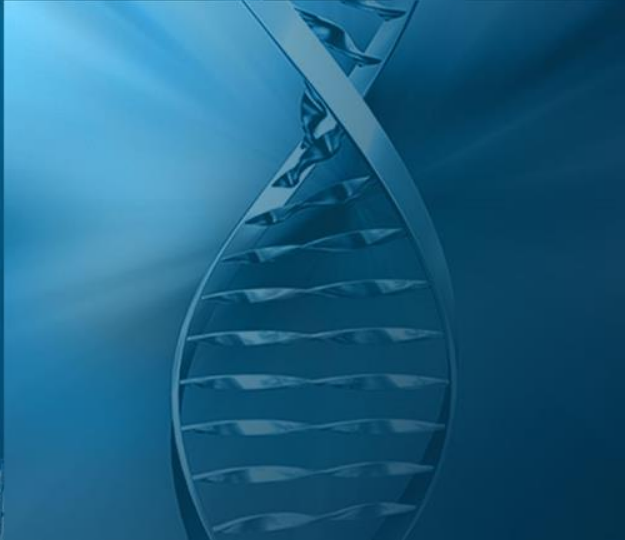


January 2018  
Operating Model



# Substantially Improved Target Operating Model

## FULLY SYNERGIZED WITH NEWPORT ACQUISITION

	2013 MKS MODEL		ACQUISITION MODEL <sup>(2)</sup>		October 2017 MODEL <sup>(3)</sup>	January 2018 MODEL <sup>(3)</sup>
ILLUSTRATIVE REVENUE LEVELS <sup>(1)</sup>	\$ 800M	IMPROVED OPERATING MODEL 8X OVER 4 YEAR PERIOD	\$1,430M	IMPROVED OPERATING MODEL 4X SINCE ACQUISITION	\$2,000M	\$2,200M
NON-GAAP GROSS MARGIN	42% - 44%		45% - 47%		46% - 48%	47% - 49%
NON-GAAP OPERATING MARGIN	15% - 17%		18% - 20%		24% - 26%	26% - 28%
NON-GAAP TAX RATE	33%		27%		27%	19%
NON-GAAP EPS	\$1.60		\$3.08		\$6.42	\$8.55
CUMULATIVE IMPROVEMENT NON-GAAP EPS FROM 2013 <sup>(2)</sup>			93%		~300%	~435%
NON-GAAP ADJUSTED EBITDA	\$155M		\$340M		\$563M	\$660M
CUMULATIVE IMPROVEMENT NON-GAAP ADJUSTED EBITDA FROM 2013 <sup>(2)</sup>			119%		235%	326%

**Additional revenue assumes incremental gross margin of 50%**

(1) Annual revenue for illustrative purposes only.

(2) At midpoint of model range. 2017 Fully synergized combined Newport model includes \$40M of announced cost synergies.

(3) At midpoint of model range. 2018 Fully synergized combined Newport models include \$40M of announced cost synergies..