APPLIED MATERIALS COMPLETES ACQUISITIONS OF OPAL, INC. AND ORBOT INSTRUMENTS, LTD.

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SANTA CLARA, Calif., January 9, 1997 -- Applied Materials, Inc. announced today that it has completed the acquisitions of Opal, Inc. (NASDAQ symbol "OPAL"), a leading supplier of CD-SEM systems for approximately $175 million in cash, and Orbot Instruments, Ltd., a supplier of wafer and reticle inspection systems with leading-edge technologies, for approximately $110 million in cash.

"The acquisition of these two companies in the metrology and inspection equipment market adds a new, exciting dimension to Applied Materials," said James C. Morgan, chairman and chief executive officer of Applied Materials. "Our entry into this strategic market is consistent with our long-standing strategy to grow Applied Materials by innovation and commercialization. It also allows us yet another opportunity to serve our global customers with a broader array of enabling technology required to economically manufacture new generations of advanced semiconductor devices.

"We believe Opal and Orbot Instruments each have outstanding capabilities and technology. The proven technology of these two companies, combined with Applied Materials global distribution and well-established infrastructure, provide a powerful combination for us to be a major participant in the metrology and inspection equipment market."

According to industry research, the market served by products from Opal and Orbot is expected to grow at a compound annual growth rate of more than 22 percent, from $1.25 billion in 1996 to $3.43 billion in 2001.

Opal is a leading supplier of CD-SEM systems for use in semiconductor manufacturing. CD-SEM systems use scanning electron microscopes (SEMs) to measure certain critical dimensions (CDs) of integrated circuits at various stages of the manufacturing process. Opal conducts its principal sales and marketing activities at its facility in Santa Clara, California, and its research, development and manufacturing activities in Nes Ziona, Israel. Additionally, Opal recently acquired ICT of Heimstetten, Germany, which manufactures scanning electron microscope columns. Opal was incorporated in Delaware in 1986 and employs approximately 325 people.

As previously announced on December 25, 1996, Applied Materials completed its $18.50 per share cash tender offer for the outstanding shares of common stock of Opal. In the offer, 8,235,622 shares of Opal common stock were tendered and accepted for payment, representing approximately 94 percent of Opal's outstanding common stock. On January 9, 1997, Applied Materials acquired the remaining Opal common shares at $18.50 per share in cash through a merger.

Orbot develops, manufactures, markets and services automated optical inspection systems for use in the production of semiconductors. Orbot produces systems for inspecting patterned silicon wafers for yield enhancement during the semiconductor manufacturing process, as well as systems for inspecting the reticles, or masks, which are used during the patterning process. Orbot was founded in 1988, has its headquarters in Yavne, Israel and employs approximately 200 people. The Orbot transaction closed December 23, 1996.

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.

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