

News Release

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Merck KGaA, Darmstadt, Germany, Submits All-Cash Proposal to Acquire Versum

- **\$48 Per Share Proposal Represents a Premium to Current Value of Entegris' All-stock Proposal**

Darmstadt, Germany, February 27, 2019 – Merck KGaA, Darmstadt, Germany, a leading science and technology company, today delivered a letter to the Board of Directors of Versum Materials, Inc. (“Versum”), outlining the terms of a superior proposal to acquire Versum for \$48 per share in cash, representing a premium of 51.7% to the undisturbed trading price per Versum share on the trading day prior to announcement of the Entegris, Inc. (“Entegris”) transaction (January 25, 2019). Merck KGaA, Darmstadt, Germany’s proposal is therefore substantially superior to the Entegris transaction.

“We truly believe in the power of a combined electronic materials portfolio of Merck KGaA, Darmstadt, Germany and Versum. Our attractive cash proposal to Versum’s investors underlines that we are fully committed to completing this transaction successfully”, said Stefan Oschmann, Chairman of the Executive Board and CEO of Merck KGaA, Darmstadt, Germany. “It is our clear intention to further strengthen our operations in the U.S. We are proud of our nearly 130 years of U.S. market history and already more than 10,000 highly qualified employees today working at more than 50 sites coast-to-coast.”



News Release

The combination of Merck KGaA, Darmstadt, Germany's and Versum's businesses would create a deep and complementary portfolio of electronic materials, equipment and services for the semiconductor and display industries. The combined R&D capabilities would enable faster innovation cycles and strengthen the product offering to customers. They would offer increased scale, product and service depth, an enhanced global presence and a strengthened supply chain, which would help drive leading innovation supported by long-term tailwinds in the industry. Moreover, they would provide an additional source for innovation through leading positions in attractive segments.

All-cash consideration offering attractive premium

Merck KGaA, Darmstadt, Germany's all-cash proposal represents an attractive premium across key benchmarks:

- 51.7% premium to Versum's undisturbed share price, on January 25, 2019, the day prior to the Versum-Entegris merger announcement;
- 15.9% premium to Versum's current share price as of February 26, 2019.

Additionally, the all-cash proposal offers Versum's shareholders certain value, and does not leave them exposed to integration or other post-merger risks. With Merck KGaA, Darmstadt, Germany's strong credit rating, the transaction will be fully financed and the transaction agreement will not have a financing contingency.

Commitment to strengthen U.S. operations

Merck KGaA, Darmstadt, Germany has a strong reputation for innovation and has demonstrated a robust commitment to R&D spending and capital investment. As the long-term secular trends in science and technology continue to drive lasting demand for electronic materials, the leaders will be those willing to invest, innovate and adapt in this fast-developing environment. Merck KGaA, Darmstadt, Germany believes this philosophy is consistent with Versum's culture and strength of its employees, and as such intends to maintain Versum's Tempe, AZ site as the major hub for the combined electronic materials business in the U.S., complementing Merck KGaA, Darmstadt, Germany's already strong commitment to this important market.

News Release

An opportunity for Versum employees

Merck KGaA, Darmstadt, Germany is a long-term oriented, predominantly family-owned science & technology company. "Performance, People & Technology" are its three strategic priorities. In Merck KGaA, Darmstadt, Germany's more than 350-year history, people have always been and will continue to be at the center of everything it does.

Merck KGaA, Darmstadt, Germany already has a strong footprint in the U.S. and a track record as a top employer. Over the past decade, the company has invested some \$24bn in the U.S. through acquisitions alone, including the successful acquisitions of Millipore in 2010 and Sigma-Aldrich in 2015.

Versum employees will become an integral part of a leading electronic materials business and will benefit from new and exciting development opportunities within a truly global science and technology company.

Timing

Merck KGaA, Darmstadt, Germany is confident it can close a transaction with Versum in the second half of 2019, assuming expedient engagement by the Versum Board of Directors. Merck KGaA, Darmstadt, Germany's long track record of completing acquisitions, its strong balance sheet and investment-grade credit rating position the combined company well for a future of investment and growth. Unlike the Entegris transaction, the only shareholder approval required by Merck KGaA, Darmstadt, Germany's proposal is that of Versum's shareholders, and Merck KGaA, Darmstadt, Germany fully expects to receive all customary regulatory clearances in a timely manner.

A full copy of the letter delivered by Merck KGaA, Darmstadt, Germany to the Versum, Board of Directors is attached to this release.

News Release

Advisors

Merck KGaA, Darmstadt, Germany has engaged Guggenheim Securities, LLC as its financial advisor and Sullivan & Cromwell LLP as its legal counsel.

Investor Conference Call

Merck KGaA, Darmstadt, Germany will host a [conference call](#) with the financial community at 9:30am EST today. For further details please also see www.thesuperiorproposal.com.

All Merck KGaA, Darmstadt, Germany, press releases are distributed by e-mail at the same time they become available on the EMD Group Website. In case you are a resident of the USA or Canada please go to www.emdgroup.com/subscribe to register for your online subscription of this service as our geo-targeting requires new links in the email. You may later change your selection or discontinue this service.

About Merck KGaA, Darmstadt, Germany

Merck KGaA, Darmstadt, Germany, a leading science and technology company, operates across healthcare, life science and performance materials. Around 51,000 employees work to make a positive difference to millions of people's lives every day by creating more joyful and sustainable ways to live. From advancing gene editing technologies and discovering unique ways to treat the most challenging diseases to enabling the intelligence of devices – the company is everywhere. In 2017, Merck KGaA, Darmstadt, Germany, generated sales of € 15.3 billion in 66 countries.

The company holds the global rights to the name and trademark "Merck" internationally. The only exceptions are the United States and Canada, where the business sectors of Merck KGaA, Darmstadt, Germany operate as EMD Serono in healthcare, MilliporeSigma in life science, and EMD Performance Materials. Since its founding 1668, scientific exploration and responsible entrepreneurship have been key to the company's technological and scientific advances. To this day, the founding family remains the majority owner of the publicly listed company.

Cautionary Statement Regarding Forward-Looking Statements

This communication may contain forward-looking statements based on current assumptions and forecasts made by Merck KGaA, Darmstadt, Germany's management. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. These factors include those discussed in our public reports which are available on our company's website at www.emdgroup.com. Merck KGaA, Darmstadt, Germany assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.

Additional Important Information and Where to Find It

This communication does not constitute an offer to buy or solicitation of an offer to sell any securities. This communication relates to a proposal which Merck KGaA, Darmstadt, Germany has made for a business combination transaction with Versum Materials, Inc. ("Versum"). In furtherance of this proposal and subject to future developments, Merck KGaA, Darmstadt, Germany (and, if a negotiated transaction is agreed, Versum) intends to file relevant materials with the SEC, including a proxy statement on Schedule 14A (the "Proxy Statement"). This communication is not a substitute for the Proxy Statement or any other document MerckKGaA, Darmstadt, Germany, Versum or Entegris, Inc. may file with the SEC in connection with the proposed transaction. **STOCKHOLDERS OF VERSUM ARE URGED TO READ ALL RELEVANT DOCUMENTS FILED WITH THE SEC, INCLUDING THE PROXY STATEMENT, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION.** Any

News Release

definitive Proxy Statement will be delivered to the stockholders of Versum. Investors and security holders will be able to obtain free copies of these documents (if and when available) and other documents filed with the SEC by Merck KGaA, Darmstadt, Germany through the website maintained by the SEC at <http://www.sec.gov>.

Participants in Solicitation

Merck KGaA, Darmstadt, Germany and its directors and executive officers may be deemed to be participants in the solicitation of proxies from the holders of Versum common stock in respect of the proposed transaction. Information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the Proxy Statement and other relevant materials to be filed with the SEC in respect of the proposed transaction when they become available.