



## MKS Inc. Reports Second Quarter 2025 Financial Results

August 6, 2025

- **Revenue of \$973 million, above the high end of guidance**
- **GAAP net income of \$62 million and net income per diluted share of \$0.92, each above the midpoint of guidance**
- **Adjusted EBITDA of \$240 million, above the high end of guidance, and Non-GAAP net earnings per diluted share of \$1.77, at the high end of guidance**

ANDOVER, Mass., Aug. 06, 2025 (GLOBE NEWSWIRE) -- MKS Inc. (NASDAQ: MKSI), a global provider of enabling technologies that transform our world, today reported its financial results for the second quarter of 2025.

"We delivered revenue and adjusted EBITDA above the high end of our guidance, driven by strong year over year growth in our Semiconductor and Electronics & Packaging end markets," said John T.C. Lee, President and Chief Executive Officer. "Our results reflect growing demand for products and solutions addressing advanced packaging and AI-related applications, underscoring our strength in enabling technologies that help customers solve their biggest challenges."

Mr. Lee added, "We continue to execute exceptionally well for our customers, exercise agility to mitigate trade policy instability and generate strong cash flows for debt prepayment. Looking ahead, we are focused on creating durable value for both our customers and shareholders."

"We delivered a strong quarter with improved sales, profitability and cash generation," said Ram Mayampurath, Executive Vice President and Chief Financial Officer. "We are also progressing well on deleveraging our balance sheet with a \$100 million prepayment in June followed by another \$100 million prepayment in August."

### Selected GAAP and Non-GAAP Financial Measures (In millions, except per share data)

|                                    | Three Months Ended |         |         | Six Months Ended |          |
|------------------------------------|--------------------|---------|---------|------------------|----------|
|                                    | Q2 2025            | Q1 2025 | Q2 2024 | Q2 2025          | Q2 2024  |
| <b>Net Revenues</b>                |                    |         |         |                  |          |
| Semiconductor                      | \$ 432             | \$ 413  | \$ 369  | \$ 846           | \$ 720   |
| Electronics & Packaging            | 266                | 253     | 229     | 519              | 437      |
| Specialty Industrial               | 275                | 270     | 289     | 545              | 598      |
| Total net revenues                 | \$ 973             | \$ 936  | \$ 887  | \$ 1,910         | \$ 1,755 |
| <b>GAAP Financial Measures</b>     |                    |         |         |                  |          |
| Gross margin                       | 46.6%              | 47.4%   | 47.3%   | 47.0%            | 47.5%    |
| Operating margin                   | 13.9%              | 11.9%   | 14.4%   | 12.9%            | 13.3%    |
| Net income                         | \$ 62              | \$ 52   | \$ 23   | \$ 114           | \$ 37    |
| Net income per diluted share       | \$ 0.92            | \$ 0.77 | \$ 0.33 | \$ 1.69          | \$ 0.55  |
| <b>Non-GAAP Financial Measures</b> |                    |         |         |                  |          |
| Gross margin                       | 46.6%              | 47.4%   | 47.3%   | 47.0%            | 47.5%    |
| Operating margin                   | 20.8%              | 20.2%   | 21.7%   | 20.5%            | 21.0%    |
| Net earnings                       | \$ 119             | \$ 116  | \$ 103  | \$ 235           | \$ 183   |
| Diluted earnings per diluted share | \$ 1.77            | \$ 1.71 | \$ 1.53 | \$ 3.48          | \$ 2.71  |

### Additional Financial Information

At June 30, 2025, the Company had \$674 million in cash and cash equivalents, \$3.1 billion of secured term loan principal outstanding, \$1.4 billion of convertible senior notes outstanding and up to \$675 million of additional borrowing capacity under a revolving credit facility, subject to certain leverage ratio requirements. In June 2025, the Company made a voluntary principal prepayment of \$100 million on its USD term loan B. In August 2025, the Company made an additional voluntary principal prepayment of \$100 million on its USD term loan B.

### Third Quarter 2025 Guidance

- Revenue of \$960 million, plus or minus \$40 million
- Gross margin of 46.5%, plus or minus 1.0%
- GAAP operating expenses of \$318 million, plus or minus \$5 million and Non-GAAP operating expenses of \$252 million, plus or minus \$5 million

- GAAP net income of \$67 million, plus or minus \$21 million and Non-GAAP net earnings of \$121 million, plus or minus \$19 million
- GAAP net income per diluted share of \$0.99, plus or minus \$0.31 and Non-GAAP net earnings per diluted share of \$1.80, plus or minus \$0.29
- Adjusted EBITDA of \$232 million, plus or minus \$24 million

The guidance for the third quarter is based on the current business environment, including the impact of U.S. import tariffs and the imposition of retaliatory actions taken by other countries up through but not including the date of this release. The Company will continue to monitor and adapt to changes in the business environment as needed.

#### Conference Call Details

A conference call with management will be held on Thursday, August 7, 2025 at 8:30 a.m. (Eastern Time). To participate in the call by phone, participants should visit the Investor Relations section of MKS' website at [investor.mks.com](http://investor.mks.com) and click on Events & Presentations, where you will be able to register online and receive dial-in details. We encourage participants to register and dial in to the conference call at least 15 minutes before the start of the call to ensure a timely connection. A live and archived webcast and related presentation materials will be available on the Investor Relations section of the MKS website.

#### About MKS Inc.

MKS Inc. enables technologies that transform our world. We deliver foundational technology solutions to leading edge semiconductor manufacturing, electronics and packaging, and specialty industrial applications. We apply our broad science and engineering capabilities to create instruments, subsystems, systems, process control solutions and specialty chemicals technology that improve process performance, optimize productivity and enable unique innovations for many of the world's leading technology and industrial companies. Our solutions are critical to addressing the challenges of miniaturization and complexity in advanced device manufacturing by enabling increased power, speed, feature enhancement, and optimized connectivity. Our solutions are also critical to addressing ever-increasing performance requirements across a wide array of specialty industrial applications. Additional information can be found at [www.mks.com](http://www.mks.com).

#### Use of Non-GAAP Financial Results

This press release includes financial measures that are not in accordance with U.S. generally accepted accounting principles ("Non-GAAP financial measures"). These Non-GAAP financial measures should be viewed in addition to, and not as a substitute for, MKS' reported results under U.S. generally accepted accounting principles ("GAAP"), and may be different from Non-GAAP financial measures used by other companies. In addition, these Non-GAAP financial measures are not based on any comprehensive set of accounting rules or principles. MKS management believes the presentation of these Non-GAAP financial measures is useful to investors for comparing prior periods and analyzing ongoing business trends and operating results. For further information regarding these Non-GAAP financial measures, please refer to the tables presenting reconciliations of our Non-GAAP results to our GAAP results and the "Notes on Our Non-GAAP Financial Information" at the end of this press release.

#### SAFE HARBOR FOR FORWARD-LOOKING STATEMENTS

This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 regarding the future financial performance, business prospects and growth of MKS Inc. ("MKS," the "Company," "our," or "we"). These statements are only predictions based on current assumptions and expectations. Any statements that are not statements of historical fact (including statements containing the words "will," "projects," "intends," "believes," "plans," "anticipates," "expects," "estimates," "forecasts," "continues" and similar expressions) should be considered to be forward-looking statements. Actual events or results may differ materially from those in the forward-looking statements set forth herein. Among the important factors that could cause actual events to differ materially from those in the forward-looking statements that we make are the level and terms of our substantial indebtedness and our ability to service such debt; our entry into the chemicals technology business through our acquisition of Atotech Limited ("Atotech") in August 2022 (the "Atotech Acquisition"), which has exposed us to significant additional liabilities; the risk that we are unable to realize the anticipated benefits of the Atotech Acquisition; risks related to cybersecurity, data privacy and intellectual property; competition from larger, more advanced or more established companies in our markets; the ability to successfully grow our business, including through growth of the Atotech business, and financial risks associated with that acquisition and potential future acquisitions, including goodwill and intangible asset impairments; manufacturing and sourcing risks, including those associated with limited and sole source suppliers and the impact and duration of supply chain disruptions, component shortages, and price increases; changes in global demand; risks associated with doing business internationally, including geopolitical conflicts, such as the conflict in the Middle East, trade compliance, trade protection measures, such as import tariffs by the United States or retaliatory actions taken by other countries, regulatory restrictions on our products, components or markets, particularly the semiconductor market, and unfavorable currency exchange and tax rate fluctuations, which risks become more significant as we grow our business internationally and in China specifically; conditions affecting the markets in which we operate, including fluctuations in capital spending in the semiconductor, electronics manufacturing and automotive industries, and fluctuations in sales to our major customers; disruptions or delays from third-party service providers upon which our operations may rely; the ability to anticipate and meet customer demand; the challenges, risks and costs involved with integrating or transitioning global operations of the companies we have acquired; risks associated with the attraction and retention of key personnel; potential fluctuations in quarterly results; dependence on new product development; rapid technological and market change; acquisition strategy; volatility of stock price; risks associated with chemical manufacturing and environmental regulation compliance; risks related to defective products; financial and legal risk management; and the other important factors described under the heading "Risk Factors" in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2024 and any subsequent Quarterly Reports on Form 10-Q, each as filed with the U.S. Securities and Exchange Commission. MKS is under no obligation to, and expressly disclaims any obligation to, update or alter these forward-looking statements, whether as a result of new information, future events or otherwise, even if subsequent events cause our views to change, after the date of this press release. Amounts reported in this press release are preliminary and subject to finalization prior to the filing of our Quarterly Report on Form 10-Q for the quarter ended June 30, 2025.

Company Contact:  
Pareto Misra

**MKS Inc.**  
**Unaudited Consolidated Statements of Operations**  
(In millions, except per share data)

|  | Three Months Ended |                   |                  | Six Months Ended |                  |
|--|--------------------|-------------------|------------------|------------------|------------------|
|  | June 30,<br>2025   | March 31,<br>2025 | June 30,<br>2024 | June 30,<br>2025 | June 30,<br>2024 |
| Net revenues:  |                    |                   |                  |                  |                  |
| Products   | \$ 848             | \$ 819            | \$ 770           | \$ 1,668         | \$ 1,524         |
| Services   | 125                | 117               | 117              | 242              | 231              |
| Total net revenues   | 973                | 936               | 887              | 1,910            | 1,755            |
| Cost of revenues:  |                    |                   |                  |                  |                  |
| Products   | 463                | 437               | 412              | 900              | 810              |
| Services   | 57                 | 55                | 56               | 113              | 111              |
| Total cost of revenues (exclusive of<br>amortization shown separately below) | 520                | 492               | 468              | 1,013            | 921              |
| Gross profit   | 453                | 444               | 419              | 897              | 834              |
| Research and development   | 76                 | 70                | 66               | 145              | 136              |
| Selling, general and administrative  | 175                | 185               | 161              | 361              | 331              |
| Acquisition and integration costs  | —                  | —                 | 2                | —                | 3                |
| Restructuring and other  | 5                  | 16                | 2                | 21               | 5                |
| Fees and expenses related to amendments to the<br>Term Loan Facility         | —                  | 2                 | —                | 2                | 3                |
| Amortization of intangible assets  | 62                 | 60                | 61               | 122              | 123              |
| Income from operations   | 135                | 111               | 127              | 246              | 233              |
| Interest income  | (4)                | (3)               | (5)              | (7)              | (11)             |
| Interest expense   | 55                 | 53                | 79               | 108              | 166              |
| Loss on extinguishment of debt   | 2                  | 3                 | 38               | 5                | 47               |
| Other (income) expense, net  | 10                 | (1)               | (7)              | 9                | (10)             |
| Income before income taxes   | 72                 | 59                | 22               | 131              | 41               |
| Provision (benefit) for income taxes   | 10                 | 7                 | (1)              | 17               | 4                |
| Net income   | <u>\$ 62</u>       | <u>\$ 52</u>      | <u>\$ 23</u>     | <u>\$ 114</u>    | <u>\$ 37</u>     |
| Net income per share:  |                    |                   |                  |                  |                  |
| Basic  | \$ 0.92            | \$ 0.77           | \$ 0.34          | \$ 1.69          | \$ 0.56          |
| Diluted  | \$ 0.92            | \$ 0.77           | \$ 0.33          | \$ 1.69          | \$ 0.55          |
| Cash dividends per common share  | \$ 0.22            | \$ 0.22           | \$ 0.22          | \$ 0.44          | \$ 0.44          |
| Weighted average shares outstanding:   |                    |                   |                  |                  |                  |
| Basic  | 67.2               | 67.4              | 67.3             | 67.3             | 67.2             |
| Diluted  | 67.4               | 67.7              | 67.5             | 67.5             | 67.5             |

**MKS Inc.**  
**Unaudited Consolidated Balance Sheet**  
(In millions)

|                                    | June 30,<br>2025 | December 31,<br>2024 |
|------------------------------------|------------------|----------------------|
| ASSETS                             |                  |                      |
| Cash and cash equivalents          | \$ 674           | \$ 714               |
| Trade accounts receivable, net     | 649              | 615                  |
| Inventories                        | 918              | 893                  |
| Other current assets               | 243              | 252                  |
| Total current assets               | <u>2,484</u>     | <u>2,474</u>         |
| Property, plant and equipment, net | 801              | 771                  |
| Right-of-use assets                | 283              | 238                  |

|   |                 |                 |
|---|-----------------|-----------------|
| Goodwill                                    | 2,570           | 2,479           |
| Intangible assets, net                      | 2,267           | 2,272           |
| Other assets                                | 421             | 356             |
| Total assets                                | <u>\$ 8,826</u> | <u>\$ 8,590</u> |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b> |                 |                 |
| Short-term debt                             | \$ 51           | \$ 50           |
| Accounts payable                            | 355             | 341             |
| Other current liabilities                   | 426             | 384             |
| Total current liabilities                   | <u>832</u>      | <u>775</u>      |
| Long-term debt, net                         | 4,357           | 4,488           |
| Non-current deferred taxes                  | 504             | 504             |
| Non-current accrued compensation            | 152             | 141             |
| Non-current lease liabilities               | 258             | 211             |
| Other non-current liabilities               | 170             | 149             |
| Total liabilities                           | <u>6,273</u>    | <u>6,268</u>    |
| Stockholders' equity:                       |                 |                 |
| Common stock                                | —               | —               |
| Additional paid-in capital                  | 2,078           | 2,067           |
| Retained earnings                           | 559             | 503             |
| Accumulated other comprehensive loss        | (84)            | (248)           |
| Total stockholders' equity                  | <u>2,553</u>    | <u>2,322</u>    |
| Total liabilities and stockholders' equity  | <u>\$ 8,826</u> | <u>\$ 8,590</u> |

**MKS Inc.**  
**Unaudited Consolidated Statements of Cash Flows**  
(In millions)

|   | Three Months Ended |                   |                  | Six Months Ended |                  |
|---|--------------------|-------------------|------------------|------------------|------------------|
|   | June 30,<br>2025   | March 31,<br>2025 | June 30,<br>2024 | June 30,<br>2025 | June 30,<br>2024 |
| Cash flows from operating activities:   |                    |                   |                  |                  |                  |
| Net income  | \$ 62              | \$ 52             | \$ 23            | \$ 114           | \$ 37            |
| Adjustments to reconcile net income to net cash provided by operating activities: |                    |                   |                  |                  |                  |
| Depreciation and amortization   | 87                 | 85                | 86               | 172              | 175              |
| Unrealized loss (gain) on derivatives not designated as hedging instruments       | 2                  | 2                 | (3)              | 4                | —                |
| Amortization of debt issuance costs and original issue discounts                  | 7                  | 6                 | 8                | 13               | 16               |
| Loss on extinguishment of debt  | 2                  | 3                 | 38               | 5                | 47               |
| Stock-based compensation  | 12                 | 22                | 11               | 34               | 26               |
| Provision for excess and obsolete inventory                                       | 10                 | 17                | 14               | 27               | 25               |
| Deferred income taxes   | (44)               | (37)              | (59)             | (80)             | (95)             |
| Other   | (1)                | 1                 | 2                | —                | 4                |
| Changes in operating assets and liabilities                                       | 28                 | (10)              | 2                | 17               | (46)             |
| Net cash provided by operating activities   | <u>165</u>         | <u>141</u>        | <u>122</u>       | <u>306</u>       | <u>189</u>       |
| Cash flows from investing activities:   |                    |                   |                  |                  |                  |
| Proceeds from sale of long-lived assets   | 2                  | —                 | —                | 2                | 1                |
| Purchases of property, plant and equipment  | (29)               | (18)              | (26)             | (47)             | (45)             |
| Net cash used in investing activities   | <u>(27)</u>        | <u>(18)</u>       | <u>(26)</u>      | <u>(45)</u>      | <u>(44)</u>      |
| Cash flows from financing activities:   |                    |                   |                  |                  |                  |
| Repurchase of common stock  | —                  | (45)              | —                | (45)             | —                |
| Proceeds from borrowings  | —                  | —                 | 1,400            | —                | 2,161            |
| Payments of borrowings  | (113)              | (113)             | (1,269)          | (225)            | (2,075)          |
| Purchase of capped calls related to Convertible Notes                             | —                  | —                 | (167)            | —                | (167)            |
| Payments of deferred financing fees   | —                  | —                 | (31)             | —                | (33)             |
| Dividend payments   | (15)               | (15)              | (15)             | (30)             | (30)             |

|  |        |        |        |        |        |
|--|--------|--------|--------|--------|--------|
| Net payments related to employee stock awards                | —      | (5)    | (2)    | (5)    | (11)   |
| Other financing activities                                   | (1)    | (2)    | (3)    | (4)    | (4)    |
| Net cash used in financing activities                        | (129)  | (180)  | (87)   | (309)  | (159)  |
| Effect of exchange rate changes on cash and cash equivalents | 10     | (2)    | (4)    | 8      | (11)   |
| Increase (decrease) in cash and cash equivalents             | 19     | (59)   | 5      | (40)   | (25)   |
| Cash and cash equivalents at beginning of period             | 655    | 714    | 845    | 714    | 875    |
| Cash and cash equivalents at end of period                   | \$ 674 | \$ 655 | \$ 850 | \$ 674 | \$ 850 |

The following supplemental Non-GAAP earnings information is presented to aid in understanding MKS' operating results:

**MKS Inc.**  
**Schedule Reconciling Selected Non-GAAP Financial Measures**  
(In millions, except per share data)

|   | Three Months Ended |                   |                  | Six Months Ended |                  |
|---|--------------------|-------------------|------------------|------------------|------------------|
|   | June 30,<br>2025   | March 31,<br>2025 | June 30,<br>2024 | June 30,<br>2025 | June 30,<br>2024 |
| Net income  | \$ 62              | \$ 52             | \$ 23            | \$ 114           | \$ 37            |
| Acquisition and integration costs                                 | —                  | —                 | 2                | —                | 3                |
| Restructuring and other   | 5                  | 16                | 2                | 21               | 5                |
| Amortization of intangible assets                                 | 62                 | 60                | 61               | 122              | 123              |
| Loss on extinguishment of debt                                    | 2                  | 3                 | 38               | 5                | 47               |
| Amortization of debt issuance costs                               | 5                  | 5                 | 5                | 9                | 11               |
| Fees and expenses related to amendments to the Term Loan Facility | —                  | 2                 | —                | 2                | 3                |
| Tax effect of Non-GAAP adjustments                                | (17)               | (22)              | (28)             | (38)             | (46)             |
| Non-GAAP net earnings   | \$ 119             | \$ 116            | \$ 103           | \$ 235           | \$ 183           |
| Non-GAAP net earnings per diluted share                           | \$ 1.77            | \$ 1.71           | \$ 1.53          | \$ 3.48          | \$ 2.71          |
| Weighted average diluted shares outstanding                       | 67.4               | 67.7              | 67.5             | 67.5             | 67.5             |
| Net cash provided by operating activities                         | \$ 165             | \$ 141            | \$ 122           | \$ 306           | \$ 189           |
| Purchases of property, plant and equipment                        | (29)               | (18)              | (26)             | (47)             | (45)             |
| Free cash flow  | \$ 136             | \$ 123            | \$ 96            | \$ 259           | \$ 144           |
| GAAP and Non-GAAP gross profit                                    | \$ 453             | \$ 444            | \$ 419           | \$ 897           | \$ 834           |
| GAAP and Non-GAAP gross margin                                    | 46.6%              | 47.4%             | 47.3%            | 47.0%            | 47.5%            |
| Operating expenses  | \$ 318             | \$ 332            | \$ 292           | \$ 651           | \$ 601           |
| Acquisition and integration costs                                 | —                  | —                 | 2                | —                | 3                |
| Restructuring and other   | 5                  | 16                | 2                | 21               | 5                |
| Amortization of intangible assets                                 | 62                 | 60                | 61               | 122              | 123              |
| Fees and expenses related to amendments to the Term Loan Facility | —                  | 2                 | —                | 2                | 3                |
| Non-GAAP operating expenses                                       | \$ 251             | \$ 254            | \$ 227           | \$ 505           | \$ 467           |
| Income from operations  | \$ 135             | \$ 111            | \$ 127           | \$ 246           | \$ 233           |
| Operating margin  | 13.9%              | 11.9%             | 14.4%            | 12.9%            | 13.3%            |
| Acquisition and integration costs                                 | —                  | —                 | 2                | —                | 3                |
| Restructuring and other   | 5                  | 16                | 2                | 21               | 5                |
| Amortization of intangible assets                                 | 62                 | 60                | 61               | 122              | 123              |
| Fees and expenses related to amendments to the Term Loan Facility | —                  | 2                 | —                | 2                | 3                |
| Non-GAAP income from operations                                   | \$ 202             | \$ 189            | \$ 192           | \$ 392           | \$ 367           |
| Non-GAAP operating margin   | 20.8%              | 20.2%             | 21.7%            | 20.5%            | 21.0%            |
| Interest expense, net   | \$ 51              | \$ 50             | \$ 74            | \$ 101           | \$ 155           |
| Amortization of debt issuance costs                               | 5                  | 5                 | 5                | 9                | 11               |
| Non-GAAP interest expense, net                                    | \$ 46              | \$ 45             | \$ 69            | \$ 92            | \$ 144           |
| Net income  | \$ 62              | \$ 52             | \$ 23            | \$ 114           | \$ 37            |

|   |               |               |               |               |               |
|---|---------------|---------------|---------------|---------------|---------------|
| Interest expense, net   | 51            | 50            | 74            | 101           | 155           |
| Other (income) expense, net                                       | 10            | (1)           | (7)           | 9             | (10)          |
| Provision (benefit) for income taxes                              | 10            | 7             | (1)           | 17            | 4             |
| Depreciation  | 26            | 25            | 25            | 51            | 52            |
| Amortization  | 62            | 60            | 61            | 122           | 123           |
| Stock-based compensation  | 12            | 22            | 11            | 34            | 26            |
| Acquisition and integration costs                                 | —             | —             | 2             | —             | 3             |
| Restructuring and other   | 5             | 16            | 2             | 21            | 5             |
| Loss on extinguishment of debt                                    | 2             | 3             | 38            | 5             | 47            |
| Fees and expenses related to amendments to the Term Loan Facility | —             | 2             | —             | 2             | 3             |
| Adjusted EBITDA   | <u>\$ 240</u> | <u>\$ 236</u> | <u>\$ 228</u> | <u>\$ 476</u> | <u>\$ 445</u> |
| Adjusted EBITDA margin  | <u>24.7%</u>  | <u>25.2%</u>  | <u>25.7%</u>  | <u>24.9%</u>  | <u>25.4%</u>  |

**MKS Inc.**  
**Schedule Reconciling Selected Non-GAAP Financial Measures**  
(In millions, except per share data)

|   | Three Months Ended June 30, 2025 |                                  |                       | Three Months Ended March 31, 2025 |                                  |                       |
|---|----------------------------------|----------------------------------|-----------------------|-----------------------------------|----------------------------------|-----------------------|
|   | Income Before<br>Income Taxes    | Provision<br>for Income<br>Taxes | Effective<br>Tax Rate | Income Before<br>Income Taxes     | Provision<br>for Income<br>Taxes | Effective<br>Tax Rate |
| GAAP  | \$ 72                            | \$ 10                            | 13.6%                 | \$ 59                             | \$ 7                             | 12.3%                 |
| Restructuring and other   | 5                                | —                                |                       | 16                                | —                                |                       |
| Amortization of intangible assets                                 | 62                               | —                                |                       | 60                                | —                                |                       |
| Loss on extinguishment of debt                                    | 2                                | —                                |                       | 3                                 | —                                |                       |
| Amortization of debt issuance costs                               | 5                                | —                                |                       | 5                                 | —                                |                       |
| Fees and expenses related to amendments to the Term Loan Facility | —                                | —                                |                       | 2                                 | —                                |                       |
| Tax effect of Non-GAAP adjustments                                | —                                | 17                               |                       | —                                 | 22                               |                       |
| Non-GAAP  | <u>\$ 146</u>                    | <u>\$ 27</u>                     | 18.2%                 | <u>\$ 145</u>                     | <u>\$ 29</u>                     | 19.9%                 |

|                                     | Three Months Ended June 30, 2024 |   |                       |
|-------------------------------------|----------------------------------|---|-----------------------|
|                                     | Income Before<br>Income Taxes    | (Benefit)<br>Provision<br>for Income<br>Taxes | Effective<br>Tax Rate |
| GAAP                                | \$ 22                            | \$ (1)  | (3.6%)                |
| Acquisition and integration costs   | 2                                | —   |                       |
| Restructuring and other             | 2                                | —   |                       |
| Amortization of intangible assets   | 61                               | —   |                       |
| Loss on extinguishment of debt      | 38                               | —   |                       |
| Amortization of debt issuance costs | 5                                | —   |                       |
| Tax effect of Non-GAAP adjustments  | —                                | 28  |                       |
| Non-GAAP                            | <u>\$ 130</u>                    | <u>\$ 27</u>                                  | 20.5%                 |

|                                   | Six Months Ended June 30, 2025 |   |                       | Six Months Ended June 30, 2024 |                                  |                       |
|-----------------------------------|--------------------------------|---|-----------------------|--------------------------------|----------------------------------|-----------------------|
|                                   | Income Before<br>Income Taxes  | (Benefit)<br>Provision<br>for Income<br>Taxes | Effective<br>Tax Rate | Income Before<br>Income Taxes  | Provision<br>for Income<br>Taxes | Effective<br>Tax Rate |
| GAAP                              | \$ 131                         | \$ 17   | 13.0%                 | \$ 41                          | \$ 4                             | 8.9%                  |
| Acquisition and integration costs | —                              | —   |                       | 3                              | —                                |                       |
| Restructuring and other           | 21                             | —   |                       | 5                              | —                                |                       |
| Amortization of intangible assets | 122                            | —   |                       | 123                            | —                                |                       |
| Loss on extinguishment of debt    | 5                              | —   |                       | 47                             | —                                |                       |

|   |               |              |                     |                    |
|---|---------------|--------------|---------------------|--------------------|
| Amortization of debt issuance costs                               | 9             | —            | 11                  | —                  |
| Fees and expenses related to amendments to the Term Loan Facility | 2             | —            | 3                   | —                  |
| Tax effect of Non-GAAP adjustments                                | —             | 38           | —                   | 46                 |
| Non-GAAP  | <u>\$ 290</u> | <u>\$ 55</u> | 19.1% <u>\$ 233</u> | <u>\$ 50</u> 21.7% |

**MKS Inc.**  
**Schedule Reconciling Selected Non-GAAP Financial Measures - Q3'25 Guidance**  
(In millions, except per share data)

|  | Three Months Ending September 30, 2025 |           |
|--|--|-----------|
|  | \$ Amount                              | Per Share |
| GAAP net income and net income per share         | \$ 67                                  | \$ 0.99   |
| Restructuring and other                          | 4                                      |           |
| Amortization of intangible assets                | 62                                     |           |
| Loss on extinguishment of debt                   | 2                                      |           |
| Amortization of debt issuance costs              | 4                                      |           |
| Tax effect of Non-GAAP adjustments               | (18)                                   |           |
| Non-GAAP net earnings and net earnings per share | \$ 121                                 | \$ 1.80   |
| Weighted average diluted shares                  | 67.5                                   |           |
| GAAP operating expenses                          | \$ 318                                 |           |
| Restructuring and other                          | (4)                                    |           |
| Amortization of intangible assets                | (62)                                   |           |
| Non-GAAP operating expenses                      | <u>\$ 252</u>                          |           |
| GAAP net income                                  | 67                                     |           |
| Interest expense, net                            | 49                                     |           |
| Other expense (income), net                      | 1                                      |           |
| Provision for income taxes                       | 9                                      |           |
| Depreciation                                     | 26                                     |           |
| Restructuring and other                          | 4                                      |           |
| Amortization of intangible assets                | 62                                     |           |
| Stock-based compensation                         | 12                                     |           |
| Loss on extinguishment of debt                   | 2                                      |           |
| Adjusted EBITDA                                  | <u>\$ 232</u>                          |           |

**MKS Inc.**  
**Notes on Our Non-GAAP Financial Information**

Non-GAAP financial measures adjust GAAP financial measures for the items listed below. These Non-GAAP financial measures should be viewed in addition to, and not as a substitute for, MKS' reported GAAP results, and may be different from Non-GAAP financial measures used by other companies. In addition, these Non-GAAP financial measures are not based on any comprehensive set of accounting rules or principles. MKS management believes the presentation of these Non-GAAP financial measures is useful to investors for comparing prior periods and analyzing ongoing business trends and operating results. Totals presented may not sum and percentages may not recalculate using figures presented due to rounding.

**Acquisition and integration costs** include incremental expenses incurred to effect the Atotech Acquisition. Such acquisition costs may include advisory, legal, tax, accounting, valuation, and other professional or consulting fees. Such integration costs may include expenses directly related to integration of business and facility operations, information technology systems and infrastructure and other employee-related costs.

**Restructuring and other** include incremental expenses incurred in connection with restructuring programs and other strategic initiatives, primarily related to changes in business and/or cost structure. Such costs may include third-party services, one-time termination benefits, facility-related costs, contract termination fees and other items that have no direct correlation to our future business operations.

**Amortization of intangible assets** includes non-cash amortization expense associated with intangible assets acquired in acquisitions.

**Loss on extinguishment of debt** includes the non-cash write-off of unamortized debt issuance costs and original issue discount costs incurred from voluntary prepayments and/or repricing of our term loan facility.

**Amortization of debt issuance costs** includes non-cash additional interest expense related to the amortization of debt issuance costs associated

with our term loan facility.

**Fees and expenses related to amendments to the Term Loan Facility** includes direct third-party costs related to repricings or refinancings of our term loan facility.

**Tax effect of Non-GAAP adjustments** includes the impact of Non-GAAP adjustments that are tax effected at applicable statutory rates resulting in a difference between the GAAP and Non-GAAP tax rates.



Source: MKS Inc.