



U.S. DISTRICT COURT FINDS APPLIED MATERIALS' EPITAXIAL PATENTS VALID AND INFRINGED BY ASM

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Use of ASM's Reduced Pressure Epsilon One Reactors Properly Enjoined

SANTA CLARA, Calif., November 7, 1995 -- The U.S. Federal Court in San Jose has found that two epitaxial patents owned by Applied Materials are valid and infringed by reduced pressure models of the Epsilon One reactors manufactured by Advanced Semiconductor Materials ("ASM"). In so ruling, the Court stated "[a]n injunction is appropriate and will be entered." These patents will expire in 2007 and 2010.

On November 1, 1995, several months after concluding a trial on the merits, the United States District Court for the Northern District of California held that Applied Materials' patents, U.S. Patent No. 4,920,918 entitled "Pressure-Resistant Thermal Reactor System for Semiconductor Processing" and U.S. Patent No. 5,194,401 entitled "Thermally Processing Semiconductor Wafers at Non-Ambient Pressures" are valid, enforceable and infringed. The Court also held that the reduced pressure models of ASM's Epsilon One epitaxial reactors infringe these patents. The Court's decision further states, "Applied is entitled to exclude others [ASM] from use of its patented inventions."

Joseph J. Sweeney, vice president of Legal Affairs and Intellectual Property for Applied Materials, stated, "We are extremely pleased with the Court's decision because it recognizes and enforces Applied Materials' patented inventions in reduced pressure epitaxy. Applied Materials makes considerable investments in intellectual property rights and we will continue to vigorously protect our investment where competitors have made improper use of our patented inventions."

Applied Materials, Inc. is a 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."

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