

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

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

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

<u>Notional</u>	<u>Underlying Shares</u>	<u>Conversion Price</u>
\$327 million	9.85 million	\$33.18

**Hypothetical Quarterly Average Stock Price Matrix**

<u>Average Quarterly Stock Price (\$)</u>	<u>Approximate Quarterly Dilutive Share Count Impact ( '000s shares)</u>
Less than \$33.36	-
\$40.00	1,679
\$47.00	2,897
\$54.00	3,798
\$61.00	4,493
\$68.00	5,045
\$75.00	5,494
\$82.00	5,866
\$89.00	6,179
\$96.00	6,447
\$103.00	6,679
\$110.00	6,881
\$117.00	7,059
\$124.00	7,216
\$131.00	7,357
\$138.00	7,484
\$145.00	7,598
\$152.00	7,702
\$159.00	7,797
\$166.00	7,883
\$173.00	7,963
\$180.00	8,037
\$187.00	8,105
\$194.00	8,168
<b>QJun'18 Adjusted Average Share Price</b>	<b>8,176</b>
\$201.00	8,226
\$208.00	8,281
\$215.00	8,332
\$222.00	8,380
\$229.00	8,425
\$236.00	8,468
\$243.00	8,508
\$250.00	8,545
\$257.00	8,581
\$264.00	8,615

1. Please refer to the Notes to the Consolidated Financial Statements, Note 11 - Long Term Debt and Other Borrowings on Form 10-Q, filed April 24, 2018, for additional information.
2. The conversion price has been adjusted to reflect the impact of the cash dividend payout on the conversion rate. Refer to Form 8-K filed June 12, 2018 for additional information.