



APPLIED MATERIALS ANNOUNCES ISSUANCE OF \$400 MILLION IN SENIOR NOTES

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SANTA CLARA, Calif., October 10, 1997 -- Applied Materials, Inc. announced today that it has agreed to sell 10-year Senior Notes due October 15, 2007 in an aggregate principal amount of \$200 million and 20-year Senior Notes due October 15, 2017 in an aggregate principal amount of \$200 million. The 10-year Senior Notes have a coupon rate of 6.75 percent and were priced to the public at 99.935 percent. The 20-year Senior Notes have a coupon rate of 7.125 percent and were priced to the public at 99.316 percent. Both issues are rated "A3" by Moody's Investor Service, Inc. and "BBB+" by Standard and Poor's Corp.

These securities were offered under a shelf registration statement declared effective by the Securities and Exchange Commission on October 6, 1997. The underwriting was co-managed by Morgan Stanley Dean Witter Incorporated, Lehman Brothers Inc., J. P. Morgan Securities, Inc. and Goldman, Sachs & Co. Proceeds from the offering will be used for general corporate purposes, including working capital requirements and the expansion of facilities.

"We are extremely pleased with the strong market response to this offering of debt securities," said Nancy H. Handel, Applied Materials' Vice President Global Finance and Treasurer. "This milestone is further recognition of Applied Materials' industry leadership position and financial strength. The terms and structure of this transaction demonstrate the confidence of the capital markets in supporting our global opportunities."

Applied Materials, Inc. is a Fortune 500 global growth company and the world's largest supplier of wafer fabrication systems and services to the global semiconductor industry. Applied Materials is traded on the Nasdaq National Market under the symbol, "AMAT." Applied Materials' web site is <http://www.appliedmaterials.com>.