

**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>
\$333 million	9.98 million	\$33.36

**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	1,656
\$47.00	2,895
\$54.00	3,813
\$61.00	4,521
\$68.00	5,082
\$75.00	5,539
\$82.00	5,918
\$89.00	6,237
\$96.00	6,510
\$103.00	6,746
\$110.00	6,951
\$117.00	7,133
\$124.00	7,293
\$131.00	7,437
\$138.00	7,565
\$145.00	7,682
\$152.00	7,788
\$159.00	7,884
\$166.00	7,972
\$173.00	8,053
\$180.00	8,128
\$187.00	8,198
\$194.00	8,262
<b>QMar'18 Adjusted Average Share Price</b>	<b>8,286</b>
\$201.00	8,322
\$208.00	8,377
\$215.00	8,429
\$222.00	8,478
\$229.00	8,524
\$236.00	8,567
\$243.00	8,608
\$250.00	8,646
\$257.00	8,682
\$264.00	8,717

1. Please refer to the Notes to the Consolidated Financial Statements, Note 11 - Long Term Debt and Other Borrowings on Form 10-Q, filed January 30, 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 March 12, 2018 for additional information.