UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

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

or

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

For Quarter Ended April 1, 2006

Commission File Number 000-30789

ENTEGRIS, INC.
(Exact name of registrant as specified in charter)

Delaware **(State or other jurisdiction of incorporation)**	**41-1941551** **(IRS Employer ID No.)**

3500 Lyman Boulevard, Chaska, Minnesota 55318
(Address of Principal Executive Offices)

Registrant's Telephone Number (952) 556-3131

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 is a large accelerated filer, an accelerated filer or a non-accelerated filer. See definition of "accelerated filer and accelerated filer"in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐ Accelerated filer ☒ Non-accelerated filer ☐

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

APPLICABLE ONLY TO CORPORATE ISSUERS:

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

Class	Outstanding at April 30, 2006
Common Stock, $0.01 Par Value	137,563,928

ENTEGRIS, INC., INC. AND SUBSIDIARIES
FORM 10-Q
TABLE OF CONTENTS
FOR THE QUARTER ENDED APRIL 1, 2006

Table of Contents

Item 1. Financial Statements

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

(In thousands, except share data)	April 1, 2006	December 31, 2005
ASSETS		
Current assets:		
Cash and cash equivalents	156,663	$ 142,838
Short-term investments	126,552	131,565
Trade accounts and notes receivable, net of allowance for doubtful accounts of $1,462 and $1,434	122,735	111,058
Inventories	85,553	69,535
Deferred tax assets	27,701	26,078
Assets of discontinued operations and other assets held for sale	1,055	14,655
Other current assets	7,998	10,635
Total current assets	528,257	506,364
Property, plant and equipment, net of accumulated depreciation of $187,480 and $186,856	121,979	120,323
Other assets:		
Investments	6,426	6,338
Goodwill	402,416	404,300
Other intangible assets, net	84,092	89,244
Deferred tax assets	9,942	10,614
Other	4,312	5,963
Total assets	1,157,424	$1,143,146
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Current maturities of long-term debt	$ 724	$ 797
Short-term borrowings	—	2,290
Accounts payable	32,848	33,585
Accrued liabilities	54,916	59,482
Income taxes payable	15,817	15,775
Total current liabilities	104,305	111,929
Long-term debt, less current maturities	3,288	3,383
Pension benefit obligation and other liabilities	15,013	15,015
Commitments and contingent liabilities		
Shareholders' equity:		
Common stock, par value $.01; 200,000,000 shares authorized; issued and outstanding shares: 137,432,237 and 136,043,921	1,374	1,360
Additional paid-in capital	818,221	809,012
Retained earnings	218,289	206,936
Accumulated other comprehensive loss	(3,066)	(4,489)
Total shareholders' equity	1,034,818	1,012,819
Total liabilities and shareholders' equity	1,157,424	$1,143,146

See the accompanying notes to consolidated financial statements.

Table of Contents

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

(In thousands, except per share data)	Three Months Ended April 1, 2006	Three Months Ended April 2, 2005
Sales to non-affiliates	$157,662	$80,707
Sales to affiliates	—	4,939
Net sales	157,662	85,646
Cost of sales	84,703	49,351
Gross profit	72,959	36,295
Selling, general and administrative expenses	52,068	23,914
Engineering, research and development expenses	9,176	3,493
Operating income	11,715	8,888
Interest income, net	2,023	527
Other income, net	795	1,842
Income before income taxes	14,533	11,257
Income tax expense	4,796	3,293
Equity in net (earnings) loss of affiliates	(36)	110
Income from continuing operations	9,773	7,854
Income (loss) from operations of discontinued businesses, net of taxes	1,580	(784)
Net income	$ 11,353	$ 7,070
Basic earnings (loss) per common share:		
Continuing operations	$ 0.07	$ 0.11
Discontinued operations	0.01	(0.01)
Net income	$ 0.08	$ 0.10
Diluted earnings (loss) per common share:		
Continuing operations	$ 0.07	$ 0.10
Discontinued operations	0.01	(0.01)
Net income	$ 0.08	$ 0.09
Weighted shares outstanding:		
Basic	136,889	73,425
Diluted	140,402	75,463

See the accompanying notes to consolidated financial statements.

Table of Contents

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

(In thousands)	Common shares outstanding	Common stock	Additional paid-in capital	Deferred compensation expense	Retained earnings	Accumulated other comprehensive income (loss)	Total	Comprehensive Income (loss)
Balance at December 31, 2004	73,774	$ 738	$155,362	$ (3,903)	$222,437	$ 5,524	$ 380,158	
Shares issued pursuant to stock option plans	214	2	1,329	—	—	—	1,331	
Compensation earned in connection with restricted stock awards	—	—	—	569	—	—	569	
Foreign currency translation adjustments	—	—	—	—	—	(1,125)	(1,125)	(1,125)
Net change in unrealized gain on marketable securities, net of tax	—	—	—	—	—	716	716	716
Reclassification adjustment for gain on sale of equity investment	—	—	—	—	—	(1,843)	(1,843)	(1,843)
Net income	—	—	—	—	7,070	—	7,070	7,070
Total comprehensive income								$ 4,818
Balance at April 2, 2005	73,988	$ 740	$156,691	$ (3,334)	$229,507	$ 3,272	$ 386,876	
Balance at December 31, 2005	136,044	$ 1,360	$809,012	—	$206,936	$ (4,489)	$1,012,819	
Shares issued under stock option plans	826	9	4,603	—	—	—	4,612	
Stock-based compensation expense	—	—	4,257	—	—	—	4,257	
Issuance of restricted stock grant shares	562	5	(5)	—	—	—	—	
Tax benefit associated with stock plans	—	—	354	—	—	—	354	
Net change in unrealized gain on marketable securities, net of tax	—	—	—	—	—	70	70	$ 70
Foreign currency translation adjustments	—	—	—	—	—	1,353	1,353	1,353
Net income	—	—	—	—	11,353	—	11,353	11,353
Total comprehensive income								$ 12,776
Balance at April 1, 2006	137,432	$ 1,374	$818,221	—	$218,289	$ (3,066)	$1,034,818	

See the accompanying notes to consolidated financial statements.

Table of Contents

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

(In thousands)	Three Months Ended April 1, 2006	Three Months Ended April 2, 2005
Operating activities:		
Net (loss) income	$ 11,353	$ 7,070
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
(Income) loss from discontinued operations	(1,580)	784
Depreciation and amortization	10,817	5,968
Share-based compensation expense	4,257	569
Provision for doubtful accounts	126	55
Provision for deferred income taxes	(951)	—
Tax benefit from employee stock plans	354	—
Equity in net (earnings) loss of affiliates	(36)	110
Gain on sale of equity investment	—	(1,843)
Changes in operating assets and liabilities, excluding effects of acquisitions:		
Trade accounts receivable	(11,429)	(655)
Trade accounts receivable from affiliate	—	3,188
Inventories	(15,668)	1,780
Accounts payable and accrued liabilities	(3,752)	(16)
Other current assets	2,692	1,306
Income taxes payable and refundable income taxes	1	2,559
Other	2,675	(103)
Net cash (used in) provided by operating activities	(1,141)	20,772
Investing activities:		
Acquisition of property and equipment	(7,475)	(5,577)
Purchase of intangible assets	(8)	(125)
Proceeds from sale of equity investment	135	3,948
Purchases of short-term investments	(12,135)	(26,610)
Proceeds from sale or maturities of short-term investments	17,072	
Other	(11)	(196)
Net cash used in investing activities	(2,422)	(28,560)
Financing activities:		
Principal payments on short-term borrowings and long-term debt	(2,473)	(4,844)
Proceeds from short-term borrowings and long-term debt	—	3,900
Issuance of common stock	4,612	1,331
Net cash provided by financing activities	2,139	387
Discontinued Operations (Revised - See Note 1):		
Net cash provided by (used in) operating activities	1,580	(575)
Net cash provided by (used in) investing activities	13,351	(424)
Net cash provided by (used in) discontinued operations	14,931	(999)
Effect of exchange rate changes on cash and cash equivalents	318	(304)
Increase (decrease) in cash and cash equivalents	13,825	(8,704)
Cash and cash equivalents at beginning of period	142,838	63,457
Cash and cash equivalents at end of period	$156,663	$ 54,753

See the accompanying notes to consolidated financial statements.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Company was incorporated in Delaware in June 2005 under the name Eagle DE, Inc. (Eagle DE) as a wholly owned subsidiary of Entegris, Inc., a Minnesota corporation (Entegris Minnesota). Effective August 6, 2005 Entegris Minnesota merged into Eagle DE in a reincorporation merger of which Eagle DE was the surviving corporation. On August 6, 2005, the Company completed a merger with Mykrolis Corporation (Mykrolis) in a stock-for-stock transaction accounted for under the purchase method of accounting. Pursuant to this merger, the name of Eagle DE was changed to Entegris, Inc.

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 April 1, 2006 and December 31, 2005, the results of operations for the three months ended April 1, 2006 and April 2, 2005, and shareholders' equity and comprehensive income, and cash flows for the three months ended April 1, 2006 and April 2, 2005.

Certain amounts reported in previous years have been reclassified to conform to the current year's presentation. In this report, the Company has separately disclosed the operating, investing and financing portions of cash flows attributable to discontinued operations, which in prior periods were reported on a combined basis as a single amount.

Effective December 13, 2005, the Company changed its fiscal year-end from a 52-week or 53-week fiscal year period ending on the last Saturday of August to December 31. The Company's new fiscal quarters consist of 13 week periods that end on Saturday. The Company's fiscal quarters in 2006 end on April 1, 2006, July 1, 2006, September 30, 2006 and December 31, 2006. Unaudited information for the three months ended April 1, 2006, the comparable period of 2005, and the financial position as of April 1, 2006 and December 31, 2005 are included in this Quarterly Report on Form 10-Q. Audited information for the transition period August 28, 2005 through December 31, 2005 will be included in the Company's Annual Report on Form 10-K to be filed for the Company's fiscal year ending December 31, 2006.

The 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 August 27, 2005 and Form 10-Q for the four-month transition period ended December 31, 2005. The results of operations for the three months ended April 1, 2006 are not necessarily indicative of the results to be expected for the full year.

2. DISCONTINUED OPERATIONS

On September 12, 2005, the Company announced that it would divest its gas delivery, life science and tape and reel product lines. The gas delivery products include mass flow controllers, pressure controllers and vacuum gauges that are used by customers in manufacturing operations to measure and control process gas flow rates and to control and monitor pressure and vacuum levels during the manufacturing process. The life sciences products include stainless steel clean in place systems for life sciences applications. Tape and reel products include the Stream™ product line, which is a packaging system designed to protect and transport microelectronic components, while enabling the high-speed automated placement of the components onto printed circuit boards used for electronics.

The assets and liabilities of the life sciences product line and the assets of the tape and reel product line were sold in December 2005. On January 7, 2006, the Company signed a purchase agreement to sell the assets of its gas delivery product line for $15 million. The Company closed the sale of the gas delivery assets effective February 6, 2006. After adjustments for severance, sublease payments and closing costs, the net proceeds of the sale totaled $13.4 million. As part of the purchase accounting allocation of the acquisition of Mykrolis, the fair value of the assets of the gas delivery product line were classified as assets held for sale as of the date of the August 6, 2005 acquisition. Accordingly, the Company adjusted its purchase price allocation related to the assets of the gas delivery product line and did not recognize a gain or loss from the sale.

The consolidated financial statements have been reclassified to segregate as discontinued operations the assets and liabilities, and operating results of, the product lines divested for all periods presented. The summary of operating results from discontinued operations is as follows (in thousands):

	Three Months Ended	
	April 1, 2006	April 1, 2005
Net sales	$3,403	$ 1,349
Loss from discontinued operations, before income taxes	$ (39)	$(1,256)
Income tax benefit	1,619	472
Income (loss) from discontinued operations, net of taxes	$1,580	$ (784)

Assets of discontinued operations and other assets held for sale shown in the Consolidated Balance Sheet as of April 1, 2006 and December 31, 2005 include a building unrelated to the above product lines held for sale carried at $1.1 million.

3. SHARE-BASED COMPENSATION EXPENSE

Effective August 28, 2005, the Company adopted Statement of Financial Accounting Standards No. 123 (revised 2004), *Share-Based Payment*, (SFAS 123(R)) which requires the measurement and recognition of compensation expense for all share-based payment awards made to employees and directors including employee stock options and employee stock purchases related to the Employee Stock Purchase Plan (employee stock purchases) based on estimated fair values. SFAS 123(R) supersedes the Company’s previous accounting under Accounting Principles Board Opinion No. 25, *Accounting for Stock Issued to Employees* (APB 25) for periods beginning in fiscal 2006. In March 2005, the Securities and Exchange Commission issued Staff Accounting Bulletin No. 107 (SAB 107) relating to SFAS 123(R). The Company has applied the provisions of SAB 107 in its adoption of SFAS 123(R).

The Company adopted SFAS 123(R) using the modified prospective transition method, which requires the application of the accounting standard as of August 28, 2005. The Company’s Consolidated Financial Statements as of and for the four months ended December 31, 2005 reflected the impact of SFAS 123(R). In accordance with the modified prospective transition method, the Company’s Consolidated Financial Statements for prior periods were not restated to reflect, and did not include, the impact of SFAS 123(R). Share-based compensation expense recorded under SFAS 123(R) for the three months ended April 1, 2006 was $4.3 million. Share-based compensation expense of $0.6 million for the three months ended April 2, 2005 was related to restricted stock grants that the Company had been recognizing under previous accounting standards. There was no share-based compensation expense related to employee stock options and employee stock purchases recognized during the three months ended April 2, 2005.

SFAS 123(R) requires companies to estimate the fair value of share-based payment awards on the date of grant using an option-pricing model. The value of the portion of the award that is ultimately expected to vest is recognized as expense over the requisite service periods in the Company’s Consolidated Statement of Operations. Prior to the adoption of SFAS 123(R), the Company accounted for share-based awards to employees and directors using the intrinsic value method in accordance with APB 25 as allowed under Statement of Financial Accounting Standards No. 123, *Accounting for Stock-Based Compensation* (SFAS 123). Under the intrinsic value method, no share-based compensation expense had been recognized in the Company's Consolidated Statement of Operations, other than as related to restricted stock grants, because the exercise price of the Company's stock options granted to employees and directors equaled the fair market value of the underlying stock at the date of grant.

Share-based compensation expense recognized for periods after the adoption of SFAS 123(R) is based on the value of the portion of share-based payment awards that is ultimately expected to vest during the period. Share-based compensation expense recognized in the Company's Consolidated Statement of Operations for the three months ended April 1, 2006 includes compensation expense for share-based payment awards granted prior to, but not yet vested as of August 27, 2005 based on the grant date fair value estimated in accordance with the pro forma provisions of SFAS 123. Share-based payment awards in the form of restricted stock awards for 1.0 million shares were granted to employees during the three months ended April 1, 2006. Share-based payment awards in the form of restricted stock awards with performance conditions for up to 0.9 million shares were also granted to employees during the quarter. Compensation expense is based on the grant date fair value estimated in accordance with the provisions of SFAS 123(R). In conjunction with the adoption of SFAS 123(R), the Company changed its method of attributing the value of share-based compensation to expense from the accelerated multiple-option approach to the straight-line single option method. Compensation expense for all share-based payment awards granted on or prior to August 27, 2005 will continue to be recognized using the accelerated multiple-option approach, while compensation expense for all share-based payment awards granted subsequent to August 27, 2005 will be recognized using the straight-line single-option method. Since share-based compensation expense recognized in the Consolidated Statement of Operations for the three months ended April 2, 2005 is based on awards ultimately expected to vest, it has been reduced for estimated forfeitures. SFAS 123(R) requires forfeitures to be estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. In the Company's pro forma information required under SFAS 123 for the periods through August 27, 2005, the Company accounted for forfeitures as they occurred.

There were share-based awards of 19,000 stock options and 6,500 restricted shares made to employees during the three months ended April 2, 2005. Prior to August 28, 2005, the Company used the Black-Scholes option-pricing model (Black-Scholes model) for the Company's pro forma information required under SFAS 123. The Company's determination of fair value of share-based payment awards on the date of grant using an option-pricing model is affected by the Company's stock price as well as assumptions regarding a number of highly complex and subjective variables. These variables include, but are not limited to the Company's expected stock price volatility over the term of the awards, and actual and projected employee stock option exercise behaviors and forfeitures.

On November 10, 2005, the Financial Accounting Standards Board (FASB) issued FASB Staff Position No. FAS 123(R)- 3, *Transition Election Related to Accounting for Tax Effects of Share-Based Payment Awards* (FSP 123(R)-3). The Company is considering whether to adopt the alternative transition method provided in the FASB Staff Position for calculating the tax effects of share-based compensation pursuant to SFAS 123(R). An entity may take up to one year from the effective date of FSP 123(R)-3 to evaluate its available transition alternatives and make its one-time election. The alternative transition method includes simplified methods to establish the beginning balance of the additional paid-in capital pool (APIC pool) related to the tax effects of employee share-based compensation, and to determine the subsequent impact on the APIC pool and Consolidated Statements of Cash Flows of the tax effects of employee share-based compensation awards that are outstanding upon adoption of SFAS 123(R).

Employee Stock Purchase Plan

The Company has an Employee Stock Purchase Plan, the Entegris, Inc. Employee Stock Purchase Plan (ESPP). A total of 4,000,000 common shares were reserved for issuance under the ESPP. The ESPP allows employees to elect, at six-month intervals, to contribute up to 10% of their compensation, subject to certain limitations, to purchase shares of common stock at the lower of 85% of the fair market value on the first day or last day of each six-month period. The Company treats the ESPP as a compensatory plan under SFAS 123(R). As of April 1, 2006, 1.0 million shares had been issued under the ESPP. During the three-month periods ended April 1, 2006 and April 2, 2005, the Company issued 0.1 million and 0.1 million shares, respectively under the Purchase Plan. At April 1, 2006, 3.1 million shares were available for issuance under the Purchase Plan.

Employee Stock Option Plans

As of April 1, 2006, the Company had five stock incentive plans: the Entegris, Inc. 1999 Long-Term Incentive and Stock Option Plan (the 1999 Plan), the Entegris, Inc. Outside Directors' Option Plan (the Directors' Plan) and three former Mykrolis stock option plans assumed by the Company on August 10, 2005: The 2001 Equity Incentive Plan (the 2001 Plan), the 2003 Employment Inducement and Acquisition Stock Option Plan (the Employment Inducement Plan) and the 2001 Non-Employee Director Stock Option Plan (the 2001 Directors Plan). At present, the Company intends to issue new common shares upon the exercise of stock options. The plans are described in more detail below.

1999 Plan The 1999 Plan provides for the issuance of share-based and other incentive awards to selected employees, directors, and other persons (including both individuals and entities) who provide services to the Company or its affiliates. Under the 1999 Plan, the Board of Directors determines number of shares for which each option is granted, whether restrictions will be imposed on the shares subject to options, and the rate at which each option is exercisable. Under the 1999 Plan, the term of options shall be ten years, they become exercisable ratably in 25% increments over the 48 months following grant and the exercise price for shares shall not be less than 100% of the fair market value of the common stock on the date of grant of such option.

The Directors' Plan and the 2001 Directors Plan The Directors' Plan provides for the grant to each outside director of an option to purchase 15,000 shares on the date the individual becomes a director and for the annual grant to each outside director, at the choice of the Directors' Plan administrator (defined as the Board of Directors or a committee of the Board), of either an option to purchase 9,000 shares, or a restricted stock award of up to 3,000 shares. Options are exercisable six months subsequent to the date of grant. Under the Directors' Plan, the term of options shall be ten years and the exercise price for shares shall not be less than 100% of the fair market value of the common stock on the date of grant of such option. The 2001 Directors Plan provides for the grant to each newly elected eligible director of options to purchase 15,000 shares of common stock on the date of his or her first election and for the annual grant of options to purchase 10,000 shares of common stock for each subsequent year of service as a director. The exercise price of the stock options may not be less than the fair market value of the stock at the date of grant. On August 10, 2005 the Company's Board of Directors determined that the equity compensation paid to non-employee directors would be an aggregate of 10,000 shares of restricted stock per annum, inclusive of the amounts specified in the above described plans.

2001 Plan The 2001 Plan provides for the issuance of share-based and other incentive awards to selected employees, directors, and other persons (including both individuals and entities) who provide services to the Company or its affiliates. The 2001 Plan has a term of ten years. Under the 2001 Plan, the Board of Directors determines the term of each option, option price, number of shares for which each option is granted, whether restrictions will be imposed on the shares subject to options, and the rate at which each option is exercisable. The exercise price for incentive stock options may not be less than the fair market value per share of the underlying common stock on the date granted (110% of fair market value in the case of holders of more than 10% of the voting stock of the Company). The 2001 Plan contains an "evergreen" provision, which increases the number of shares in the pool of options available for grant annually by 1% of the number of shares of common stock outstanding on the date of the Annual Meeting of Stockholders or such lesser amount determined by the Board of Directors.

Employment Inducement Plan The Employment Inducement Plan is a non-shareholder approved plan that provides for the issuance of stock options and other share-based awards to newly-hired employees and to employees of companies acquired by the Company. The Employment Inducement Plan has a term of ten years. Options granted under the Employment Inducement Plan have a maximum term of ten years and an exercise price equal to the fair market value of the Company's common stock on the date of grant. The Board of Directors determines other terms of option grants including, number of shares, restrictions and the vesting period. The number of reserved shares under the Employment Inducement Plan automatically increases annually by 0.25% of the number of shares of common stock outstanding on the date of the Annual Meeting of Stockholders unless otherwise determined by the Board of Directors.

Millipore Plan

In addition to the Company's plans, certain employees of Mykrolis were granted stock options under a predecessor's share-based compensation plan. The Millipore 1999 Stock Incentive Plan (the Millipore Plan) provided for the issuance of stock options and restricted stock to key employees as incentive compensation. The exercise price of a stock option was equal to the fair market value of Millipore's common stock on the date the option was granted and its term was generally ten years and vested over four years.

General Option Information

Option activity for the 1999 Plan and the Directors' Plan for the three months ended April 1, 2006 is summarized as follows (share and aggregate intrinsic value amounts in thousands):

	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
Options outstanding, beginning of period	8,501	$ 7.35		
Granted	—			
Exercised	(405)	$ 4.67		
Canceled	(14)	$ 11.17		
Options outstanding, end of period	8,082	$ 7.47	5.3	$ 27,505
Options exercisable	7,393	$ 7.47	5.1	$ 25,343

Option activity for the 2001 Plan, the Employment Inducement Plan, the 2001 Directors Plan and the Millipore plan for the three months ended April 1, 2006 is summarized as follows (share and aggregate intrinsic value amounts in thousands):

	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
Options outstanding, beginning of period	7,998	$ 8.53		
Granted	—			
Exercised	(337)	$ 6.08		
Canceled	(171)	$ 7.73		
Options outstanding, end of period	7,490	$ 8.65	3.7	$ 15,963
Options exercisable	6,863	$ 8.72	3.5	$ 13,096

The total number of shares available for future grant under the Company's stock option plans was 3.4 million at April 1, 2006. For all plans, the total pretax intrinsic value of stock options exercised during the three months ended April 1, 2006 was $4.0 million. The aggregate intrinsic value in the preceding tables represent the total pretax intrinsic value, based on the Company's closing stock price of $10.64 as of April 1, 2006, which theoretically could have been received by the option holders had all option holders exercised their options as of that date. The total number of in-the-money options exercisable as of April 1, 2006 was 10.1 million.

During the three months ended April 1, 2006, the Company received cash from the exercise of stock options totaling $3.9 million and $0.7 million in employee contributions to the Entegris, Inc. Employee Stock Purchase Plan. There was no excess tax benefit for the tax deductions related to stock options and restricted stock awards during the quarter ended April 1, 2006.

Restricted Stock Awards

Restricted stock awards are awards of common stock that are subject to restrictions on transfer and to a risk of forfeiture if the awardee leaves the Company employ prior to the restrictions lapse. The value of such stock was established by the market price on the date of the grants. Compensation expense is being recorded over the applicable restricted stock vesting periods, generally four years, using graded vesting. A summary of the Company's restricted stock activity as of April 1, 2006 and changes during the three months ended April 1, 2006 is presented in the following table:

	Shares	Weighted Average Grant Date Fair Value	Weighted Average Remaining Contractual Term
Unvested, beginning of period	1,526	$ 11.03	3.1
Granted	1,000	$ 10.55	
Vested	(77)	$ 10.95	
Forfeited	(32)	$ 11.30	
Unvested, end of period	2,417	$ 10.83	3.2

During the first quarter of 2006, Entegris, Inc. also made awards of restricted stock to be issued upon the achievement of performance conditions (Performance Shares) under the Company's stock incentive plans.

Up to 0.9 million shares, 25% of which will be awarded each of the next four years, if and to the extent that financial performance criteria for fiscal years 2006 through 2009 are achieved. The number of performance shares earned in a given year may vary based on the level of achievement of financial performance objectives for that year. If the Company's performance for a year fails to achieve the specified performance threshold, then the performance shares allocated to that year are forfeited. Each annual tranche will have its own service period beginning at the date (the grant date) at which the Board of Directors establishes the annual performance targets for the applicable year. Once earned, Performance Shares are fully vested with no restrictions. Compensation expense to be recorded in connection with the Performance Shares will be based on the grant date fair value of the Company's common stock. Awards of Performance Shares are expensed over the service period based on an evaluation of the probability of achieving the performance objectives.

Valuation and Expense Information under SFAS 123(R)

The following table summarizes share-based compensation expense related to employee stock options, restricted stock awards and grants under the employee stock purchase plan under SFAS 123(R) for the three months ended April 1, 2006 that was allocated as follows (in thousands):

	Three Months Ended April 1, 2006
Cost of good sold	$ 750
Engineering, research and development	60
Selling, general and administrative	3,447
Share-based compensation expense included in operating expenses	3,507
Share-based compensation expense	4,257
Tax benefit	1,601
Share-based compensation expense, net of tax	$ 2,656

Share-based compensation expense recognized for the three months ended April 2, 2005 was $0.6 million.

As of April 1, 2006 total compensation cost related to nonvested stock options and restricted stock awards not yet recognized was $22.0 million that is expected to be recognized over the next 15.2 months on a weighted-average basis. These figures exclude restricted stock awards for which performance criteria have yet to be determined and, accordingly, grant dates for those awards have not been established.

No stock option grants were made to employees during the three months ended April 1, 2006. Prior to the adoption of SFAS 123(R), the value of each employee stock option was estimated on the date of grant using the Black-Scholes model for the purpose of the pro forma financial information in accordance with SFAS 123.

Pro Forma Information Under SFAS 123 for Periods Prior to Fiscal 2006

The following table illustrates the effect on net income and earnings per common share if the Company had applied the fair value recognition provisions of SFAS 123, Accounting for Stock-Based Compensation, to share-based employee compensation (in thousands, except per share data).

	Three Months Ended April 2, 2005
Net income, as reported	$ 7,070
Add share-based compensation expense included in reported net earnings, net of tax	354
Deduct share-based compensation expense under the fair value based method for all awards, net of tax	(1,643)
Pro forma net earnings	$ 5,781
Basic earnings per common share, as reported	$ 0.10
Pro forma basic earnings per common share	$ 0.08
Diluted earnings per common share, as reported	$ 0.09
Pro forma diluted earnings per common share	$ 0.08

For employee stock options granted during the three months ended April 2, 2005, the Company determined pro forma compensation expense under the provisions of SFAS No. 123 using the Black-Scholes pricing model and the following assumptions: 1) an expected dividend yield of 0%, 2) an expected stock price volatility of 75%, 3) a risk-free interest rate of 3.5% and 4) an expected life of 6 years. The weighted average fair value of options granted during the first four months of fiscal 2005 was $6.27.

4. EARNINGS PER COMMON SHARE

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

	Three Months Ended	
	April 1, 2006	April 2, 2005
Basic earnings per common share-weighted common shares outstanding	136,889	73,425
Weighted common shares assumed upon exercise of stock options and vesting of restricted common stock	3,513	2,038
Diluted earnings per common share-weighted common shares and common shares equivalent outstanding	140,402	75,463

5. INVENTORIES

Inventories consist of the following (in thousands):

	April 1, 2006	December 31, 2005
Raw materials	$31,704	$ 27,998
Work-in process	5,710	3,926
Finished goods	47,538	37,051
Supplies	601	560
Total inventories	$85,553	$ 69,535

6. INTANGIBLE ASSETS AND GOODWILL

As of April 1, 2006, goodwill amounted to approximately $402.4 million, about $1.9 million lower than the balance at December 31, 2005. The decrease mainly reflected changes to goodwill in connection with various purchase price adjustments related to the Mykrolis acquisition completed in August 2005. The Mykrolis purchase price has been preliminarily allocated based on estimates of the fair values of assets acquired and liabilities assumed. The final valuation of net assets is expected to be completed in the second calendar quarter of 2006.

The changes to the carrying amount of goodwill for the three months ended April 1, 2006 are as follows:

(In thousands)	Three Months Ended April 1, 2006
Beginning of period	$ 404,300
Adjustment to Mykrolis purchase price allocation	(1,923)
Foreign currency translation adjustment	39
End of period	$ 402,416

Other intangible assets, net of amortization, of approximately $84.1 million as of April 1, 2006, are being amortized over useful lives ranging from 2 to 10 years and are as follows (in thousands):

	As of April 1, 2006		
(In thousands)	Gross carrying amount	Accumulated amortization	Net carrying value
Patents	$ 17,978	$ 9,776	$ 8,202
Unpatented technology	9,844	4,723	5,121
Developed technology	38,500	5,561	32,939
Trademarks and trade names	9,000	1,486	7,514
Customer relationships	28,000	1,991	26,009
Employment and noncompete agreements	5,818	4,429	1,389
Other	5,994	3,076	2,918
	$ 115,134	$ 31,042	$ 84,092

Aggregate amortization expense for the three months ended April 1, 2006 amounted to $4.6 million. Estimated amortization expense for calendar years 2006 to 2010 and thereafter is approximately $18.2 million, $17.8 million, $16.0 million, $13.9 million, $8.5 million and $14.2 million, respectively.

7. 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 90 days to one year. The following table summarizes the activity related to the product warranty liability during the three-month periods ended April 1, 2006 and April 2, 2005 (in thousands):

	Three Months Ended	
	April 1, 2006	April 2, 2005
Balance at beginning of period	$ 2,111	$ 2,069
Accrual for warranties issued during the period	645	439
Warranty costs during the period	(458)	(424)
Balance at end of period	$ 2,298	$ 2,084

8. RESTRUCTURING COSTS

On November 29, 2005, the Company announced that during 2006 it would close its manufacturing plant located in Bad Rappenau, Germany and relocate the production of products made in that facility to other existing manufacturing plants located in the United States and Asia. In connection with this closure, the Company recorded accruals for estimated expenditures for employee severance and retention costs of $1.7 million, and asset impairment and accelerated depreciation charges of $0.7 million during the quarter ended April 1, 2006.

9. RECENT ACCOUNTING PRONOUNCEMENTS

In May 2005, the FASB issued FASB Statement No. 154, *Accounting Changes and Error Corrections* (SFAS No. 154), which replaces APB Opinion No. 20, *Accounting Changes*, and SFAS No. 3, *Reporting Accounting Changes in Interim Financial Statements*. SFAS No. 154 requires retrospective application of changes in accounting principles to prior periods' financial statements as of the earliest date practicable. This statement also redefines "restatement" as the revision of previously issued financial statements to reflect the correction of an error. The provisions of SFAS No. 154 were adopted in the current period with no material effect on the Company's consolidated financial statements.

In November 2005, the Financial Accounting Standards Board (FASB) issued FASB Staff Position (FSP) FAS 115-1 and FSP FAS 124-1, *The Meaning of Other-Than-Temporary Impairment and Its Application to Certain Investments*, which amends FASB Statement No. 115, *Accounting for Certain Investments in Debt and Equity Securities*, FASB Statement No. 124, *Accounting for Certain Investments Held by Not-for-Profit Organizations*, and APB Opinion No. 18, *The Equity Method of Accounting for Investments in Common Stock*. FSP FAS 115-1 and FSP FAS 124-1 provide guidance for determining whether impairments of certain debt and equity investments are deemed other-than-temporary. The provisions of FSP FAS 115-1 and FSP FAS 124-1 are effective for reporting periods beginning after December 15, 2005. No material impact on the Company's financial statements resulted from the adoption of this standard.

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

Overview

Entegris, Inc. is a leading provider of materials integrity management 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 other high-technology industries. The Company's customers consist primarily of semiconductor manufacturers, semiconductor equipment and materials suppliers, and hard disk manufacturers which are served through direct sales efforts, as well as sales and distribution relationships, in the United States, Asia and Europe.

Effective August 6, 2005 Entegris, Inc., a Minnesota corporation, and Mykrolis Corporation, a Delaware corporation, completed a strategic merger of equals transaction, pursuant to which they were each merged into a new Delaware corporation named Entegris, Inc. to carry on the combined businesses. The transaction was accounted for as an acquisition of Mykrolis by Entegris.

With the merger with Mykrolis Corporation, the Company added liquid and gas filters, liquid delivery systems, components and consumables used to precisely measure, deliver, control and purify the process liquids, gases and chemicals that are used in the semiconductor manufacturing process to its materials integrity management product offerings.

After the merger with Mykrolis, the Company offers a diverse product portfolio which includes more than 13,000 standard and customized products that we believe provide the most comprehensive offering of materials integrity management products and services to the microelectronics industry. Entegris' materials integrity management products purify, protect and transport critical materials in the semiconductor manufacturing process.

Effective December 13, 2005, the Company changed its fiscal year-end from a 52-week or 53-week fiscal year period ending on the last Saturday of August to December 31. The Company's new fiscal quarters consist of 13 week periods that end on Saturday. The Company's fiscal quarters in 2006 end on April 1, 2006, July 1, 2006, September 30, 2006 and December 31, 2006. Unaudited information for the three months ended April 1, 2006, the comparable period of 2005, and the financial position as of April 1, 2006 and December 31, 2005 are included in this Quarterly Report on Form 10-Q. Audited information for the transition period August 28, 2005 through December 31, 2005 will be included in the Company's Annual Report on Form 10-K to be filed for the Company's fiscal year ending December 31, 2006.

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. 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 Consolidated Financial Statements and the related Notes, 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:

- ***The level of sales*** Since a large portion of the Company's product costs (excepting raw materials, purchased components and direct labor) are largely fixed in the short/medium term, an increase or decrease in sales affects gross profits and overall profitability significantly. Also, increases or decreases in sales and operating profitability affects certain costs such as short-term variable compensation which is highly variable in nature.

- ***The variable margin on sales*** The Company's variable gross profit is determined by selling prices, and the direct 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, purchased components, competition, both domestic and international, direct labor costs, and the efficiency of the Company's production operations, among others.
- ***The Company's 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, and depreciation and amortization. It is not possible to vary these costs easily and 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 Ended April 1, 2006 On December 13, 2005, the registrant's Board of Directors approved the change of the registrant's fiscal year to the calendar year, ending on December 31st of each year. Accordingly, the registrant filed a transition report on Form 10-Q for the four months ended December 31, 2005, covering the period from August 27, 2005 though December 31, 2005.

For the three months ended April 1, 2006, net sales increased 84% from the comparable period last year, principally driven by the inclusion of sales from Mykrolis. The sales comparison is adversely affected by approximately $3.5 million due to the year-over-year weakening of international currencies versus the U.S. dollar, most notably in Japan. Sales were up 7% on a sequential basis over the fourth quarter of calendar 2005. Reflecting the year-over-year sales increase, the company reported higher gross profit and improved gross margins.

The company also had significantly higher year-over-year selling, general and administrative (SG&A) costs, by $27.7 million, also mainly the result of the Mykrolis merger compared to the year-ago quarter. These costs included the addition of SG&A expenses associated with Mykrolis' infrastructure, increased amortization of intangibles and costs incurred by the Company in connection with the integration activities associated with the merger. As a result, the Company reported income from continuing operations of $9.8 million for the three-month period compared to income from continuing operations of $7.9 million in the year ago three-month period.

During the three months ended April 1, 2006, the Company used cash of $1.1 million for operations as increases in accounts receivable and inventory slightly exceeded the cash generated by the Company's net earnings and non-cash charges. Cash, cash equivalents and short-term investments were approximately $283 million at April 1, 2006, compared with $274 million at December 31, 2005.

On September 12, 2005, the Company announced that it would divest its gas delivery, life science and tape and reel product lines. The life science and tape and reel product lines divestitures were completed in December 2005; the gas delivery divestiture was completed in February 2006 for net proceeds of $13.4 million. The assets and liabilities, and operating results of, the businesses divested have been classified as discontinued operations for all periods presented.

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, and income taxes. 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.

Net Sales

The Company's net sales consist of revenue from sales of products net of trade discounts and allowances. The Company recognizes revenue upon shipment, primarily FOB shipping point, when evidence of an arrangement exists, contractual obligations have been satisfied, title and risk of loss have been transferred to the customer and collection of the resulting receivable is probable based upon historical collection results and regular credit evaluations. In most transactions, the Company has no obligations to its customers after the date products are shipped other than pursuant to warranty obligations. In the event that significant post-shipment obligations or uncertainties exist such as customer acceptance, revenue recognition is deferred as appropriate until such obligations are fulfilled or the uncertainties are resolved.

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. Material differences could result in the amount and timing of the Company's results of operations for any period if we made different judgments or utilized different estimates. 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 and historical bad debts write-off experience when determining its allowance for doubtful accounts. The Company's allowance for doubtful accounts was $1.5 million and $1.4 million at April 1, 2006 and December 31, 2005, respectively.

An allowance for sales returns and allowances is established based on historical trends and current trends in product returns. At April 1, 2006 and December 31, 2005, the Company's reserve for sales returns and allowances was $1.2 million and $1.3 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 manufacturing cost or market value. Each quarter, the Company evaluates its ending inventories for obsolescence and excess quantities. 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 valuation allowance is recorded. In addition, valuation allowances are established for inventory quantities in excess of forecasted demand. Inventory valuation allowances were $10.1 million and $8.1 million at April 1, 2006 and December 31, 2005, respectively.

The Company's inventories comprise 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 analyses, additional inventory write-downs or valuation allowances may be required and would be reflected in cost of sales in the period the revision is made.

Impairment of Long-Lived Assets The Company routinely considers whether indicators of impairment of its property and equipment assets, particularly its molding equipment, are present. If such indicators are present, it is determined whether the sum of the estimated undiscounted cash flows attributable to the assets in question is less than their carrying value. If less, an impairment loss is recognized based on the excess of the carrying amount of the assets over their respective fair values. Fair value is determined by discounting estimated future cash flows, appraisals or other methods deemed appropriate. If the assets determined to be impaired are to be held and used, the Company recognizes an impairment charge to the extent the present value of anticipated net cash flows attributable to the assets are less than the assets' carrying value. The fair value of the assets then becomes the assets' new carrying value, which we depreciate over the remaining estimated useful life of the assets.

The Company assesses the impairment of indefinite life intangible assets and related goodwill at least annually, or whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors considered important which could trigger an impairment review, and potentially an impairment charge, include the following:

- significant underperformance relative to historical or projected future operating results;
- significant changes in the manner of use of the acquired assets or the Company's overall business strategy;
- significant negative industry or economic trends; and
- significant decline in the Company's stock price for a sustained period changing the Company's market capitalization relative to its net book value.

Income Taxes In the preparation of the Company's 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 exposures 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 intends to continue to reinvest its undistributed international earnings in its international operations; therefore, no U.S. tax expense has been recorded to cover the repatriation of such undistributed earnings.

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. These deferred tax assets are evaluated by considering historical levels of income, estimates of future taxable income streams and the impact of tax planning strategies. A valuation allowance is recorded to reduce deferred tax assets when it is determined that it is more likely than not that the Company would not be able to realize all or part of its deferred tax assets. The Company carried a valuation allowance of $0.6 million and $2.2 million against its deferred tax assets at April 1, 2006 and December 31, 2005, respectively, in connection with a portion of a capital loss carry forward that more likely than not will not be realized. The change in the valuation allowance resulted from the resolution of a matter with respect to the characterization of certain gains and losses.

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 April 1, 2006 and December 31, 2005, the Company's accrual for estimated future warranty costs was $2.3 million and $2.1 million, respectively.

Business Acquisitions

The Company accounts for acquired businesses using the purchase method of accounting which requires that the assets acquired and liabilities assumed be recorded at the date of acquisition at their respective fair values. The judgments made in determining the estimated fair value assigned to each class of assets acquired and liabilities assumed, as well as asset lives, can materially impact net income. Accordingly, for significant items, the Company typically obtains assistance from independent valuation specialists.

There are several methods that can be used to determine the fair value of assets acquired and liabilities assumed. For intangible assets, the Company normally utilizes the "income method." This method starts with a forecast of all of the expected future net cash flows. These cash flows are then adjusted to present value by applying an appropriate discount rate that reflects the risk factors associated with the cash flow streams. Some of the more significant estimates and assumptions inherent in the income method or other methods include the projected future cash flows (including timing) and the discount rate reflecting the risks inherent in the future cash flows.

Determining the useful life of an intangible asset also requires judgment. For example, different types of intangible assets will have different useful lives and certain assets may even be considered to have indefinite useful lives. All of these judgments and estimates can significantly impact net income.

Share-based Compensation Expense

Effective August 28, 2005, the Company adopted Statement of Financial Accounting Standards No. 123 (revised 2004*), Share-Based Payment*, (SFAS 123(R)) which requires the measurement and recognition of compensation expense for all share-based payment awards made to employees and directors including employee stock options and employee stock purchases related to the Employee Stock Purchase Plan (ESPP) based on estimated fair values. Share-based compensation expense recognized under SFAS 123(R) for the three months ended April 1, 2006 was $4.3 million which consisted of share-based compensation expense related to employee stock options, restricted stock awards and grants under the employee stock purchase plan, as well as share-based compensation expense related to the Mykrolis acquisition. Share-based compensation expense of $0.6 million for the three months ended April 2, 2005 was related to restricted stock awards granted to employees that the Company recognized under previous accounting standards. There was no share-based compensation expense related to employee stock options and grants under the employee stock purchase plan recognized during the three months ended April 2, 2005.

Under SFAS 123(R), the Company must estimate the value of employee stock options on the date of grant. There were no stock option grants awarded during the three months ended April 1, 2006. Prior to the adoption of SFAS 123(R), the value of each employee stock option was estimated on the date of grant using the Black-Scholes model for the purpose of the pro forma financial information in accordance with SFAS 123. The determination of fair value of share-based payment awards on the date of grant using an option-pricing model is affected by the Company's stock price as well as assumptions regarding a number of highly complex and subjective variables. These variables include, but are not limited to 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. Restricted stock and restricted stock unit awards are valued based on the Company's stock price on the date of grant.

Since share-based compensation expense recognized in the Consolidated Statement of Operations for the three months ended April 1, 2006 is based on awards ultimately expected to vest, it has been reduced for estimated forfeitures. SFAS 123(R) requires forfeitures to be estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. Forfeitures were estimated based on historical experience.

If factors change and the Company employs different assumptions in the application of SFAS 123(R) in future periods, the compensation expense recorded under SFAS 123(R) may differ significantly from what was recorded in the current period.

Three Months Ended April 1, 2006 Compared Three Months Ended April 1, 2005

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

	Three Months Ended	
	April 1, 2006	April 2, 2005
Net sales	100.0%	100.0%
Cost of sales	53.7	57.6
Gross profit	46.3	42.4
Selling, general and administrative expenses	32.7	27.9
Engineering, research and development expenses	6.1	4.1
Operating income	7.4	10.4
Interest income, net	1.3	0.6
Other income, net	0.5	2.2
Income before income taxes and other items below	9.2	13.1
Income tax expense	3.0	3.8
Equity in net (earnings) loss of affiliates	—	0.1
Income from continuing operations	6.2	9.2

Net sales Net sales were $157.7 million for the three months ended April 1, 2006, up 84% compared to $85.6 million in the three months ended April 2, 2005. Sales from Mykrolis operations accounted for approximately 90% of the overall year-over-year increase. Sales were adversely affected by approximately $3.5 million due to the weakening of international currencies versus the U.S. dollar, most notably in Japan. On a geographic basis, total sales to North America were 30%, Asia Pacific 33%, Europe 16% and Japan 21%.

By product type, sales of unit-driven products represented 59% of sales and capital-driven products represented 41% of total sales. This ratio compared to a 63%/37% unit-driven vs. capital-driven split for the three months ended December 2005, reflecting the strong demand associated with capital infrastructure additions the industry experienced over the quarter. Unit-driven products include products which have average lives of less than 18 months or which need to be replaced based on usage levels. These include liquid filters, wafer shippers, and chip trays and disk shippers.

Semiconductor manufacturing capacity additions and new tool production contributed to strong demand for capital-driven products, including wafer carriers and transport products, gas microcontamination products and fluid handling components and systems. Sales of unit-driven products, such as liquid filters, also tracked positively during the quarter as fab utilization rates at integrated device manufacturer and foundry customers remained high.

Specifically, sales of gas contamination products, including gas filters and purifier components and systems, improved during the quarter. Many of these products are used in manufacturing infrastructure to deliver process gases to the tool and in gas-based tools, such as deposition and etch tools. Sales of purification systems for controlling airborne molecular contamination also did well, as these systems find increasing applications in advanced photolithography tools. Sales of fluid handling products were also very strong, particularly for valves and fittings and dispense pumps, as a result of fab build outs and higher OEM demand.

Sales of wafer handling products were strong in Asia, particularly for FOUPS and reticle PODS. Wafer shippers remained strong for 200mm wafer sizes. Sales of liquid filters grew sequentially, reflecting continued high fab utilization rates and production levels which drive demand for these products and the additions of new fab capacity particularly for flash memory. Finished electronics products rebounded from the prior quarter, reflecting strong orders for film frame shippers, chip trays and process carriers, as well as good demand for 95mm disk drive shippers.

Gross profit Gross profit in the three months ended April 1, 2006 increased by $36.7 million to $73.0 million, an increase of 101% from the $36.3 million for the three months ended April 2, 2005. The gross margin percentage for the first quarter of 2006 was 46.3 % versus 42.4% for the three months ended April 2, 2005.

The Company benefited from improved sales levels as well as the inclusion of sales of gas micro contamination and liquid micro contamination product lines added in the Mykrolis merger as these products typically carry higher gross margins than the Company’s other products.

Costs of $2.1 million associated with the consolidation of manufacturing facilities in the U.S., Germany and Japan reduced gross profit. Although prices for raw materials were relatively stable sequentially, on a year-over-year basis the Company’s gross margin was affected by higher material costs for certain products.

Selling, general and administrative expenses. Selling, general and administrative (SG&A) expenses increased $28.2 million, or 118%, to $52.1 million in the three months ended April 1, 2006, up from $23.9 million in the comparable three-month period a year earlier. Due to the magnitude of the increase, SG&A expenses, as a percent of net sales, rose to 33.0% from 27.9% a year earlier.

The increase in SG&A costs reflects the addition of SG&A expenses associated with Mykrolis’ infrastructure and increased amortization of intangibles of $3.5 million, as well as costs of $3.7 million incurred by the Company in connection with the integration activities associated with the Mykrolis merger. The costs included in this category generally relate to expenses incurred to integrate Mykrolis’ operations and systems into the Company’s pre-existing operations and systems. These costs include, but are not limited to, the integration of information systems, employee benefits and compensation, accounting/finance, tax, treasury, risk management, compliance, administrative services, sales and marketing and other functions and includes severance and retention costs. The year-over-year increase in SG&A expenses also includes incremental share-based compensation expense of $3.0 million.

The Company expects SG&A costs to be higher than normal through the middle of calendar 2006 as integration costs and related severance and retention costs of approximately $4 million are expected to be incurred during the second quarter of 2006. In addition, on a year-over-year basis, the Company expects that overall SG&A costs will be higher as the Company will have a full year of sales and operating expenses related to Mykrolis' operations. The Company expects that the trend of overall SG&A costs will decline on a prospective basis resulting from the combination of various sales, marketing and other corporate functions during 2006. These savings are expected to be realized in the latter half of calendar 2006.

Engineering, research and development expenses Engineering, research and development (ER&D) expenses were $9.2 million in the three months ended April 1, 2006, up 162% from $3.5 million in the year-ago period. ER&D expenses, as a percent of net sales, increased to 5.8% from 4.1%, reflecting the inclusion of Mykrolis ER&D expenses. The Company continued to focus on the support of current product lines, and the development of new products and manufacturing technologies.

Interest income, net Net interest income was $2.0 million in the three months ended April 1, 2006 compared to $0.5 million in the year-ago period. The increase reflects the higher rates of interest available on the Company's investments in short-term debt securities as well as the higher average net invested balance compared to the year-ago period, associated in part with the cash and short-term investments acquired in the Mykrolis merger.

Income tax expense The Company recorded income tax expense of $4.8 million in the three months ended April 1, 2006 compared to income tax expense of $3.3 million in the three months ended April 2, 2005. The effective tax rate was 33.0% in the 2006 period, compared to 29.2% in the 2005 period. In both periods, the Company's tax rate was lower than statutory rates due to the benefits associated with export activities and tax holidays.

Discontinued operations The Company's businesses classified as discontinued operations recorded a nominal net operating loss in the three months ended April 1, 2006. The results of discontinued operations included a tax benefit of $1.6 million related to the change in the deferred tax asset valuation allowance resulting from the resolution of a matter with respect to the characterization of certain gains and losses.

Net income The Company recorded net income of $11.4 million, or $0.08 per diluted share, in the three-month period ended April 1, 2006 compared to net income of $7.1 million, or $0.09 per diluted share, in the three-month period ended April 2, 2005. The net earnings from continuing operations for the three-month period were $9.8 million, or $0.07 per diluted share, compared to net income of $7.9 million, or $0.10 per diluted share, in the year ago period. The after-tax earnings of discontinued operations in the three-month period ended April 1, 2006 included a tax benefit of $1.6 million associated with a decrease in the company's deferred tax asset valuation allowance.

Liquidity and Capital Resources

Operating activities Cash used by operating activities totaled $1.1 million in the three months ended April 1, 2006. Cash flow was provided by the Company's net earnings from continuing operations of $9.8 million and various non-cash charges, including depreciation and amortization of $10.8 million, and share-based compensation expense of $4.3 million. Slightly more than offsetting such items was the significant impact of changes in operating assets and liabilities, including receivables and inventory increases aggregating $27.1 million.

Working capital at April 1, 2006 stood at $424.0 million, down from $394.4 million as of December 31, 2005, and included $283.2 million in cash, cash equivalents and short-term investments.

Accounts receivable, net of foreign currency translation adjustments, increased by $11.4 million, reflecting the increase in sales from the previous quarter and an slight increase in the Company's days sales outstanding which stood at 71 days compared to 69 days at the beginning of the period. Inventories rose by $15.7 million from December 31, 2005 due to a general increase in production activity associated with higher order and sales levels, increases in inventories at various locations worldwide related to a change in selling model and the build of inventories in anticipation of certain manufacturing consolidation activities.

Investing activities Cash flow used in investing activities totaled $2.4 million in the three-month period ended April 1, 2006. Acquisition of property and equipment totaled $7.5 million, primarily for additions of facility expansions, manufacturing equipment, tooling and information systems. The Company expects total capital expenditures of approximately $40 million for calendar 2006.

The company had maturities of short-term investments, net of purchases, of $4.9 million during the period. Short-term investments stood at $126.6 million at April 1, 2006.

Financing activities Cash provided by financing activities totaled $2.1 million during the three-month period ended April 1, 2006. The Company made payments of $2.5 million on borrowings. No proceeds from new borrowings were received during the quarter. The Company received proceeds of $4.6 million in connection with common shares issued under the Company's stock option plans.

As of April 1, 2006, the Company's sources of available funds comprised $156.7 million in cash and cash equivalents, $126.6 million in short-term investments, as well as funds available under various credit facilities. Entegris has an unsecured revolving credit agreement with one domestic commercial bank with aggregate borrowing capacity of $10 million, with no borrowings outstanding at April 1, 2006 and lines of credit with three international banks that provide for borrowings of currencies for the Company's overseas subsidiaries, equivalent to an aggregate of approximately $6.1 million. There were no borrowings outstanding on these lines of credit at April 1, 2006.

The Company's unsecured revolving credit agreement, which expires in May 2008, allows for aggregate borrowings of up to $10 million with interest at Eurodollar rates plus 0.875%. Under the unsecured revolving credit agreement, the Company is subject to, and is in compliance with, certain financial covenants requiring a leverage ratio of not more than 2.25 to 1.00. In addition, the Company must maintain a calculated consolidated tangible net worth, which, as of April 1, 2006, was $468 million, while also maintaining consolidated aggregate amounts of cash and cash equivalents (which under the agreement may also include auction rate securities classified as short-term investments) of not less than $75 million.

At April 1, 2006, the Company's shareholders' equity stood at $1,034.8 million, up from $1,012.8 million at the beginning of the period. This increase reflected the Company's net earnings $11.4 million, the proceeds of $4.6 million received in connection with shares issued under the Company's stock option and stock purchase plans, and the increase in additional paid-in capital of $4.3 million associated with the Company's share-based compensation expense recorded during the period.

The Company expects to incur total expenses of approximately $30 million to $35 million in connection with the integration activities resulting from its merger with Mykrolis, of which approximately $29 million was recorded through April 1, 2006. Entegris expects that integration process following the merger will ultimately provide annualized cost savings of approximately $20 million. The Company expects these cost synergies to be fully in place by the middle of calendar year 2006.

The Company believes that its cash and cash equivalents, short-term investments, cash flow from operations and available credit facilities will be sufficient to meet its working capital and investment requirements for the next 12 months. However, future growth, including potential acquisitions, may require the Company to raise capital through additional equity or debt financing. There can be no assurance that any such financing would be available on commercially acceptable terms.

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, (i) risks associated with the challenges of integration, restructuring, manufacturing transfers, and achieving anticipated synergies associated with the merger of the Company with Mykrolis; (ii) inability to meet rapidly increasing customer demand associated with an increase semiconductor industry spending; (iv) the transition to new products, the uncertainty of customer acceptance of new product offerings, and rapid technological and market change; (v) insufficient, excess or obsolete inventory; (vi) competitive factors, including but not limited to pricing pressures; and (vii) the risks described in the Company's Annual Report on Form 10-K for the fiscal year ended August 27, 2005 under the headings "Risks Relating to our Business and Industry", "Risks Associated with our Merger", "Manufacturing Risks", "International Risks", and "Risks Related to the Securities Markets and Ownership of 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 and short-term investments, and long-term debt and short-term borrowings are subject to interest rate fluctuations. Most of its long-term debt at April 1, 2006 carries fixed rates of interest. The Company's cash equivalents and short-term investments are debt instruments with maturities of 24 months or less. A 100 basis point change in interest rates would potentially increase or decrease annual net income by approximately $1.8 million annually.

The cash flows and earnings 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 April 1, 2006, the Company was party to forward contracts to deliver Japanese yen, Taiwanese dollars, Singapore dollars and Euros with notional values of approximately $4.8 million, $12.8 million, $4.0 million and $4.6 million, respectively.

Item 4: Controls and Procedures

(a) Evaluation of disclosure controls and procedures. Disclosure controls and procedures are designed to ensure that information required to be disclosed in the reports that are filed or furnished under the Securities Exchange Act of 1934, as amended (Exchange Act) is recorded, processed, summarized and reported, within the time periods specified in the rules and forms of the Securities & Exchange Commission (SEC). Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in the reports that are filed under the Exchange Act is accumulated and communicated to management, including the chief executive officer and chief financial officer, as appropriate to allow timely decisions regarding required disclosure. Under the supervision of and with the participation of management, including the chief executive officer and chief financial officer, the Company has evaluated the effectiveness of the design and operation of its disclosure controls and procedures as of April 1, 2006. Based on its evaluation and with the exception of the material weakness in internal control over financial reporting referenced below, our management, including our chief executive officer and chief financial officer, concluded that our disclosure controls and procedures were effective as of April 1, 2006.

(b) Changes in internal control over financial reporting. As previously reported in the Company's Annual Report on Form 10-K, as filed with the Securities & Exchange Commission on November 22, 2005, in connection with the Company's assessment of the effectiveness of our internal control over financial reporting at the end of our last fiscal year, we identified a material weakness in our internal control over financial reporting as of August 27, 2005. This material weakness generally involved the failure of the Company to have effective policies and procedures, or personnel with sufficient knowledge of accounting for compensation related matters in purchase accounting transactions, to ensure that such transactions were accounted for in accordance with generally accepted accounting principles. Specifically, the Company's policies and procedures did not provide for effective identification of, and consideration of, terms in compensation arrangements that impact the accounting for compensation arrangements. Because of the material weakness described above, management concluded that (i) the Company did not maintain effective internal control over financial reporting as of August 27, 2005, based on the criteria established in "Internal Control—Integrated Framework" issued by COSO. The Company's registered independent public accounting firm concurred with management's conclusion as to this material weakness as of August 27, 2005.

Under the oversight of the Company's Audit & Finance Committee, management undertook the following actions to remediate this material weakness in the Company's internal control over financial reporting during the fiscal quarter ended November 26, 2005:

- We implemented additional review procedures over purchase accounting practices;
- We implemented additional review procedures over the selection and application of accounting policies and procedures.

Although the Company's remediation efforts were considered complete as of December 31, 2005, the Company's material weakness will not be considered remediated until the new internal controls have been able to be tested for operating effectiveness. As of April 1, 2006, a significant purchase accounting transaction had not been made since the material weakness was identified. Therefore, the remediated controls related to the material weakness have been unable to be tested, and management and the Company's registered independent public accounting firm have not been able to conclude that these controls are operating effectively.

Other than the changes associated with material weakness remediation efforts, there have been no significant changes in internal controls or in other factors that could significantly affect these controls subsequent to the date of the evaluation described. The Company completed the integration of the former Mykrolis financial system operations onto the Company's SAP ERP platform during the quarter ended April 1, 2006. The Company continues to evaluate the associated financial reporting controls to ensure the operating effectiveness of these controls.

PART II

OTHER INFORMATION

Item 1. Legal Proceedings

The following discussion provides information regarding certain litigation to which the Company was a party that were pending as of April 1, 2006. Other information with respect to legal proceedings appears in the Company's Report on Form 10-K for the fiscal year ended August 27, 2005.

As described in the Company's Report on Form 10-K for the fiscal year ended August 27, 2005, 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 a fluid separation device known as the Pall Photo Kleen EZD-2 filter assembly manufactured and sold by the defendant. The Company's lawsuit also sought a preliminary injunction preventing the defendant from the manufacture, use, sale, offer for sale or importation into the U.S. of the infringing product. Cross appeals of rulings by the District Court to the U.S. Court of Appeals for the Federal Circuit are pending.

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 two of the Company's filtration products. Both products and their predecessor products have been on the market for more than 10 years and are covered by numerous patents held by the Company. The Company believes that this action is without merit and intends to vigorously defend this suit.

As described in the Company's Report on Form 10-K for the fiscal year ended August 27, 2005, on June 28, 2005, the Company's predecessor, Entegris, Inc., a Minnesota corporation, filed a lawsuit against Miraial Co. Ltd. in the United States District Court for the District of Minnesota alleging the infringement, contributory infringement or inducement to infringe of five of the Company's U.S. patents relating to containers for transporting and storing silicon wafers used in the manufacture of semiconductors. The lawsuit also sought preliminary and permanent injunctions preventing the defendant from directly infringing, infringing by inducement or contributing to the infringement of these patents. On September 23, 2005 defendant filed a motion to dismiss for lack of jurisdiction and insufficiency of service of process. On October 28, 2005 this case was transferred to the U.S. District Court for the Southern District of New York by stipulation of the parties and the defendant accepted service of process and submitted to the jurisdiction of that court. This suit is currently pending the U.S. District Court for the Southern District of New York.

Table of Contents

Item 6. Exhibits

10.1	Entegris, Inc. - Form of 2006 Equity Incentive Award Agreement
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 Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

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: May 11, 2006

/s/ John D. Villas

John D. Villas
Senior Vice President and Chief
Financial Officer
(on behalf of the Registrant and
as principal financial officer)

Exhibit 10.1

____
Name of Employee ("Employee")

ENTEGRIS, INC.
2006 Equity Incentive Award Agreement

In consideration of services rendered by Employee to Entegris, Inc. (the "Company") the undersigned Employee: (i) acknowledges that Employee has received an equity incentive award (the "Award") under the *[Entegris, Inc. 2001 Equity Incentive Plan or Entegris, Inc. 1999 Long-Term Incentive and Stock Option Plan]* (the "Plan"), consisting of **[A]** restricted stock of the Company subject to the terms set forth under Article I below and **[B]** Performance Shares that may be issued to Employee upon the satisfaction of and subject to the terms and conditions specified in Article II below; **(ii)** further acknowledges receipt of a copy of the Plan as in effect on the effective date hereof; and **(iii)** agrees with the Company that the Award is subject to the terms of the Plan and to the following terms and conditions:

ARTICLE I – RESTRICTED STOCK AWARD

1.1. *Effective Date*. This Agreement shall take effect as of January 18, 2006 which is the date of grant of the Award.

1.2. *Shares Subject to Award*. The Award consists of ___________ shares of restricted stock (the "Restricted Stock") of the Common Stock, $0.01 par value, of the Company ("Stock"). The undersigned's rights to the Restricted Stock are subject to the restrictions described in this Agreement and in the Plan (which is incorporated herein by reference with the same effect as if set forth herein in full) in addition to such other restrictions, if any, as may be imposed by law.

1.3. *Meaning of Certain Terms*. The term "vest" as used herein with respect to any Restricted Stock means the lapsing of the restrictions described herein with respect to such Restricted Stock.

1.4. *Nontransferability of Shares*. The Restricted Stock acquired by the undersigned pursuant to this Agreement shall not be sold, transferred, pledged, assigned or otherwise encumbered or disposed of except as provided below and in the Plan.

1.5. *Forfeiture Risk*. If the undersigned ceases to be employed by the Company and/or its subsidiaries for any reason, including death, any then outstanding and unvested Restricted Stock acquired by the undersigned hereunder shall be automatically and immediately forfeited. The undersigned hereby: **(i)** appoints the Company as the attorney-in-fact of the undersigned to take such actions as may be necessary or appropriate to effectuate a transfer of the record ownership of any such Restricted Stock that are unvested and forfeited hereunder; **(ii)** agrees to deliver to the Company, as a precondition to the issuance of any certificate or certificates with respect to unvested Restricted Stock hereunder, one or more stock powers, endorsed in blank, with respect to such Restricted Stock; and **(iii)** agrees to sign such other powers and take such other actions as the Company may reasonably request to accomplish the transfer or forfeiture of any unvested Restricted Stock that are forfeited hereunder.

1.6. *Retention of Certificates*. Any certificates representing unvested Restricted Stock shall be held by the Company. If unvested Restricted Stock are held in book entry form, the undersigned agrees that the Company may give stop transfer instructions to the depository to ensure compliance with the provisions hereof.

1.7. *<u>Vesting of Shares</u>*. The Restricted Stock acquired hereunder shall vest in accordance with the provisions of this Article I, Paragraph 1.7 and applicable provisions of the Plan, as follows:

- 25% of the Restricted Stock vest on and after January 18, 2007;
- an additional 25% of the Restricted Stock vest on and after January 18, 2008;
- an additional 25% of the Restricted Stock vest on and after January 18, 2009; and
- the final 25% of the Restricted Stock vest on and after January 18, 2010.

Notwithstanding the foregoing, no Restricted Stock shall vest on any vesting date specified above unless: **(A)** the undersigned is then, and since the date of grant has continuously been, employed by the Company or its subsidiaries; and **(B)** the undersigned has fulfilled the obligations specified in Section 1.11 below. In the event of the occurrence of **(i)** a consolidation or merger in which the Company is not the surviving corporation or which results in the acquisition of all or substantially all of the Company's then outstanding common stock by a single person or entity or by a group of persons and/or entities acting in concert, **(ii)** a sale or transfer of all or substantially all the Company's assets, or **(iii)** a dissolution or liquidation of the Company, then in such event, the Administrator may require that any amounts delivered, exchanged or otherwise paid in respect of outstanding and then unvested Restricted Stock be placed in escrow or otherwise made subject to such restrictions as the Administrator deems appropriate to carry out the intent of the Plan. References in this Agreement to the Restricted Stock shall refer, *mutatis mutandis*, to any such restricted amounts.

1.8. *<u>Legend</u>*. Any certificates representing unvested Restricted Stock shall be held by the Company, and any such certificate shall contain a legend substantially in the following form:

THE TRANSFERABILITY OF THIS CERTIFICATE AND THE SHARES OF STOCK REPRESENTED HEREBY ARE SUBJECT TO THE TERMS AND CONDITIONS (INCLUDING FORFEITURE) OF THE *[Mykrolis,- ENTEGRIS, INC. 2001 EQUITY INCENTIVE PLAN; Entegris – ENTEGRIS, INC. 1999 LONG TERM INCENTIVE AND STOCK OPTION PLAN]* AND A RESTRICTED STOCK AWARD AGREEMENT ENTERED INTO BETWEEN THE REGISTERED OWNER AND ENTEGRIS, INC. COPIES OF SUCH PLAN AND AGREEMENT ARE ON FILE IN THE OFFICES OF ENTEGRIS, INC.

If any Restricted Stock are held in book-entry form, the Company may take such steps as it deems necessary or appropriate to record and manifest the restrictions applicable to such Restricted Stock. As soon as practicable following the vesting of any such Restricted Stock the Company shall cause a certificate or certificates covering such Restricted Stock, without the aforesaid legend, to be issued and delivered to the undersigned. In the case of Restricted Stock held in book-entry form, as soon as practicable following the vesting of any such Restricted Stock, such Restricted Stock shall be freed of restrictions in such book-entry records.

1.9. *<u>Dividends, etc</u>.*. The undersigned shall be entitled to (i) receive any and all dividends or other distributions paid with respect to those Restricted Stock of which Employee is the record owner on the record date for such dividend or other distribution, and (ii) vote any Restricted Stock of which Employee is the record owner on the record date for such vote; *provided, however*, that any property or right (other than cash) distributed with respect to a share of Stock (the "associated share") acquired hereunder, including without limitation a distribution of Stock by reason of a stock dividend, stock split or otherwise, or a distribution of other securities with respect to an associated share, shall be subject to the restrictions of this Agreement in the same manner and for so long as the associated share remains subject to such restrictions, and shall be promptly forfeited if and when the associated share is so forfeited; *and further provided*, that the Administrator may require that any cash distribution with respect to the Restricted Stock other than a normal cash dividend be placed in escrow or otherwise made subject to such restrictions as the Administrator deems appropriate to carry out the intent of the Plan. References in this Agreement to the Restricted Stock shall refer, *mutatis mutandis*, to any such restricted amounts.

1.10. *Sale of Vested Shares*. The undersigned understands that Employee will be free to sell any Restricted Stock once it has vested, subject to (i) satisfaction of any applicable tax withholding requirements with respect to the vesting or transfer of such Restricted Stock; (ii) the completion of any administrative steps (for example, but without limitation, the transfer of certificates) that the Company may reasonably impose; and (iii) applicable requirements of federal and state securities laws.

1.11. *Certain Tax Matters*. The undersigned expressly acknowledges that the award or vesting of the Restricted Stock acquired hereunder, and the payment of dividends with respect to such Restricted Stock, may give rise to "wages" subject to withholding. The undersigned expressly acknowledges and agrees that Employee's rights hereunder are subject to Employee promptly paying to the Company in cash (or by such other means as may be acceptable to the Company in its discretion, including, if the Administrator so determines, by the delivery of previously acquired Stock or shares of Stock acquired hereunder in accordance with the Plan or by the withholding of amounts from any payment hereunder) all taxes required to be withheld in connection with such award, vesting or payment.

ARTICLE II – AWARD OF PERFORMANCE SHARES

2.1. *Effective Date; Duration*. This Award shall take effect as of January 18, 2006 and shall continue in effect until the issue of audited financial statements for the fiscal year ended December 31, 2009.

2.2. *Description of Performance Share Award*. The Award consists of an aggregate of __________ performance shares (the "Performance Shares") representing the right of the Employee to receive an award of that number of shares of the Company's Common Stock, $0.01 par value, ("Stock"), based upon and subject to the achievement of Performance Criteria established by the Administrator over a four (4) year period. The Performance Shares are divided into four (4) allotments, each equal to twenty-five percent (25%) of the above aggregate number of Performance Shares (a "Performance Share Unit"). The first Performance Share Unit shall be awarded if and to the extent that Performance Criteria specified by the Administrator with respect to fiscal year 2006 are achieved; the second Performance Share Unit shall be awarded if and to the extent that Performance Criteria specified by the Administrator with respect to fiscal year 2007 are achieved; the third Performance Share Unit shall be awarded if and to the extent that Performance Criteria specified by the Administrator with respect to fiscal year 2008 are achieved; and the fourth Performance Share Unit shall be awarded if and to the extent that Performance Criteria specified by the Administrator with respect to fiscal year 2009 are achieved. Employee's rights to the Performance Shares are subject to the provisions of this Article II and to the provisions of the Plan (which is incorporated herein by reference with the same effect as if set forth herein in full) in addition to such other restrictions, if any, as may be imposed by law.

2.3. *Meaning of Certain Terms*. As used in this Article II, the term "Performance Share Unit" means 1/4 of the aggregate number of Performance Shares as described in paragraph 2.2 above. The term "Performance Criteria" shall have the meaning specified in the Plan and shall include the financial metrics specified by the Administrator that must be achieved in order to receive an Award of Performance Shares in accordance with this Article II as described in paragraph 2.5 below. The term "Target" means the targeted level of performance with respect to each Performance Criteria as established in the operating plan for each fiscal year; the Target shall be adjusted after the first half of each fiscal year to reflect a reforecast of the Company's expected performance, the combination of the Target for the first half of the fiscal year with the re-forecasted Target for the second half of the year for each Performance Criteria shall be the Target for purposes of the calculation of the Award of Performance Shares pursuant to paragraph 2.4 below.

2.4. *Calculation of Award of Performance Shares*. The calculation of the Award of Performance Shares shall be made annually so that one Performance Share Unit is available for award with respect to each of fiscal years 2006 through 2009. For each fiscal year the portion of the Performance Share Unit that is to be awarded will depend on the extent to which the Performance Criteria for that year have been achieved. The actual performance of the Company with respect to each Performance Criteria in a fiscal year shall be calculated based on the audited financial statements for such year. The actual performance for each Performance Criteria shall be divided by the Target for such Performance Criteria to yield an actual performance percentage for each Performance Criteria. The relative weighting for each Performance Criteria specified in paragraph 2.5 below shall be multiplied times the actual performance percentage for each Performance Criteria to yield a weighted actual performance percentage for each Performance Criteria which shall be combined with the weighted actual performance percentage for the other Performance Criteria to yield an Aggregate Weighted Actual Performance Percentage which shall be applied to the following table to determine the Aggregate Annual Performance Multiplier. The Aggregate Annual Performance Multiplier shall be multiplied times the Performance Share Unit to determine the Award for the fiscal year.

Aggregate Weighted Performance Against Operating Plan (OP) Target

Threshold		Target		MAX	
Aggregate Weighted Actual Performance Percentage)	Aggregate Annual Performance Multiplier	Aggregate Weighted Actual Performance Percentage	Aggregate Annual Performance Multiplier	Aggregate Weighted Actual Performance Percentage	Aggregate Annual Performance Multiplier
<80	**0**	**94**	**.70**	**108**	**1.40**
81	**.05**	**95**	**.75**	**109**	**1.45**
82	**.10**	**96**	**.80**	**110**	**1.50**
83	**.15**	**97**	**.85**	**111**	**1.55**
84	**.20**	**98**		**112**	**1.60**
85	**.25**	**99**	**.95**	**113**	**1.65**
86	**.30**	**100**	**1.00**	**114**	**1.70**
87	**.35**	**101**	**1.05**	**115**	**1.75**
88	**.40**	**102**	**1.10**	**116**	**1.80**
89	**.45**	**103**	**1.15**	**117**	**1.85**
90	**.50**	**104**	**1.20**	**118**	**1.90**
91	**.55**	**105**	**1.25**	**119**	
92	**.60**	**106**	**1.30**	**120**	**2.00**
93	**.65**	**107**	**1.35**		

In any fiscal year in which aggregate weighted actual performance is less than 90%, no Award of a Performance Share Unit shall be made and the Performance Share Unit for that year shall be forfeited. Each fiscal year shall be evaluated separately so that if the Performance Share Unit is forfeited with respect to one fiscal year, the Performance Share Unit with respect to another fiscal year may nevertheless be earned to the extent that the Performance Criteria for that other year are achieved.

2.5. _*Performance Criteria*_. There shall be three (3) Performance Criteria which shall be weighted; the Performance Criteria and their relative weighting shall be as follows: _*revenue*_ – 25%, _*earnings before interest, taxes and amortization*_ as modified pursuant to the 2006 Entegris Incentive Plan ("Modified EBITA") – 50%; and _*cash conversion cycle*_ being the aggregate of accounts receivables days outstanding plus inventory days minus accounts payable days outstanding ("CCC") – 25%. The target performance level for each of these metrics shall be established in the operating plan for each fiscal year and shall be subject to semi-annual adjustment to reflect a reforecast of the Company's expected performance in accordance with the provisions of the 2006 Entegris Incentive Plan. While the operating plan for fiscal year 2006 has been approved by the Administrator and the Company's Board of Directors, with the Performance Criteria and weightings specified in this paragraph 2.5, the Performance Criteria and weightings for fiscal years 2007 through 2009 may include additional or different financial metrics and weightings as may be specified by the Administrator and approved by the Board of Directors in the operating plan for each such fiscal year.

2.6. _*Additional Conditions to the Award of Performance Shares*_. Employee shall be entitled to receive any award of a Performance Share Unit that has been earned during a fiscal year only if the Employee is in the employ of the Company or any of its subsidiaries on the last day of the fiscal year in question, and otherwise meet the participation requirements specified in the Plan as determined by the Administrator which determination shall be final and binding as to all interested parties.

2.7. _*Disability*_. In the event of the Employee's death or disability (as determined under the Company's long- term disability plan then covering the participant) ("Disability"), before the award of a Performance Share Unit, the Administrator, in its sole discretion, may provide for the partial award of any such Performance Share Unit on an equitable basis reflecting the performance of the Company during the period of the fiscal year until the date of death or Disability.

2.8. _*Payment of Performance Share Awards that are Earned*_. Payment of an Award of Performance Shares in respect of a Performance Share Unit that has been earned shall be made to Employee not later than six (6) months following the end of the fiscal year in question. Payment shall be in that number of shares of Stock needed to satisfy the Award as calculated in accordance with this Article II, which shall be free of any restrictions on transfer or risk of forfeiture.

2.9. _*Adjustments, etc*_. The Administrator shall make adjustments from time to time in the number of Performance Shares specified in paragraph 2.2 above as well as in the Financial Performance Metrics in such reasonable manner as the Administrator may determine to reflect:

(i) any increase or decrease in the number of issued shares of Stock of the Company resulting from a subdivision or consolidation of shares or any other capital adjustment, the payment of stock dividends or other increases or decreases in such Stock effected without receipt of consideration by the Company;

(ii) material changes in the Company's accounting practices or principles, the effect of which would be to distort the calculation of the Financial Performance Metrics;

(iii) material acquisitions or dispositions, the effect of which would be to distort the calculation of the Financial Performance Metrics;

(iv) a Change of Control; or

(v) extraordinary, unusual, and nonrecurring items (such as restructuring charges and discontinued operations) which are disclosed in the published audited financial statements and which would distort the calculation of the Financial Performance Metrics; provided, however, that no such adjustment shall be made to the extent that the Administrator determines that adjustment would cause an award to fail to be fully deductible by the Company on account of Section 162(m) of the Internal Revenue Code of 1986, as amended.

ARTICLE III – GENERAL PROVISIONS

3.1. *Definitions*. Except as otherwise expressly provided, all terms used herein shall have the same meaning as in the Plan. The term "Administrator" means the Management Development & Compensation Committee of the Company's Board of Directors.

3.2. *Mergers, etc*. In the event of any of **(i)** a consolidation or merger in which the Company is not the surviving corporation or which results in the acquisition of all or substantially all of the Company's then outstanding common stock by a single person or entity or by a group of persons and/or entities acting in concert, **(ii)** a sale or transfer of all or substantially all the Company's assets, or **(iii)** a dissolution or liquidation of the Company (a "Covered Transaction"), all outstanding Awards pursuant to Articles I and II above shall vest and if relevant become exercisable and all deferrals, other than deferrals of amounts that are neither measured by reference to nor payable in shares of Stock, shall be accelerated, immediately prior to the Covered Transaction and upon consummation of such Covered Transaction all Awards then outstanding and requiring exercise shall be forfeited unless assumed by an acquiring or surviving entity or its affiliate as provided in the following sentence. In the event of a Covered Transaction, unless otherwise determined by the Administrator, all Awards that are payable in shares of Stock and that have not been exercised, exchanged or converted, as applicable, shall be converted into and represent the right to receive the consideration to be paid in such Covered Transaction for each share of Stock into which such Award is exercisable, exchangeable or convertible, less the applicable exercise price or purchase price for such Award. In connection with any Covered Transaction in which there is an acquiring or surviving entity, the Administrator may provide for substitute or replacement Awards from, or the assumption of Awards by, the acquiring or surviving entity or its affiliates, any such substitution, replacement or assumption to be on such terms as the Administrator determines, provided that no such replacement or substitution shall diminish in any way the acceleration of Awards provided for in this section.

3.3. *Special Award Vesting Period, etc*.. If Employee ceases to be an employee due to: (1) retirement at Normal Retirement Age (as defined in the Entegris, Inc. 401(k) Savings and Profit Sharing Plan (2005 Restatement), as amended; or (2) retirement on or after age 62 and with ten years of Service (also as defined in the Entegris, Inc. 401(k) Savings and Profit Sharing Plan (2005 Restatement), as amended) with the Company, Employee will be entitled to a special award vesting period (the "Special Award Vesting Period") which will begin on Employee's Termination Date and will end on the earlier of the 5th anniversary of Employee's Termination Date or the Award Expiration Date. During the Special Award Vesting Period, the Award will continue to vest in accordance with the original vesting schedule and will be awarded to the same extent that it would have been awarded had Employee remained employed by the Company or one of its subsidiaries.

3.4. *No Understandings as to Employment*. The undersigned Employee further expressly acknowledges that nothing in the Plan or any modification thereto, in the Award or in this Agreement shall constitute or be evidence of any understanding, express or implied, on the part of the Company to employ the Employee for any period or with respect to the terms of the undersigned's employment or to give rise to any right to remain in the service of the Company or of any subsidiary or affiliate of the Company, and the undersigned shall remain subject to discharge to the same extent as if the Plan had never been adopted or the Award had never been made.

3.5. *Amendment*. This Agreement may be amended only by an instrument in writing executed and delivered by the Employee and the Company.

____

(Signature of Employee)

Dated: ___________, 200__

The foregoing Agreement is hereby accepted:

Entegris, Inc.

By ______________________________________

Title ______________________________________

EXHIBIT 31.1

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

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 that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

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: May 11, 2006

/s/ Gideon Argov

Gideon Argov
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, John D. Villas, 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 that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

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: May 11, 2006

/s/ John D. Villas

John D. Villas
Chief Financial Officer
(Principal Financial and Accounting 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 Report on Form 10-Q (the "Report") of Entegris, Inc, a Minnesota corporation (the "Company"), for the period ended April 1, 2006 as filed with the Securities and Exchange Commission on the date hereof, I, Gideon Argov, President and Chief Executive Officer of the Company, 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; 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: May 11, 2006

/s/ Gideon Argov
Gideon Argov
Chief Executive Officer

EXHIBIT 32.2

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 Report on Form 10-Q (the “Report”) of Entegris, Inc, a Minnesota corporation (the “Company”), for the period ended April 1, 2006 as filed with the Securities and Exchange Commission on the date hereof, I, John D. Villas, Chief Financial Officer of the Company, 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; 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: May 11, 2006

/s/ John D. Villas

John D. Villas
Chief Financial Officer