

**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>
\$242 million	7.38 million	\$32.73

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	1,341
\$47.00	2,241
\$54.00	2,907
\$61.00	3,420
\$68.00	3,828
\$75.00	4,159
\$82.00	4,434
\$89.00	4,666
\$96.00	4,864
\$103.00	5,035
\$110.00	5,184
\$117.00	5,315
\$124.00	5,432
\$131.00	5,536
\$138.00	5,630
QDec'18 Adjusted Average Share Price	5,713
\$145.00	5,714
\$152.00	5,791
\$159.00	5,861
\$166.00	5,925
\$173.00	5,984
\$180.00	6,038
\$187.00	6,088
\$194.00	6,135
\$201.00	6,178
\$208.00	6,219
\$215.00	6,256
\$222.00	6,292
\$229.00	6,325
\$236.00	6,356
\$243.00	6,386
\$250.00	6,414
\$257.00	6,440
\$264.00	6,465

1. Please refer to the Notes to the Consolidated Financial Statements, Note 12 - Long Term Debt and Other Borrowings on Form 10-Q, filed October 23, 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 December 10, 2018 for additional information