



## Entegris Reports Results for Fourth Quarter and Fiscal 2006

CHASKA, Minn.--(BUSINESS WIRE)--Feb. 13, 2007--Entegris, Inc. (Nasdaq: ENTG), a global leader in materials integrity management, today reported its financial results for the fiscal fourth quarter and year ended December 31, 2006.

Fourth-quarter sales from continuing operations were \$169.1 million, versus \$171.3 million in the third quarter and up 15 percent from \$147.1 million for the same period a year ago. GAAP net income was \$16.1 million, or \$0.12 per fully diluted share. This result includes total pretax stock-based compensation of \$3.0 million, or \$0.02 per fully diluted share after tax, of which \$0.9 million was for integration-related stock-based compensation.

On a non-GAAP basis, fourth-quarter income from continuing operations was \$21.1 million, or \$0.16 per fully diluted share. The non-GAAP result is adjusted to exclude the after-tax effects of merger-related and other restructuring charges. On a pre-tax basis, the adjustments include restructuring charges of \$0.6 million, integration expense of \$0.6 million, merger-related amortization expense of \$3.5 million, and integration-related stock-based compensation expense of \$0.9 million. A reconciliation of GAAP to non-GAAP results is provided elsewhere in this release.

For the year ended December 31, 2006, sales from continuing operations totaled \$678.7 million, versus \$442.8 million for the prior year. GAAP net income was \$63.5 million, or \$0.46 per fully diluted share. On a non-GAAP basis, income from continuing operations for fiscal 2006 was \$86.0 million, or \$0.62 per fully diluted share.

Gideon Argov, president and chief executive officer, said: "While there were signs of softening in the industry, fourth-quarter sales remained firm and reflected strong sales of our liquid systems. Earnings per share exceeded our guidance, as lower selling, general, and administrative expenses and a favorable tax rate offset a lower gross margin. The fourth-quarter gross margin was impacted by manufacturing inefficiencies identified after a comprehensive review of all our operations worldwide. With this review completed, we are confident we have aggressively addressed the causes of these inefficiencies."

"All in all, it was a solid year for Entegris," said Argov. "Our strong balance sheet and cash flow allows us to continue to invest in technologies that address our semiconductor customers' contamination control issues and meet their materials handling needs, which are critical to their successful transition to 65 and 45 nanometer processes." The Company ended the quarter with cash, cash equivalents, and short-term investments of \$275.0 million, up \$46.5 million from the third quarter.

### Outlook

For its first fiscal quarter ending March 31, 2007, the Company currently expects sales to be flat to down 5 percent sequentially, or approximately \$161 million to \$169 million. GAAP net income per diluted share is expected to range from \$0.08 to \$0.11. Non-GAAP net income is expected to range from approximately \$15 million to \$19 million, reflecting pretax adjustments for integration and restructuring charges of approximately \$2.0 million, merger-related amortization expense of \$3.5 million, and integration-related stock-based compensation expense of approximately \$0.7 million. Non-GAAP net income per diluted share is expected to range from \$0.11 to \$0.14.

### Fourth-Quarter Results Conference Call Details

Entegris will hold a conference call to discuss its results for the 2006 fourth quarter and full year on Tuesday, February 13, 2007, at 10:00 a.m. Eastern Time. Participants should dial 800-811-0667 (domestic callers) or 913-981-4901 (for callers outside the U.S.); all callers should use passcode 4783557. A replay of the call can be accessed at 719-457-0820 using the same passcode. The call will also be webcast on the investor relations portion of the Entegris website at [www.entegris.com](http://www.entegris.com).

### About Entegris

Entegris is the global leader in materials integrity management, delivering a wide range of products for purifying, protecting and transporting critical materials used in processing and manufacturing in semiconductor and other high tech industries. Entegris is ISO 9001 certified and has manufacturing, customer service and/or research facilities in the United States, China, France, Germany, Japan, Malaysia, Singapore, South Korea and Taiwan. Additional information can be found at [www.entegris.com](http://www.entegris.com).

### Non-GAAP Information

In addition to disclosing results that are determined in accordance with generally accepted accounting principles in the U.S. (GAAP), the Company also discloses non-GAAP results of operations that exclude certain expenses and charges. These non-GAAP results are provided as a complement to results provided in accordance with GAAP in order to provide investors with relevant and useful information about the Company's ongoing operations. As such, non-GAAP information primarily excludes expenses and charges resulting from purchase accounting and integration activities associated with the Company's August 2005 merger with Mykrolis Corporation. Earnings guidance for the quarter ending March 31, 2007, is disclosed on both a GAAP and a non-GAAP basis. A reconciliation of GAAP to non-GAAP financial information discussed in this release is contained in the attached exhibits and on the Company's website at [www.entegris.com](http://www.entegris.com).

## Forward-Looking Statements

Certain information contained in this press release may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on current management expectations only as of the date of this press release, which involve substantial risks and uncertainties that could cause actual results to differ materially from the results expressed in, or implied by, these forward-looking statements. Statements which are modified by words such as "anticipate," "believe," "estimate," "expect," "forecast," "may," "will," "should" or the negative thereof and similar expressions as they relate to Entegris or our management are intended to identify such forward-looking statements. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions which are difficult to predict. These risks include, but are not limited to, fluctuations in the market price of Entegris' stock, future operating results of Entegris, other acquisition and investment opportunities available to Entegris, general business and market conditions and other factors. Additional information concerning these and other risk factors may be found in previous financial press releases issued by Entegris and Entegris' periodic public filings with the Securities and Exchange Commission, including the discussion described under the headings "Risks Relating to our Business and Industry," and "Risks Related to Securities Markets and Ownership of Our Securities" in Item 7 of our Annual Report on Form 10-K for the fiscal year ended August 27, 2005, as well as other matters and important factors disclosed previously and from time to time in the filings of Entegris with the U.S. Securities and Exchange Commission. Except as required under the federal securities laws and the rules and regulations of the Securities and Exchange Commission, we undertake no obligation to update publicly any forward-looking statements contained herein.

Entegris, Inc.  
Condensed Consolidated Statements of Operations  
(In thousands, except per share data)  
(Unaudited)

	Three months ended		Twelve months ended	
	Dec. 31, 2006	Dec. 31, 2005	Dec. 31, 2006	Dec. 31, 2005
Net sales	\$169,081	\$147,144	\$678,706	\$442,834
Cost of sales(a)	99,260	95,172	372,557	281,569
Gross profit	69,821	51,972	306,149	161,265
Selling, general and administrative expenses(b)	42,056	59,295	189,772	157,583
Engineering, research and development expenses	9,595	9,771	38,830	26,247
Operating income (loss)	18,170	(17,094)	77,547	(22,565)
Interest income, net	2,439	2,029	9,205	4,519
Other (loss) income, net	(637)	155	1,658	2,138
Income (loss) before income taxes	19,972	(14,910)	88,410	(15,908)
Income tax expense (benefit)	3,920	(7,440)	26,505	(10,941)
Equity in net (earnings) loss of affiliates	(243)	(70)	(531)	149
Income (loss) from continuing operations	16,295	(7,400)	62,436	(5,116)
(Loss) income from discontinued operations, net of taxes	(196)	(2,794)	1,030	(10,385)
Net income (loss)	\$16,099	\$(10,194)	\$63,466	\$(15,501)

=====				
Basic income (loss) per common share:				
Continuing operations:	\$0.12	\$(0.05)	\$0.46	\$(0.05)
Discontinued operations	---	(0.02)	0.01	(0.11)
Net income (loss) per common share	\$0.12	\$(0.08)	\$0.47	\$(0.16)
Diluted income (loss) per common share:				
Continuing operations:	\$0.12	\$(0.05)	\$0.45	\$(0.05)
Discontinued operations	---	(0.02)	0.01	(0.11)
Net income (loss) per common share	\$0.12	\$(0.08)	\$0.46	\$(0.16)
Weighted average shares outstanding:				
Basic	130,594	135,467	135,116	98,495
Diluted	134,024	135,467	138,492	98,495

(a) Cost of sales for the three months ended December 31, 2006 include \$0.3 million of merger-related and other restructuring charges, integration expenses, and integration-related stock-based compensation expense. Cost of sales for the twelve months ended December 31, 2006 include \$2.5 million of merger-related and other restructuring charges, integration expenses, and integration-related stock-based compensation expense.

(b) Selling, general and administrative expenses for the three months and twelve months ended December 31, 2006 include \$5.3 million and \$31.1 million, respectively, of merger-related and other restructuring charges, integration expense, integration-related stock-based compensation expense, and merger-related amortization of intangibles.

#### Entegris, Inc.

#### GAAP to Non-GAAP Reconciliation of Statement of Operations For the Three Months Ended December 31, 2006 (In thousands, except per share data) (Unaudited)

	U.S. GAAP	Adjustments	Non-GAAP
Net sales	\$169,081	\$---	\$169,081
Cost of sales(a)	99,260	(342)	98,918
Gross profit	69,821	342	70,163
Selling, general and administrative expenses(b)	42,056	(5,297)	36,759
Engineering, research and development expenses	9,595	---	9,595
Operating income	18,170	5,639	23,809
Interest income, net	2,439	---	2,439
Other (loss), net	(637)	---	(637)
Income before income taxes	19,972	5,639	25,611
Income tax expense	3,920	851	4,771
Equity in net earnings of affiliates	(243)	---	(243)
Income from continuing operations	16,295	4,788	21,083

Loss from discontinued operations, net of taxes	196	---	196
	-----	-----	-----
Net income	\$16,099	\$4,788	20,887
	=====	=====	=====
Basic income per common share:			
Continuing operations:	\$0.12	\$0.04	\$0.16
Discontinued operations	---	---	---
Net income per common share	\$0.12	\$0.04	\$0.16
Diluted income per common share:			
Continuing operations:	\$0.12	\$0.04	\$0.16
Discontinued operations	---	---	---
Net income per common share	\$0.12	\$0.04	\$0.16
Weighted average shares outstanding:			
Basic	130,594		130,594
Diluted	134,024		134,024

(a) Non-GAAP cost of sales for the three months ended December 31, 2006 is adjusted for \$0.3 million of merger-related and other restructuring charges, integration expenses, and integration-related stock-based compensation expense.

(b) Non-GAAP selling, general and administrative expenses for the three months ended December 31, 2006 are adjusted for \$0.4 million of merger-related and other restructuring charges, \$0.6 million of integration expense, \$0.8 million of integration-related stock-based compensation expense, and \$3.5 million of merger-related amortization of intangibles.

Entegris, Inc.

GAAP to Non-GAAP Reconciliation of Statement of Operations

For the Twelve Months Ended December 31, 2006

(In thousands, except per share data)

(Unaudited)

	U.S. GAAP	Adjustments	Non-GAAP
	-----	-----	-----
Net sales	\$678,706	\$---	\$678,706
Cost of sales(a)	372,557	(2,506)	370,051
	-----	-----	-----
Gross profit	306,149	2,506	308,655
Selling, general and administrative expenses(b)	189,772	(31,121)	158,651
Engineering, research and development expenses	38,830	---	38,830
	-----	-----	-----
Operating income	77,547	33,627	111,174
Interest income, net	9,205	---	9,205
Other income, net	1,658	---	1,658
	-----	-----	-----
Income before income taxes	88,410	33,627	122,037
Income tax expense	26,505	10,089	36,594
Equity in net earnings of affiliates	(531)	---	(531)
	-----	-----	-----
Income from continuing operations	62,436	23,538	85,974
Income from discontinued operations, net of taxes	1,030	---	1,030
	-----	-----	-----
Net income	\$63,466	\$23,538	\$87,004

=====

Basic income per common share:			
Continuing operations:	\$0.46	\$0.18	\$0.64
Discontinued operations	0.01	---	0.01
Net income per common share	\$0.47	\$0.17	\$0.64
Diluted income per common share:			
Continuing operations:	\$0.45	\$0.17	\$0.62
Discontinued operations	0.01	---	0.01
Net income per common share	\$0.46	\$0.17	\$0.63
Weighted average shares outstanding:			
Basic	135,116		135,116
Diluted	138,492		138,492

(a) Non-GAAP cost of sales for the twelve months ended December 31, 2006 is adjusted for \$3.2 million of merger-related and other restructuring charges, integration expenses, and integration-related stock-based compensation expense offset by a \$0.7 million gain on the sale of a facility.

(b) Non-GAAP selling, general and administrative expenses for the twelve months ended December 31, 2006 are adjusted for \$4.2 million of merger-related and other restructuring charges, \$7.8 million of integration expense, \$5.1 million of integration-related stock-based compensation expense, and \$14.0 million of merger-related amortization of intangibles.

Entegris, Inc.  
Condensed Consolidated Balance Sheets  
(In thousands)  
(Unaudited)

December 31, 2006    December 31, 2005

ASSETS		
Cash, cash equivalents and short-term investments	\$274,974	\$274,403
Accounts receivable	128,960	110,146
Inventories	94,697	69,535
Deferred tax assets	41,750	26,078
Other current assets and assets held for sale	10,777	25,290
	-----	-----
Total current assets	551,158	505,452
Property, plant and equipment, net	120,254	120,323
Intangible assets	467,674	493,544
Deferred tax asset - non-current	-	10,614
Other assets	11,745	12,301
	-----	-----
Total assets	\$1,150,831	\$1,142,234
	=====	=====

LIABILITIES AND SHAREHOLDERS'

EQUITY		
Current maturities of long-term debt		
	\$401	\$797
Short-term debt	-	2,290
Accounts payable	25,202	33,585
Accrued liabilities	57,049	58,570

Income tax payable	16,926	15,775
	-----	-----
Total current liabilities	99,578	111,017
Long-term debt, less current maturities	2,995	3,383
Other liabilities	32,278	15,015
Shareholders' equity	1,015,980	1,012,819
	-----	-----
Total liabilities and shareholders' equity	\$1,150,831	\$1,142,234
	=====	=====

CONTACT: Entegris, Inc.  
Steve Cantor, VP of Corporate Relations, 978-436-6750  
irelations@entegris.com

SOURCE: Entegris, Inc.