Part I  Reporting Issuer

1  Issuer’s name

Lam Research Corporation

2  Issuer’s employer identification number (EIN)

94-2634797

3  Name of contact for additional information

Miyo Saiki

4  Telephone No. of contact

510-572-7747

5  Email address of contact

Miyo.Saiki@lamresearch.com

6  Number and street (or P.O. box if mail is not delivered to street address) of contact

4650 Cushing Parkway

7  City, town, or post office, state, and ZIP code of contact

Fremont, CA 94538

8  Date of action

03/24/2020

9  Classification and description

Common Stock

10  CUSIP number

670008 AD3

11  Serial number(s)

N/A

12  Ticker symbol

LRCX

13  Account number(s)

N/A

Part II  Organizational Action

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 ► See attached statement.

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 ► See attached statement.

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 ► See attached statement.
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 conversion rate adjustment on the convertible debt instrument results in a distribution under Section 305(c).

18 Can any resulting loss be recognized?  N/A

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year.  The adjustment occurred on March 24, 2020; therefore, the reportable tax year for Lam is fiscal year year ending June 28, 2020.

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.

Signature ➤  ODETTA GO  Date ➤  4/9/2020

Print your name ➤  ODETTA GO  Title ➤  VP, GLOBAL TREASURY

Paid Preparer Use Only  Print/Type preparer’s name  Preparer’s signature  Date  Check ☐ if self-employed  PTIN

Firm’s name ➤  Firm’s EIN ➤
Firm’s address ➤  Phone no.

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054
Form 8937

Issuer’s name: Lam Research Corporation (referred as “The Company” thereafter in this document)

FEIN: 94-2634797

CUSIP number: 670008 AD3

Part II

Line 14. On February 20, 2020, Lam Research Corporation’s (referred as “The Company” thereafter) board of directors declared a quarterly cash dividend payment of $1.15 per share of the Company's common stock for 2020 March quarter to be paid out on April 8, 2020. Section 8.03(d) of the Indenture provides for an increase in the Conversion Rate in connection with this dividend.

On the dividend declaration date, February 21, 2020, The Company provided the first Notice of Conversion Rate Adjustment in connection with the dividend to the Indenture Note Trustee, The Bank of New York Mellon Trust Company (referred as “BONY” thereafter), for distribution to Note Holders. On the ex-dividend date, March 24, 2020, the Company prepared the 2nd Notice with a detailed Conversion Rate Adjustment for distribution to Note Holders. The 2nd Notice was sent to BONY and attached to the 8-K filed by the Company dated March 27, 2020.

Line 15. Section 8.03(d) of the Indenture (CUSIP number: 670008 AD3) provides for an increase in the Conversion Rate in connection with the dividend mentioned above.

The Conversion Rate Adjustment (CR’) Calculation Illustration:

\[ CR_1 = CR_0 \times \left( \frac{(SP_0)}{(SP_0 - C)} \right) \]

The Bond Basis Increment = \((CR_1 - CR_0) \times SP_0\)

\( CR_0 \) = the Conversion Rate in effect immediately prior to the open of business on the Ex-Dividend Date for such dividend or distribution;

\( CR_1 \) = the Conversion Rate in effect immediately after the open of business on the Ex-Dividend Date for such dividend or distribution;

\( SP_0 \) = the Last Reported Sale Price of the Common Stock on the Trading Day immediately preceding the Ex-Dividend Date for such dividend or distribution; and

\( C \) = the amount in cash per share the Company distributes to holders of its Common Stock.

There is deemed distribution to the Bond Holders resulted from the Conversion Rate Adjustment which is to increase the basis in the corresponding bond.

The Deemed Distribution (i.e. increment to the bond basis) Illustration:

Deemed Distribution = \((CR_1 - CR_0) \times SP_0\)
Line 16. The Conversion Rate relating to the Notes, previously equal to 31.2089 shares of Common Stock per $1,000 principal amount of Notes, was increased to 31.3961 shares of Common Stock per $1,000 principal amount of Notes as a result of the cash dividend paid on April 8, 2020 by the Company.

The above Conversion Rate Increase resulted in deemed distribution of $36.1015 per $1,000 principal amount of Notes to the bond holder and subsequently increases the bond basis accordingly.

Please see below for calculation detailed illustrated for $1,000 principal amount of Notes:

$$CR_1 = CR_0 \times ((SP_0) / (SP_0 - C)) = 31.2089 \times ((192.85) / (192.85-1.15)) = 31.3961$$

Deemed Distribution = $$(CR_1 - CR_0) \times SP_0 = (31.3961 - 31.2089) \times 192.85 = 36.1015$$

$$CR_0= 31.2089$$
$$CR_1= 31.3961$$
$$SP_0= 192.85$$
$$C = 1.15$$