

ENTEGRIS INC
Form PRE 14A
December 05, 2003

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

CONFIDENTIAL, FOR USE OF THE COMMISSION ONLY (AS PERMITTED BY RULE 14A-6(E)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to Section 240.14a-11(c) or Section 240.14a-12

ENTEGRIS, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required

Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

December 15, 2003

Dear Shareholder:

You are cordially invited to attend the 2004 Annual Meeting of Shareholders to be held at Thrivent Financial, 625 Fourth Avenue South, Minneapolis, Minnesota, commencing at 3:30 p.m. on Tuesday, January 20, 2004.

The Secretary's formal notice of the meeting and the Proxy Statement are enclosed and describe the matters to come before the meeting. During the meeting, we will review the activities of the past year and report on the status of the Company's business.

On behalf of the Board of Directors and the Entegris management team, we hope that you will be able to attend the meeting in person, and we look forward to seeing you. Even if you are unable to attend the meeting, it is important that your shares are represented and voted at the Annual Meeting. In either case, please mark, date and sign the enclosed proxy and return it promptly in the accompanying envelope or call the toll-free number indicated on the proxy.

We look forward to seeing you at the 2004 Annual Meeting of Shareholders.

Sincerely,

Stan Geyer
Chairman of the Board

ENTEGRIS, Inc.

3500 Lyman Boulevard

Chaska, Minnesota 55318

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

to be held on January 20, 2004

NOTICE IS HEREBY GIVEN that the Annual Meeting of Shareholders of ENTEGRIS, INC. will be held at Thrivent Financial (formerly Lutheran Brotherhood), 625 Fourth Avenue South, Minneapolis, Minnesota, commencing at 3:30 p.m. on Tuesday, January 20, 2004 for the following purposes:

1. To approve an Amendment to the Amended and Restated Bylaws of Entegris, Inc.;
2. To elect two directors for a one-year term if Item 1 is adopted or, if Item 1 is not adopted, to elect two directors for a three-year term;
3. To ratify the appointment of KPMG LLP as independent auditors for fiscal 2004;
4. To approve an amendment to the Entegris, Inc. 1999 Long-term Incentive and Stock Option Plan (the 1999 Plan) to increase the number of shares of common stock reserved for issuance under the 1999 Plan by 5,000,000 shares;
5. To approve an amendment to the Entegris, Inc. Outside Directors Stock Option Plan to change the date at which the Company provides its annual automatic grant of options to outside directors; and
6. To transact such other business as may properly be brought before the meeting or any adjournment.

The Board of Directors has fixed November 24, 2003 as the record date for the meeting. Only shareholders of record at the close of business on that date are entitled to receive notice of and vote at the meeting.

Your proxy is important to ensure a quorum at the meeting. Even if you own only a few shares, and whether or not you expect to be present, you are urgently requested to date, sign and mail the enclosed proxy in the postage-paid envelope provided, call the toll-free number indicated on the proxy card, or use the Internet voting procedure. The proxy may be revoked by you at any time and delivery of your proxy will not affect your right to vote in person if you attend the meeting.

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By Order of the Board of Directors,

John D. Villas
Secretary

Chaska, Minnesota

December 15, 2003

PROXY STATEMENT

The enclosed proxy is being solicited on behalf of the Board of Directors of Entegris, Inc. (the Company) for use at the Annual Meeting of Shareholders to be held on January 20, 2004. Only shareholders of record at the close of business on November 24, 2003 will be entitled to notice of and to vote at the meeting. A shareholder executing a proxy retains the right to revoke it by notice in writing to the Secretary of the Company at any time prior to its use. Proxies in the accompanying form, which are properly executed, duly returned and not revoked will be voted in the manner specified. If a proxy is properly executed but does not specify any or all choices on it, the proxy will be voted as follows: (i) in favor of the adoption of the Amendment to the Amended and Restated Bylaws of Entegris, Inc.; (ii) in favor of the election as directors of the two nominees described herein for a one-year term if Item 1 is adopted or, if Item 1 is not adopted, to elect such nominees as Class III directors for a three-year term; (iii) in favor the ratification of the appointment of KPMG LLP as independent auditors for fiscal 2004; (iv) in favor of an amendment to the Entegris, Inc. 1999 Long-Term Incentive and Stock Option Plan to increase the number of shares of common stock reserved for issuance by 5,000,000 shares; (v) in favor of an amendment to the Entegris, Inc. Outside Directors Stock Option Plan to change the date at which the Company provides its annual automatic grant of options to outside directors; and (vi) in the discretion of the persons named in the proxy as to such other matters as may properly come before the meeting, or any adjournment, as to which the Company did not have knowledge prior to December 15, 2003.

If an executed proxy is returned and the shareholder has voted withhold or abstain on any matter, the shares represented by such proxy will be considered present at the meeting for purposes of determining a quorum and for purposes of calculating the vote with respect to such matter, but will not be considered to have been voted in favor of such matter. If an executed proxy is returned by a broker holding shares in street name which indicates that the broker does not have discretionary authority as to certain shares to vote on one or more matters, such shares will be considered represented at the meeting for purposes of determining a quorum but not represented at the meeting for purposes of calculating the vote with respect to such matter or matters.

The address of the Company is 3500 Lyman Boulevard, Chaska, Minnesota 55318. The telephone number is (952) 556-3131. The mailing of this proxy statement and form of proxy to shareholders will commence on or about December 15, 2003.

SECURITY OWNERSHIP OF PRINCIPAL SHAREHOLDERS

On November 24, 2003, there were 72,722,170 shares of common stock, par value \$.01, issued and outstanding. Each share is entitled to one vote. The following table sets forth information concerning beneficial ownership of common stock of the Company by persons who are known by the Company to own more than 5% of the outstanding voting stock of the Company on November 24, 2003. Unless otherwise indicated, all shares represent sole voting and investment power.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership (1)	Percent of Class
WCB Holdings LLC (2) 950 Lake Drive Chaska, Minnesota 55317	14,365,608	19.2%
GreatBanc Trust Company as Trustee of the Entegris, Inc.		
Employee Stock Ownership Plan (3)	7,693,565	10.3%

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105 East Galena Boulevard Suite 500

Aurora, Illinois 60505

Attention: Amy Buckley

James E. Dauwalter (4)	4,387,429	5.9%
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3500 Lyman Boulevard

Chaska, Minnesota 55318

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- (1) Beneficial ownership is determined in accordance with the rules of the SEC. Applicable percentage ownership is based on 72,722,170 common shares outstanding as of November 24, 2003.

- (2) The estate of Wayne C. Bongard holds approximately 48% of the voting interest of WCB Holdings LLC and the remainder of the voting interest is held by various trusts for children and grandchildren of Wayne C. Bongard. James A. Bernards, a director of the Company, is a manager of WCB Holdings LLC and controls the estate of Wayne C. Bongard as personal representative and serves as trustee for one or more of the trusts. Mr. Bernards disclaims beneficial ownership of the Entegris shares held by WCB Holdings LLC.
- (3) Each participant in the Entegris, Inc. Employee Stock Ownership Plan (ESOP) has voting rights on significant matters. No individual ESOP account holds more than 5% of our outstanding shares.
- (4) Includes 75,958 shares held directly, of which 16,500 were issued pursuant to a restricted stock grant and are subject to forfeiture if certain obligations such as continued employment are not met; 375,536 held by family members; 280,161 shares allocated to Mr. Dauwalter's individual account under the ESOP; 2,924,644 shares held in family trust, foundations and other entities; and an aggregate of 731,130 shares subject to stock options exercisable within 60 days.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934 requires the Company's directors, certain officers and persons who own more than ten percent of a registered class of the Company's equity securities to file reports of ownership on Form 3 and changes in ownership on Forms 4 or 5 with the Securities and Exchange Commission. Specific due dates for these reports have been established by the Commission and the Company is required to disclose in this Proxy Statement any failure to file reports by such dates. Based solely on its review of the copies of such reports received by it, or on representations from certain reporting persons, the Company believes that, during the fiscal year ended August 30, 2003, all Section 16(a) filing requirements applicable to its officers, directors and ten percent shareholders were complied with, except for one Form 4 filing for Mr. John D. Villas relating to the sale of 5,000 shares in May 2003 which was inadvertently filed late by one day.

EQUITY COMPENSATION PLAN INFORMATION

The following table provides information as of October 31, 2003 with respect to shares of our common stock that may be issued under our existing equity compensation plans.

	Number of Securities to be Issued Upon Exercise of Outstanding Options	Weighted-Average Exercise Price of Outstanding Options	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans
	(a)	(b)	(c)
Equity compensation plans approved by stockholders	8,857,443	\$ 6.89	6,583,022 (1) (2) (3)
Equity compensation plans not approved by stockholders			
Total	8,857,443		6,583,022

- (1) Includes 2,321,225 shares available for issuance under the Entegris, Inc. 1999 Long-Term Incentive and Stock Option Plan.
- (2) Includes 3,576,903 shares available for issuance under the Employee Stock Purchase Plan.
- (3) Includes 684,894 shares available for issuance under the Entegris, Inc. Outside Directors' Option Plan.

The 1999 Long-Term Incentive and Stock Option Plan.

Number of Shares Subject to the 1999 Plan

The 1999 Plan currently allows reserves for issuance up to 15,000,000 shares of the Company's common stock pursuant to the exercise of options granted or shares of restricted stock purchased under such plan. As of October 31, 2003, 2,321,225 shares remained available. However, as set forth in Item 4 below, the Company is seeking shareholder approval to increase the number of shares reserved and available for issuance under the 1999 Plan by 5,000,000 to 20,000,000. The number of shares is subject to adjustment for any future stock dividends, splits, mergers, combinations or other changes in capitalization as described in the 1999 Plan.

Administration and Duration of the 1999 Plan

Authority to administer the 1999 Plan and to grant awards rests with a committee appointed by the Board or the Board of Directors acting as a committee. The Board has delegated its authority to grant awards to any employee (including officers who are members of the Board) to the Compensation Committee.

Eligibility for Participation

ISO Options may be granted only to employees (including officers and directors who are also employees) of the Company or of a subsidiary of the Company under the 1999 Plan. All other Options may be granted under the 1999 Plan to employees, officers, consultants, independent contractors and advisors of the Company or any subsidiary or affiliate. Restricted stock awards may also be granted.

Terms of Options

Options granted to participants under the 1999 Plan may be either (a) incentive stock options (ISOs) within the meaning of Section 422 of the Revenue Code, or (b) nonqualified stock options (NSOs) as designated at the time of grant. The exercise price of options granted under the 1999 Plan may not be less than 100% of the fair market value of our common stock on the date of grant. Payment of the exercise price may be made in cash or by check or in any other manner approved by the committee and were permitted under applicable laws. The term of an option may not exceed ten years plus one day.

Generally, options granted to employees vest over four years. Options may be made exercisable only under such conditions as the committee or its delegate may establish, such as if the optionee remains employed until a specified date, or if specified performance goals have been met. If an optionee's employment terminates because of misconduct, such option terminates immediately. If an optionee's employment terminates for any reason other than misconduct, the option remains exercisable for a fixed period of ninety days (twelve months in the case of an ISO option where employment has terminated because of death or disability) or a longer period to be fixed by the Committee. In no case may an option be exercised after the expiration of the option's term. An option may be exercised by the optionee or his or her guardian or legal representative.

Terms of Restricted Stock Awards

The Committee may also grant restricted stock awards. The Committee shall determine the number of shares and terms of such restricted stock award. The restricted stock award must set forth the period of time during which the grantee must remain in continuous employment of the Company in order for the forfeiture and transfer restrictions to lapse. Generally, the restrictions lapse in four installments with each installment lapsing on the first anniversary of the grant. The restricted stock award agreement may also, in the discretion of the Committee, set forth performance or other conditions that will subject the shares to forfeiture and transfer restrictions. The Committee may, in its discretion, waive all or any part of the restrictions applicable to any or all of the restricted stock awards.

Acceleration in Connection with a Change of Control

Certain participants have employment agreements which provide that if their employment is terminated for any reason other than for cause or, there is a constructive termination of their employment within one year after a Change of Control (as defined under Section Employment Agreements and Change in Control Arrangements), all option and shares of restricted stock held by such participant become fully vested.

The Company's Employee Stock Purchase Plan (ESPP).

Number of Shares Subject to the ESPP

The total number of shares available for distribution under the ESPP is 4,000,000. As of October 31, 2003, 3,576,903 shares remained available. The number of shares is subject to adjustment for any future stock dividends, splits, mergers, combinations, or other changes in capitalization as described in the ESPP.

Administration and Duration of the ESPP

Authority to administer the ESPP rests with the Compensation Committee.

Eligibility for Participation

Rights to participate hereunder shall be granted to employees of the Company and, as approved by the Board, its affiliates who own less than 5% of the issued and outstanding shares of stock; provided, however, that employees whose customary employment is twenty (20) hours or less per week or whose customary employment is for not more than five (5) months in any calendar year shall have no right to participate and shall qualify as an eligible employee.

Terms of the ESPP

There are two 6 month purchase periods per year beginning on each January 1 and July 1. An eligible employee can elect to purchase up to 10% (but in no event greater than a fair market value of \$25,000) of his or her recognized compensation and the Company withholds such amounts until the end of the purchase period. Unless a participant elects in writing to receive a refund under the ESPP, the amounts withheld from a participant during a purchase period are then used as of the last business day of such purchase period to purchase stock from the Company for a price equal to the lesser of (a) 85% of the fair market value of a share of stock on the first business day of the purchase period; or (b) 85% of the fair market value of a share of stock on the last business day of the purchase period.

The Company's Outside Directors' Option Plan (DSOP).

Number of Shares Subject to the DSOP The DSOP currently allows reserves for issuance up to 1,000,000 shares of the Company's common stock pursuant to the exercise of options granted under such plan. As of October 31, 2003, 684,894 shares remained available for issuance. The number of shares is subject to adjustment for any future stock dividends, splits, mergers, combinations or other changes in capitalization as described in the 1999 Plan.

Administration and Duration of the DSOP. Authority to administer the DSOP and to grant awards rests with the Board of Directors or a committee appointed by the Board.

Eligibility for Participation. The DSOP is only available to outside members of the Board of Directors of the Company.

Terms of Options. Initially, an outside director receives a grant of 15,000 options on the date on which such person first becomes a director, whether through election by the shareholders of the Company or appointment by the Board of Directors. Currently, on the date of each annual meeting or regular stockholder's

meeting subsequent thereto, an option for nine thousand (9,000) shares of Stock is granted immediately after such meeting to each outside Director; provided that such option is only granted to outside Directors who will continue to serve after the date of grant of such option and who have served continuously since the prior annual meeting of Shareholders (or who served continuously for the prior twelve calendar months if no such annual meeting took place during that time). However, as described in Item 5 below, the Company is proposing to change its grant date from the date of its annual meeting to October 15 or the next trading day in the event the market is closed on October 15th beginning on October 15, 2004. Accordingly, if approved, the outside directors would be eligible to receive a stock grant on the date of the annual meeting this year and on October 15, 2004 and thereafter, only on October 15 of each year.

Item 1 APPROVAL TO AMEND THE COMPANY S AMENDED AND RESTATED BYLAWS TO DISCLASSIFY THE BOARD AND TO ELIMINATE SUPERMAJORITY SHAREHOLDER APPROVAL

The Company s Amended and Restated Bylaws (Bylaws) currently provide that the Company s Board of Directors be divided into three classes, as nearly equal in number as possible, with members of each class serving three-year terms. This system for electing directors was adopted by shareholders in 2000 by the affirmative vote of more than 75% of the then outstanding shares of the company. In addition, the Company s Bylaws currently require that the Company obtain the affirmative vote of at least 75% of the issued and outstanding shares to amend, repeal or adopt any provision inconsistent with Article 3 of the Bylaws as well as to remove a director from office.

After careful consideration, the Board of Directors has determined that it would be in the best interests of the Company and its shareholders and has unanimously adopted resolutions, subject to approval by at least 75% of the Company s issued and outstanding shares, to amend Article 3 of the Company s Bylaws to declassify the Board of Directors and to amend Sections 3.2, 3.10 and 6.7 to require the affirmative vote of a majority (rather than 75%) of the issued and outstanding shares to increase the number of Board members, remove a director from office and to make amend, repeal or adopt any provision inconsistent with Article 3. The Proposal would allow for the annual election of all directors by the Company s 2006 Annual Meeting of Shareholders, as described below and would, prospectively, require the affirmative vote of a majority of the issued and outstanding shares to increase the number of Board members, remove a director from office and to make any additional amendments, repeals or adoptions to Article 3.

The Company s Bylaws

The Company s Bylaws provide the Company s Board of Directors, officers and shareholders with a general framework of each party s various rights and obligations. A copy of the current Amended and Restated Bylaws is attached hereto for your reference as *Exhibit A*.

Declassification of the Board

Under the current Bylaw provisions, shareholders are requested to elect the directors comprising one of the classes for a three-year term. Currently, the term of the Class III directors is set to expire in 2004 at this year s Annual Meeting, the term of the Class I directors is set to expire in 2005 and the term of the Class II directors is set to expire in 2006. Because of the classified Board structure, shareholders have the opportunity to vote on only roughly one-third of the directors each year. The Board is currently separated into three classes, as follows:

Class I - Paul Olson and Dan Quernemoen

Class II - Jim Bernards, Jim Dauwalter and Stan Geyer

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Class III - Bob Boehlke, Gary Klingl and Roger McDaniel

The Board of Directors is proposing an amendment to Entegris Bylaws to eliminate the classified Board structure and as discussed below, supermajority shareholder approval (the Amendment). If the shareholders approve this Amendment, by 2006, the terms of all directors will expire at the annual meeting of shareholders each year and their successors will be elected for one-year terms that will expire at the next annual meeting. In

addition, any Director chosen as a result of the newly created directorship or to fill a vacancy on the Board of Directors will hold office until the next Annual Meeting of Shareholders. A copy of the Amendment to the Bylaws is set forth in *Exhibit B*.

The concept of a classified board is an anti-takeover measure that the Board of Directors feels is no longer appropriate. Rather, the Board believes that shareholders should have the opportunity to vote on all directors each year and believes that this will be an effective way to maintain and enhance the accountability of the Board.

Proponents of classified boards assert they promote the independence of directors in that directors elected for multi-year terms would be less subject to outside influence. In addition, they believe that a classified board provides continuity and stability in the management of the business and affairs of a company due to the fact that a majority of directors will always have prior experience as directors of the company. Further, they assert classified boards may enhance shareholder value by forcing an entity seeking control of a target company to initiate arms length discussions with the board of a target company because the potential acquirer would be unable to replace the entire board in a single election.

However, supporters of declassified boards view classified boards as reducing the accountability of directors to shareholders since it limits the ability of shareholders to evaluate and elect all directors on an annual basis. The election of directors is a primary means for shareholders to influence corporate governance policies and to hold management accountable for implementing those policies. In addition, supporters of declassified boards assert that a staggered structure for the election of directors may discourage proxy contests in which shareholders have an opportunity to vote for a competing slate of nominees and as such, classified boards may erode shareholder value.

Under the proposed amendment, the annual election of directors would be phased in over a three-year period. Directors who had been previously elected for three-year terms ending in 2005 and 2006 would continue to serve out these terms so that no director previously elected to a multiyear term would have their term shortened. Consequently, under the proposed amendment, one class of the directors would be elected to a one-year term in 2004, two classes of directors would be elected to one-year terms in 2005 and, in 2006 and thereafter, all directors would be elected to one-year terms.

Elimination of Supermajority Requirements

Additionally, Sections 3.2, 3.10 and 6.7 of the Company's Bylaws require the affirmative vote of at least 75% of the issued and outstanding shares in order to increase the number of directors, remove a director from office, or to amend, repeal or adopt any changes inconsistent with Article 3. The concept of supermajority shareholder approval is also an anti-takeover measure that the Board of Directors feels is no longer appropriate.

In furtherance of the Company's goal of ensuring that its corporate governance policies maximize management accountability to shareholders, the proposed Amendment would, if adopted, allow shareholders maximum flexibility to effect desirable governance changes by giving shareholders the opportunity each year to register their views on the performance of the Board of Directors as well as greater flexibility to make certain changes to the Board and their respective responsibilities and duties to the Company. As such, the Nominating and Corporate Governance committee and the full Board of Directors of the Company have concluded that it would be in the best interests of the Company and its shareholders to declassify the Board and to eliminate the supermajority voting requirement and have unanimously approved the proposed Amendment to the Bylaws attached hereto as *Exhibit B*, and, if approved by the requisite vote of shareholders, the Bylaws, pursuant to Minnesota law, will be amended to declassify the Company's Board of Directors and to eliminate supermajority shareholder approval.

Approval of the Amendment to the Bylaws that is required to effect the elimination of the classified board requires the affirmative vote of at least 75% of the shares of common stock issued and outstanding as of the record date. Therefore, approval of this proposal will require the affirmative vote of 54,541,627 shares. The Board of Directors unanimously recommends that shareholders vote FOR Item 1.

Item 2 ELECTION OF DIRECTORS

Our current Bylaws provide that the Board of Directors must consist of no more than nine directors, and that any increase in the number of directors must be approved by the affirmative vote of 75% of the votes entitled to be cast at a shareholders' meeting, unless the increase was approved by a majority of the board. The directors are currently divided into three classes, designated as Class I, Class II and Class III, with staggered three-year terms of office. At each Annual Meeting of Shareholders, directors who are elected to succeed the class of directors whose terms expired at that meeting are elected for three-year terms. Robert J. Boehlke, Gary F. Klingl and Roger D. McDaniel are up for reelection at the 2004 Annual Meeting of Shareholders, Messrs. Paul L.H. Olson and Mr. Daniel R. Quernemoen will be up for reelection at the 2005 Annual Meeting of Shareholders and Messrs. James A. Bernards, James E. Dauwalter and Stan Geyer will be up for reelection at the 2006 Annual Meeting of Shareholders. Vacancies may be filled by a majority of the directors then in office, and the directors so chosen hold office until the next election of the class to which such directors belong. Entegris' shareholders previously elected all current directors, except Mr. Olson who was elected to the Board of Directors in March 2003.

As explained in Item 1 of this proxy statement, the Board of Directors has unanimously adopted resolutions, subject to shareholder approval, amending the Company's Bylaws, including Article 3, the effect of which would declassify the Board of Directors. The amended Bylaws would allow for the annual election of all directors by the Company's 2006 Annual Meeting of Shareholders. Under the proposed amendment, the annual election of directors would be phased in over a three-year period with directors whose terms expire in 2004 elected to one-year terms, rather than three-year terms, if Item 1 is adopted by the shareholders. Directors who had been previously elected for three-year terms ending in 2005 and 2006 would continue to serve out these terms so that no director previously elected to a multiyear term would have their term shortened. Consequently, under the proposed amendment, one class of the directors would be elected to a one-year term in 2004, two classes of directors would be elected to one-year terms in 2005 and, in 2006 and thereafter, all directors would be elected to one-year terms.

In October 2002, Messrs. Mark A. Bongard and Delmer M. Jensen each voluntarily provided the Board with written notices of their resignations as board members. Mr. Bongard's resignation was effective October 31, 2002, and Mr. Jensen's resignation was effective as of December 31, 2002. As a result of their resignations and the election of Mr. Olson in March 2003, the number of Board members currently stands at eight. Mr. Boehlke's current term expires at the 2004 Annual Meeting of Shareholders. However, Mr. Boehlke has indicated that for personal reasons he does not intend to stand for reelection and expects to tender his resignation coincident with the expiration of his term. The Board is currently evaluating potential candidates and Board size to ensure continuing compliance with NASDAQ requirements, and anticipate filling one or two vacancies on the Board.

Management has no reason to expect that any of the nominees will fail to be a candidate at the annual meeting and, therefore, does not have in mind any substitute or substitutes for any of the nominees. If any of the nominees should be unable to serve as director (which event is not anticipated), proxies will be voted for a substitute nominee or nominees in accordance with the best judgment of the person or persons acting under the proxies.

Unless authority is withheld, the Proxy solicited hereby will be voted FOR the election of Messrs. Gary F. Klingl and Roger D. McDaniel for a one-year term expiring at the 2005 Annual Meeting of Shareholders if Item 1 is adopted or, if Item 1 is not adopted, for a three-year term expiring at the 2007 Annual Meeting of Shareholders. The affirmative vote of a majority of the shares of common stock of the Company entitled to vote and present in person or by proxy at the annual meeting is necessary to elect each nominee.

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The following table sets forth certain information as to each nominee for the office of director, as well as directors whose terms of office will continue after the Annual Meeting of Shareholders is held.

Name and Principal Occupation	Age	Term Expires
James A. Bernards has been a director of Entegris since June 1999. Mr. Bernards has also been President of Facilitation, Inc., a provider of business and financial consulting services, since June 1993. Mr. Bernards was President of the accounting firm of Stirtz, Bernards & Company from May 1981 to June 1993. Mr. Bernards has been President of Brightstone Capital, Ltd., a venture capital fund manager, since 1986. He is a director of FSI International, Inc., Health Fitness Corporation, August Technology, Inc. and several private companies.	57	2006
Robert J. Boehlke has been a director of Entegris since August 1999. Prior to that time, Mr. Boehlke had been a director of Fluoroware, Inc. (Fluoroware)(which consolidated with EMPAK, Inc. (Empak) in June 1999 to form Entegris) since January 1998. In 2000, Mr. Boehlke retired from KLA-Tencor where he served as Executive Vice President and Chief Financial Officer. Mr. Boehlke joined KLA-Tencor in 1983 and served in a number of senior management positions. Prior to his employment by KLA-Tencor, Mr. Boehlke was a partner at the investment banking firm of Kidder, Peabody & Company from 1971 to 1983. Mr. Boehlke is a member of the Board of directors of DuPont Photomasks, Inc., MEMC Electronic Materials, Inc. and LTX Corporation. (1) (2) (3)	62	2004
James E. Dauwalter was appointed Chief Executive Officer in January 2001, has served as President of Entegris since June 2000 and has been a director of Entegris since June 1999. Mr. Dauwalter has also served as Chief Operating Officer from March 2000 to January 2001, and was the Executive Vice President of Entegris from March 2000 through June 2000. Prior to that time, Mr. Dauwalter had been a director of Fluoroware since 1982 and also served as Executive Vice President and Chief Operating Officer of Fluoroware since September 1996. Mr. Dauwalter serves on the Board of Directors of the Community Bank of Chaska.	52	2006
Stan Geyer has been Chairman of the Board of Directors of Entegris since January 2001. Prior to that time, Mr. Geyer had been Chief Executive Officer and a member of the Board of Directors of Entegris since June 1999. Mr. Geyer also served as President of Entegris from June 1999 to June 2000. Prior to June 1999, Mr. Geyer had been the President and Chief Executive Officer of Fluoroware since September 1996 and a member of its Board of Directors since 1982. Mr. Geyer previously served as Vice President of Marketing and Executive Vice President of Fluoroware. Mr. Geyer serves on the advisory Board of Search Ministries Minnesota.	55	2006
Gary F. Klingl has been a director of Entegris since September 2000. Since 1994, Mr. Klingl has served as a management consultant. Prior to 1994, Mr. Klingl served as President of Green Giant Worldwide, a division of The Pillsbury Company and various other management positions at Pillsbury. (2) (3)	64	2004
Roger D. McDaniel has been a director of Entegris since August 1999. Prior to that time, Mr. McDaniel was a director of Fluoroware since August 1997. From 1989 to August 1996, Mr. McDaniel was the Chief Executive Officer of MEMC, a silicon wafer producer, and was also a director of MEMC from April 1989 to March 1997. Mr. McDaniel is a director of Veeco Instruments, Inc. He is also a past director and Chairman of the Semiconductor Equipment and Materials International (SEMI) organization. (1) (2) (3)	64	2004
Paul L.H. Olson has been a director of Entegris since March 2003. Mr. Olson has served as Executive Vice President of Bethel College & Seminary since 2001, prior to which he had provided consulting services to Bethel since 2000. In 1996, Mr. Olson was a founding executive of Sterling Commerce, Inc., a business-to-business electronic commerce software and services company where he served through 2000. Prior to his role with Sterling Commerce, he held executive positions with various entities. Mr. Olson is also an active advisor to a venture capital firm, and serves as a member of the Board of Directors of several private companies and non-profit organizations. (1) (3)	53	2005
Daniel R. Quernemoen has been Chairman Emeritus of the Board of Directors of Entegris since January 2001. Prior to that time, Mr. Quernemoen had been the Chairman of the Board of Directors of Entegris since June 1999 and was a member of Fluoroware s Board since 1970. Mr. Quernemoen was also Chief Executive Officer of Fluoroware from 1982 to 1996 and President from 1980 to 1982. Mr. Quernemoen is a member of the Board of Directors of SEMI. Mr. Quernemoen serves on the Board of Directors of the Wallestad Foundation.	72	2005

- (1) Member of the Audit Committee
- (2) Member of the Compensation and Stock Option Committee
- (3) Member of the Nominating and Governance Committee

None of the above nominees or directors is related to any other director or to any executive officer of the Company. Except as indicated above, each of the directors has maintained his or her current principal occupation for at least the last five years. The Board of Directors has adopted a standard for evaluating the independence of the members of the Board of Directors that complies with the requirements of the listing standards of the NASDAQ Exchange, and the non-employee director requirements under Rule 16b-3 of the Securities Exchange Act of 1934. The Board has evaluated all relationships between each director and the Company, and has determined that Messrs. Boehlke, Klingl, McDaniel and Olson are independent according to such guidelines.

The Company has adopted a Code of Ethics and Conduct applicable to all employees, including its Chief Executive Officer, its Chief Financial Officer and all other senior executives. A copy of the Entegris, Inc. Code of Ethics and Conduct is available on the Company's Web site at www.entegris.com.

The Board of Directors held four meetings during the last fiscal year. The Board's independent members regularly meet in executive session without participation by the Company's Chief Executive Officer, or other Board members currently serving as members of management. The Company's Board of Directors has the authority to hire its own advisors as it deems appropriate.

Committees of the Board of Directors

The Board of Directors maintains an Audit Committee composed of Messrs. Boehlke, McDaniel and Olson, all of whom are independent directors. The Company has determined that Mr. Boehlke, the Committee's Chair, qualifies as an audit committee financial expert. The Audit Committee recommends to the Board of Directors the appointment of independent auditors, reviews and approves the scope of the annual audit and other non-audit services performed by the independent auditors, reviews the findings and recommendations of the independent auditors and periodically reviews and approves major accounting policies and significant internal accounting control procedures. The Audit Committee charter is included in this proxy statement as *Exhibit C*. The Audit Committee met eight times during fiscal 2003.

The Board of Directors also maintains a Compensation and Stock Option Committee comprised of Messrs. Boehlke, Klingl and McDaniel, all of whom are independent directors. The Compensation and Stock Option Committee reviews and makes recommendations regarding compensation of officers and directors, administers Entegris' stock option plans, and reviews major personnel matters. The Compensation and Stock Option Committee met four times during fiscal 2003.

In September 2002, the Board of Directors formed a Nominating and Governance Committee comprised of Messrs. Boehlke, Klingl, McDaniel and Olson, all of whom are independent directors. The Nominating and Governance Committee is responsible for the evaluation and recommendation of individuals for election or reelection to the Board, including those recommendations submitted by shareholders, the review of Board's Committees' charters and membership and Board membership guidelines. The Nominating and Governance Committee met four times during fiscal 2003.

Each director attended more than 75% of the meetings of the Board and committees of which they were members during fiscal 2003.

Director Compensation

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Each non-employee director of Entegris receives a monthly retainer of \$1,000 for their service to the Board. Such directors are also are paid \$500 for each regularly scheduled Board meeting and for each official Committee meeting attended where they are members. Committee Chairs receive an additional \$500 for each official Committee meeting attended. Entegris also maintains the Outside Directors Stock Option Plan (Directors Plan) which provides that all non-employee directors receive an option to purchase 15,000 shares of common stock when they are first elected or appointed to the Board, and subsequent annual options to purchase 9,000 shares. As of August 30, 2003, there were outstanding options to purchase an aggregate of 215,842 shares at a weighted average exercise price of \$6.72 per share.

In fiscal 2003, Mr. Quernoemoen was paid \$39,202 in salary and received benefits under the Company's employee benefit plans.

Compensation Committee Interlocks and Insider Participation

All current members of the Compensation and Stock Option Committee are considered independent under applicable SEC and NASDAQ rules. No interlocking relationships exist between the Board of Directors or the Compensation and Stock Option Committee and the Board of Directors or compensation committee of any other company, nor has any interlocking relationship existed in the past.

NAMED EXECUTIVE OFFICERS

Executive officers are elected annually by the Board of Directors and serve for a one-year period. There are no family relationships between the executive officers or directors of the Company. The following persons are the executive officers of Entegris, Inc.:

<u>Name</u>	<u>Age</u>	<u>Position</u>
James E. Dauwalter	52	President and Chief Executive Officer
Stan Geyer	55	Chairman of the Board
Gregory B. Graves	43	Chief Business Development Officer and Senior Vice President Finance
Brad C. McMahon	49	Senior Vice President of Human Resources
John D. Villas	45	Chief Financial Officer
Michael W. Wright	56	Chief Operating Officer

Except as noted herein, each of the named executive officers has been an employee of the Company, Fluoroware or Empak for more than the last five years, generally in senior management positions. Mr. Graves joined Entegris as Chief Business Development Officer in September 2002. Prior to joining Entegris, Mr. Graves held positions in investment banking and corporate development, including at U.S. Bancorp Piper Jaffray from June 1998 to August 2002 and at Dain Rauscher from October 1996 to May 1998. Mr. McMahon joined Entegris as Senior Vice President of Human Resources in September 2003. Prior to joining Entegris, Mr. McMahon served as Director of Human Resources for Medical Arts Press from May 1999 to March 2003 and Vice President, Human Resources for The Northland Company from January 1994 to March 1999.

James E. Dauwalter and Stan Geyer also serve as directors of the Company. Their biographies can be found on page 8 of this proxy statement.

SECURITY OWNERSHIP OF DIRECTORS AND NAMED EXECUTIVE OFFICERS

The following table sets forth the number of the Company's common shares beneficially owned by each director and the executive officers of the Company included in the Summary Compensation Table set forth under the caption "Executive Compensation" and by all directors and executive officers of the Company as a group, on November 24, 2003. Unless otherwise indicated, all shares represent sole voting and investment power.

Name	Amount and Nature of Beneficial Ownership			
	Number of Shares Held (1)	Options Exercisable w/in 60 days	Total number of shares beneficially owned	Percent of Outstanding Shares
James A. Bernards (2)	22,310	57,000	79,310	*
Robert J. Boehlke	26,210	57,000	83,210	*
James E. Dauwalter (3)	3,656,299	731,130	4,387,429	5.9%
Stan Geyer (4)	1,475,791	724,618	2,200,409	2.9%
Gregory B. Graves (5)	9,375	1,500	10,875	*
Gary F. Klingl		42,000	42,000	*
Roger D. McDaniel	4,632	57,000	61,632	*
Brad C. McMahon (6)	3,125		3,125	*
Paul L. H. Olson		15,000	15,000	*
Daniel R. Quernemoen (7)	913,300	9,000	922,300	1.2%
John D. Villas (8)	311,479	157,800	469,279	*
Michael W. Wright (9)	17,858	145,474	163,332	*
All directors and executive officers as a group (12 persons)(10)	6,440,379	1,997,522	8,437,901	11.3%

* Represents beneficial ownership of less than one percent of the common shares.

- (1) Beneficial ownership is determined in accordance with the rules of the SEC. Applicable percentage ownership is based on 72,722,170 common shares outstanding as of November 24, 2003.
- (2) The estate of Wayne C. Bongard holds approximately 48% of the voting interests of WCB Holdings LLC and the remainder of the voting interests are held by various trusts for children and grandchildren of Wayne C. Bongard. Mr. Bernards controls the estate of Wayne C. Bongard as personal representative, and serves as trustees for one or more of the trusts. Mr. Bernards disclaims beneficial ownership of the Entegris shares held by WCB Holdings LLC.
- (3) Includes 75,958 shares held directly, of which 16,500 were issued pursuant to a restricted stock grant and are subject to forfeiture if certain obligations such as continued employment are not met; 375,536 held by family members; 280,161 shares allocated to Mr. Dauwalter's individual account under the ESOP; 2,924,644 shares held in family trust, foundations and other entities; and an aggregate of 731,130 shares subject to stock options exercisable within 60 days.
- (4) Includes 211,847 shares held directly, of which 12,500 were issued pursuant to a restricted stock grant and are subject to forfeiture if certain obligations such as continued employment are not met; 171,097 shares held by family member; 262,691 shares allocated to Mr. Geyer's account under the ESOP; and 830,156 shares held in family trusts, foundations and other entities.
- (5) Includes 9,375 shares issued pursuant to a restricted stock grant and are subject to forfeiture if certain restrictions such as continued employment are not met.
- (6) Includes 3,125 shares issued pursuant to a restricted stock grant and are subject to forfeiture if certain restrictions such as continued employment are not met.
- (7) Includes 712,959 shares held directly and 200,341 shares held by a family member.
- (8) Includes 192,769 shares held directly, of which 9,375 shares were issued pursuant to a restricted stock grant which are subject to forfeiture if certain restrictions such as continued employment are not met; and 118,710 shares allocated to Mr. Villas' account under the ESOP.
- (9) Includes 17,858 shares held directly of which 16,875 shares were issued pursuant to a restricted stock grant and are subject to forfeiture if certain restrictions such as continued employment are not met.
- (10) Includes an aggregate of 1,277,043 shares held directly, of which 67,750 were issued pursuant to a restricted stock grant and are subject to forfeiture if certain obligations such as continued employment are not met; 746,974 shares held by family members; 661,562 shares allocated to all officers' and directors' accounts under the ESOP shares; and 3,754,800 shares held in family trusts, foundations and other entities. Excludes 14,365,608 shares owned by WCB Holdings LLC, of which Mr. Bernards disclaims beneficial ownership.

COMPENSATION AND STOCK OPTION COMMITTEE REPORT

ON EXECUTIVE COMPENSATION

Overview and Philosophy

The Board of Directors Compensation and Stock Option Committee (the Committee) includes Messrs. Boehlke, Klingl and McDaniel. The Committee reviews and makes recommendations regarding compensation of executive officers, including those Named Executives listed in the Summary Compensation Table below, administers Entegris stock option plans, and reviews significant personnel matters.

The Company's executive compensation program strives to be competitive with the compensation provided by comparable companies in the microelectronics and semiconductor industries. Accordingly, the Committee analyzes compensation survey data focused on the microelectronics and semiconductor industries. The compensation survey data reviewed by the Committee is developed and published by several independent sources. In addition, the Committee may also periodically consider the recommendations of an outside compensation consultant.

The Committee annually conducts a review of its executive compensation program. The purpose of the review is to ensure that the Company's executive compensation program is meeting the objectives listed below. The Committee may also periodically engage independent compensation consultants to assist them in this process.

The Committee emphasizes long-term business development and creation of shareholder value. Therefore, a significant portion of total compensation is performance-based. The objectives of the executive compensation policies are to:

attract, retain, motivate and reward high caliber executives;