

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name Axcelis Technologies, Inc.		2 Issuer's employer identification number (EIN) 34-1818596	
3 Name of contact for additional information Lynnette C. Fallon	4 Telephone No. of contact (978)787-4120	5 Email address of contact lynnette.fallon@axcelis.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 108 Cherry Hill Drive		7 City, town, or post office, state, and Zip code of contact Beverly, MA 01915	
8 Date of action June 30, 2016		9 Classification and description Reverse stock split at a ratio of 1-for-4	
10 CUSIP number 054540 208	11 Serial number(s)	12 Ticker symbol ACLS	13 Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **On May 4, 2016, the stockholders of Axcelis Technologies, Inc. authorized the Board of Directors to implement a one for four reverse stock split of Axcelis' common stock (CUSIP no. 054540 109). The reverse stock split was implemented on June 30, 2016 by a certificate of amendment to Axcelis' certificate of incorporation, and the post reverse split shares have CUSIP number 054540 208. Record holders who would otherwise have received a fractional share are entitled to a cash payment. Axcelis' exchange agent aggregated the fractional shares and sold them at the prevailing prices on the open market, and the record holders entitled to fractional share payments will receive their respective pro rata share of the total net proceeds of that sale. These cash payments will be made automatically to book entry record holders and will be made on submission of stock certificates for the pre-split common stock for certificated record holders.**

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **The aggregate tax basis of the post-reverse stock split shares of Axcelis common stock will be the same as the aggregate tax basis of the pre-reverse stock split shares of Axcelis common stock exchanged in the reverse stock split, reduced by any amount allocable to a fractional share for which cash is payable in lieu. The per share tax basis will be the aggregate tax basis divided by the number of post-split shares owned.**

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **The effect to each shareholder is an increase to their existing tax basis per share of 400%. There is no change in the total cost basis.**

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► The tax treatment is determined under Internal Revenue Code Sections 305(a), 354(a)(1) and 368(a)(1)(E). The effect on the basis of the shareholders is determined under Internal Revenue Code Sections 307(a) and 358(b)(1). The tax treatment to the shareholders receiving receiving cash for fractional shares is determined under Internal Revenue Code Section 302(a).

18 Can any resulting loss be recognized? ► Other than to the extent that shareholders receive cash in lieu of fractional shares, Axcelis shareholders will not recognize a gain or loss for U.S. Federal income tax purposes associated with the 1-for-4 stock split. Taxpayers who received cash in lieu of fractional shares will be treated as having sold their fractional shares for cash. The amount of the gain or loss recognized as a result of such exchange will be equal to the difference between the ratable portion of the basis that is allocated to the fractional share that was paid by cash in lieu of receipt.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► The reportable tax year for shareholders that are calendar year taxpayers is 2016. If a shareholder is reporting on a basis other than a calendar year, it should be reported in the year that includes June 30, 2016.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here
 Signature ► *Lynette C. Fallon* Date ► August 1, 2016
 Print your name ► LYNETTE C. FALLON Title ► EVP HR/legal + G.C.

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ►				Firm's EIN ►
	Firm's address ►				Phone no.