ 280,709</u> | <u>\$ 270,253</u> | <u>\$ 266,786</u> | <u>\$ 267,024</u> | <u>\$ 303,052</u> | <u>\$ 296,692</u> | <u>\$ 308,502</u> | <u>\$ 317,377</u> | <u>\$ 329,002</u> | <u>\$ 345,591</u> | <u>\$ 350,562</u> |
| <b>Segment Profit</b>        |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| SCEM                         | \$ 22,010         | \$ 30,826         | \$ 23,316         | \$ 24,218         | \$ 22,416         | \$ 28,914         | \$ 18,811         | \$ 25,919         | \$ 28,140         | \$ 34,174         | \$ 34,647         | \$ 35,898         |
| MC                           | 19,874            | 20,605            | 21,926            | 20,671            | 18,140            | 28,566            | 31,617            | 31,719            | 35,581            | 36,484            | 43,984            | 44,666            |
| AMH                          | 19,679            | 20,860            | 15,786            | 10,094            | 18,911            | 22,519            | 15,378            | 16,644            | 18,276            | 19,573            | 16,882            | 23,240            |
| Total Segment Profit         | <u>\$ 61,563</u>  | <u>\$ 72,291</u>  | <u>\$ 61,028</u>  | <u>\$ 54,983</u>  | <u>\$ 59,467</u>  | <u>\$ 79,999</u>  | <u>\$ 65,806</u>  | <u>\$ 74,282</u>  | <u>\$ 81,997</u>  | <u>\$ 90,231</u>  | <u>\$ 95,513</u>  | <u>\$ 103,804</u> |
| <b>Segment Profit Margin</b> |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| SCEM                         | 22.0%             | 27.9%             | 22.1%             | 23.5%             | 22.2%             | 25.9%             | 18.0%             | 23.4%             | 24.6%             | 28.2%             | 27.8%             | 28.6%             |
| MC                           | 26.2%             | 26.0%             | 27.9%             | 25.2%             | 23.4%             | 31.2%             | 33.4%             | 32.1%             | 35.6%             | 34.9%             | 37.9%             | 38.6%             |
| AMH                          | 22.5%             | 23.0%             | 18.3%             | 12.4%             | 21.4%             | 22.6%             | 15.8%             | 16.8%             | 17.8%             | 18.9%             | 16.1%             | 21.2%             |

## NON-GAAP SEGMENT TREND DATA

\$ in thousands

|              | Q115       | Q215       | Q315       | Q415       | Q116       | Q216       | Q316       | Q416       | Q117       | Q217       | Q317       | Q417       |
|--------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| <b>Sales</b> |            |            |            |            |            |            |            |            |            |            |            |            |
| SCEM         | \$ 99,897  | \$ 110,569 | \$ 105,285 | \$ 103,127 | \$ 101,107 | \$ 111,782 | \$ 104,494 | \$ 110,945 | \$ 114,435 | \$ 121,174 | \$ 124,522 | \$ 125,339 |
| MC           | 75,947     | 79,293     | 78,485     | 82,092     | 77,619     | 91,584     | 94,738     | 98,717     | 100,055    | 104,407    | 116,113    | 115,650    |
| AMH          | 87,529     | 90,847     | 86,483     | 81,567     | 88,298     | 99,686     | 97,460     | 98,840     | 102,887    | 103,421    | 104,956    | 109,573    |
| Total Sales  | \$ 263,373 | \$ 280,709 | \$ 270,253 | \$ 266,786 | \$ 267,024 | \$ 303,052 | \$ 296,692 | \$ 308,502 | \$ 317,377 | \$ 329,002 | \$ 345,591 | \$ 350,562 |

### Adjusted Segment Profit

|                           |           |           |           |           |           |           |           |           |           |           |            |            |
|---------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|
| SCEM <sup>1</sup>         | \$ 22,010 | \$ 30,826 | \$ 23,316 | \$ 24,218 | \$ 22,416 | \$ 28,914 | \$ 19,510 | \$ 25,919 | \$ 28,140 | \$ 34,174 | \$ 34,661  | \$ 35,898  |
| MC <sup>2</sup>           | 19,874    | 20,605    | 21,926    | 20,671    | 18,140    | 28,566    | 32,354    | 31,719    | 35,581    | 37,927    | 44,180     | 44,666     |
| AMH <sup>3</sup>          | 19,679    | 20,860    | 15,786    | 10,094    | 18,911    | 22,519    | 22,173    | 16,644    | 18,276    | 21,859    | 22,103     | 23,240     |
| Total Adj. Segment Profit | \$ 61,563 | \$ 72,291 | \$ 61,028 | \$ 54,983 | \$ 59,467 | \$ 79,999 | \$ 74,037 | \$ 74,282 | \$ 81,997 | \$ 93,960 | \$ 100,944 | \$ 103,804 |

### Adjusted Segment Profit Margin

|      |       |       |       |       |       |       |       |       |       |       |       |       |
|------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| SCEM | 22.0% | 27.9% | 22.1% | 23.5% | 22.2% | 25.9% | 18.7% | 23.4% | 24.6% | 28.2% | 27.8% | 28.6% |
| MC   | 26.2% | 26.0% | 27.9% | 25.2% | 23.4% | 31.2% | 34.2% | 32.1% | 35.6% | 36.3% | 38.0% | 38.6% |
| AMH  | 22.5% | 23.0% | 18.3% | 12.4% | 21.4% | 22.6% | 22.8% | 16.8% | 17.8% | 21.1% | 21.1% | 21.2% |

1. Adjusted segment profit for SCEM for Q316 excludes charges for severance of \$699K. Adjusted segment profit for SCEM for Q317 excludes charges for severance of \$14K.

2. Adjusted segment profit for MC for Q316 excludes charges for severance of \$737K. Adjusted segment profit for MC for Q317 excludes charges for severance of \$884K and \$559K, respectively. Adjusted segment profit for MC for Q217 excludes charges for impairment of equipment and severance of \$884K and \$559K, respectively.

3. Adjusted segment profit for AMH for Q316 excludes charges for impairment of equipment and severance related to organizational realignment of \$5,826K and \$969K, respectively. Adjusted segment profit for AMH for Q217 excludes charges for impairment of equipment of \$2,286K. Adjusted segment profit for AMH for Q317 excludes charges for impairment of equipment and severance related to organizational realignment of \$3,364K and \$1,857K, respectively.